

House Energy & Technology Committee - February 16, 2021

Discussion of Weatherization Funding

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Director of Efficiency Vermont





Efficiency Vermont

- Statewide infrastructure
- Network of partners
- Market transformation

Results

- Over **\$2.6 billion** in energy cost savings
- Over **12 million** metric tons of CO₂e
- Robust efficiency workforce

Weatherization funding sources

Thermal Efficiency & Process Fuels

2021 Thermal budget: \$7 million

Funded through revenues from:

- Forward Capacity Market
- Regional Greenhouse Gas Initiative

Electric Efficiency Charge

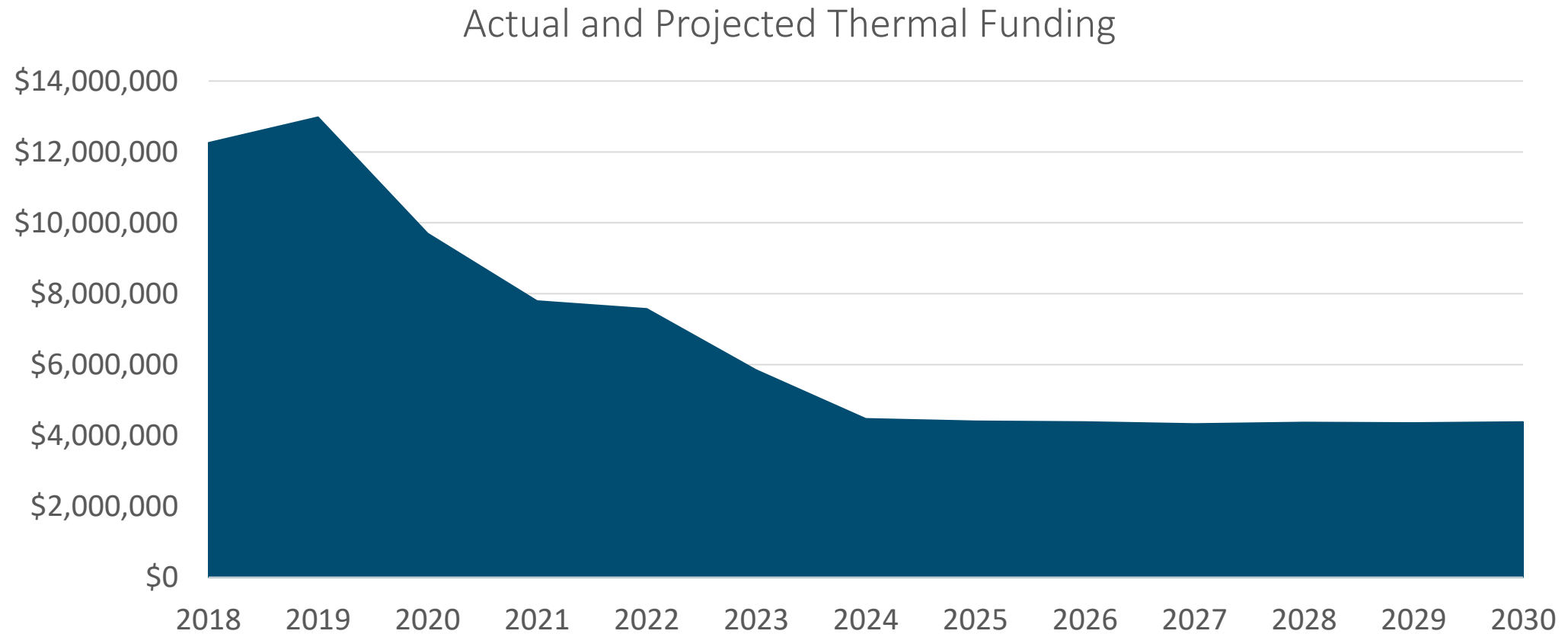
Act 62 (one-time allocation)

Dedicated one-time reallocation of existing electric efficiency funds for moderate-income weatherization: \$2.25M for 2019-2020

Ongoing

- Weatherization in electrically heated homes: \$240,000 in 2021

Weatherization funding is projected to decline sharply



With adequate funding and the right program components, Vermonters will weatherize

In 2020, we launched the **highest-ever weatherization incentives for moderate-income Vermonters**, paired with 0% interest financing, customer outreach, technical support, and workforce development.

Projects completed

Incentives & financing

1175

comprehensive weatherization projects

Plus 334 DIY and attic or basement only projects

609

moderate-income homes participated (58% of projects)

124

Low-income multi-family units

\$1,878

average market-rate incentive

\$3,909

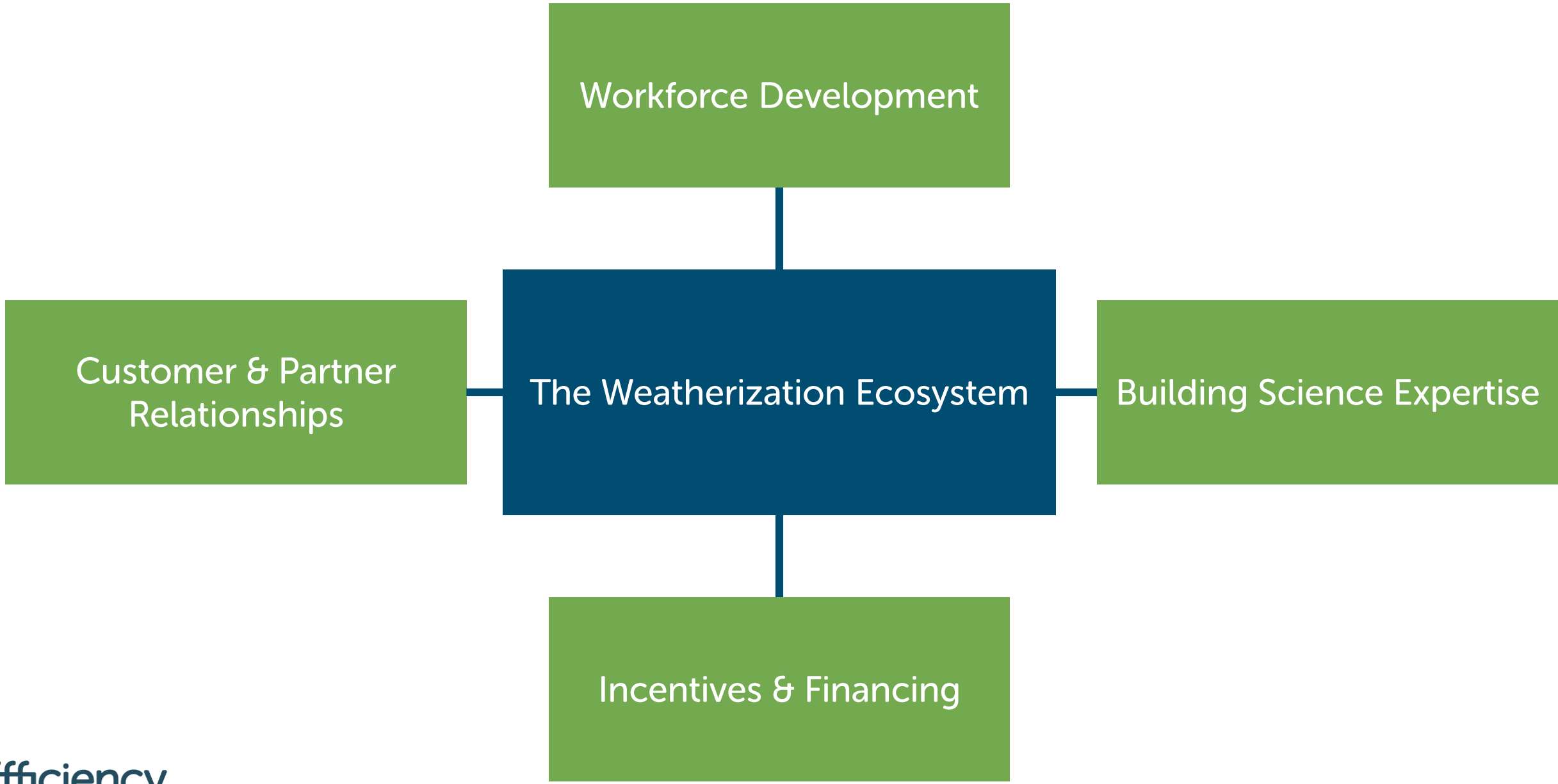
average moderate-income incentive

\$654

average market-rate interest rate buydown

\$1,640

average LMI interest rate buydown



Workforce Development & Building Science

Building an industry of highly trained, specialized contractors

- Vermont has a solid base of trained contractors, but the workforce needs to grow in order to scale
- We are growing the weatherization workforce
 - Partnership with VTC led to 5 small group (7-10 people) trainings
 - Stipend for attendance, bonus for BPI certification
 - Efficiency Vermont staff led training, hoping to resume in 2021
- We support 400 businesses in Efficiency Vermont's Efficiency Excellence Network
 - Direct technical support, training, and information sharing
 - BBD: Dedicated annual conference for networking, continuing education

Incentives & Financing

Vermonters are reluctant to carry debt

- On average, Home Performance projects cost \$7,000 to \$8,000
- Moderate income Vermonters received 75% off project costs (\$3,900 average)
- Homeowners rely on financing along with incentives to complete projects
- Only **23% of Vermonters** said they would take out a zero-interest loan to help complete an energy efficiency project.



Customer and Partner Relationships

Working together to achieve the goal of increasing weatherization

- **VSECU, Neighborworks of Western Vermont, and Opportunities Credit Union:** Finance the Home Energy Loan
- **VGS & BED:** Coordinate programs, customer insights, and messaging
- **All distribution utilities (Tier 3 programs):** Incentives encourage weatherization with electrification
- **Vermont Technical College:** Co-develop BPI certification courses, with EVT staff as trainers
- **3E Thermal:** Contract to provide support for multi-family weatherization
- **Weatherization Assistance Program:** Identify other efficiency opportunities in enrolled homes
- **Building Performance Professionals Association:** Coordinate on program design, particularly for deep energy retrofits (Zero Energy Now)
- **Efficiency Excellence Network:** Boots on the ground and expertise to complete projects and satisfy customers

Importance of Outreach

Increase visibility of weatherization benefits

- Statewide reach (media + 1:1 engagement + educational materials + digital resources)
- Reaching LMI & BIPOC communities requires **targeted approaches**
- Directly engage with Vermonters by **meeting them where they're at** (in-person community engagement when possible, social media, e-newsletters, website)
- Leverage position as a **trusted, objective** efficiency resource



Kelsey Burns
Guilford, VT

The State Energy Management Program (SEMP)

Why is SEMP a successful model?

- Efficiency Vermont's program design expertise helped quickly build an effective ongoing program
- Ongoing partnership between BGS & Efficiency Vermont keeps the program running smoothly
 - Efficiency Vermont covers three FTEs at BGS to manage the program
- Consistently strong results
 - 2020 projects achieved **over \$161,000** in first-year energy savings
 - 2021 projects are forecasted to achieve **over \$302,000** in first-year savings

Pilot will expand this successful program to bring energy and cost savings to municipalities

- Efficiency Vermont is working closely with BGS, DPS, and the Vermont League of Cities and Towns to launch four-year pilot program

Questions?

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