



Sacramento Municipal Utility District Home Performance Program (HPP)

Participating Contractor Meeting

March 16, 2012

Jim Mills, Program Manager



Agenda

- *Welcome*
- *Program Results (With Two Weeks to Go)*
- *Contractor Survey Results*
- *New Participating Contractor Requirements*
- *New Home Performance Program Review*
- *New Assessment Program Review*
- *Important Program Dates*
- *Projects in Pipeline*
- *NEW Participating Contractor Agreement*



Program Results (1)

Good News:

- Total completed retrofits received through 3/6: **890**
- *Very rough* projection of total completed retrofits through 3/6: **970**
- Total active or completed retrofits received through 3/6: **1,172**

Potential Better News:

- Retrofit jobs in system not yet completed: **282**
- Retrofit jobs in system that are active: **111**
- Retrofit jobs in system that have been inactive at least 60 days: **120**
- Retrofit jobs in system that have been inactive at least 150 days: **51**



Contractor Survey Results (1)

18 Participating Contractors Responded (16 different contracting firms):

- 100% understand SMUD program expectation
- 100% can fairly accurately predict rebate
- 94% understand job submission and review process
 - 89% are “comfortable” using Vision (*most were “competent,” at best, prior to the program*)
- 89% get answers quickly and accurately re: job status and program requirement
- 89% believe EnergyPro helps explain scope of work to client
 - 75% are “comfortable” using EnergyPro (*yet, most had no experience using EnergyPro prior to the program*)



Contractor Survey Results (2)

18 Participating Contractors Responded (16 different contracting firms):

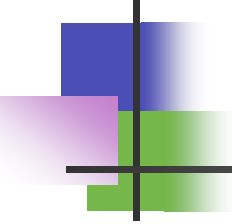
- 81% have found mentoring/verification valuable
- 75% understand how often jobs will be verified
- 63% understand Fast Track process
- 81% found their own marketing materials helpful
 - 56% found other marketing materials helpful
- 94% found CHF financing helpful in selling jobs
- 81% found subsidized audits helpful
- 31% believe that Basic Path is valuable



Contractor Survey Results (3)

Most Useful Contractor Resources (in order):

- Directly contacting staff with questions through e-mail, phone, and/or Vision
 - *Direct contact was the most valuable resource by far*
- Mentoring
 - *Mentoring was a clear second*
- Using the contractor website
- Online Vision tutorials
- Combustion Appliance Safety Guidelines
 - *Most contractors were competent, at best, prior to programs*
- SMUD EnergyPro Handbook



New SMUD Participating Contractor Requirements (1)

Participating contractors must hold:

- BPI Building Analyst (BPI-BA) certification, *and*
- California General B License, or
- California C-2 (insulation) **and** C-20 (HVAC) licenses

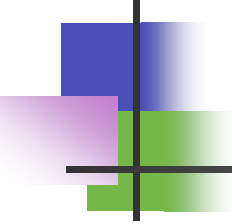
Participating contractors must:

- Complete orientation session (you don't have to do it twice)
- Sign HPP Contractor Participation Agreement (the new one)
- Hold various types and levels of insurance as required by SMUD
- Be active (job participation requirement) and efficient
- Respond to all customer issues in a timely and constructive fashion

New SMUD Participating Contractor Requirements (2)

Activity/Probation:

- Contractors must complete at least one retrofit/six months (starting 4/2)
- Retrofits (start to finish) must be completed in 90 days or less
- Failure to complete a project w/in six months or any single job w/in 90 days will cause contractor to be placed on probation
 - While on probation, contractor is to finish current work within following three months
 - While on probation, no new retrofit projects will be approved unless contractor had zero activity from the beginning of the program
 - Failure to complete job while on probation will cause contractor to be removed from the Participating Contractor list until the 2013 program begins
 - Contractor may be reinstated if job completed in following three months



New SMUD Participating Contractor Requirements (3)

Customer Issues/Probation:

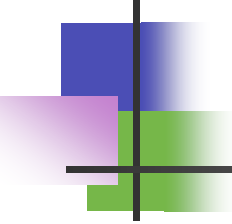
- SMUD will contact Participating Contractor after receiving any customer complaint to ensure appropriate contractor response
- If SMUD receives more than a total of three customer complaints from three different customers regarding any one Participating Contractor, that contractor will be placed on probation for 45 days
- That Participating Contractors will be placed back on the active list after 45 days if no further complaints are received during that period
- If SMUD receives any further complaints either during the probationary period or afterward, no more new retrofit projects will be approved until the 2013 program begins



New SMUD Participating Contractor Requirements (4)

Mentoring:

- Contractors must participate in SMUD-sponsored retrofit project mentoring
- SMUD highly recommends that all individuals involved in planning, modeling, and construction participate in mentoring



New SMUD Participating Contractor Requirements (5)

Termination:

- SMUD may terminate a Participating Contractor's enrollment in the Program for any violation or failure to comply with terms of Program or the Contractor Participation Agreement upon written notice to the Participating Contractor. In the event of termination, the Participating Contractor agrees to waive any claim for damages, including loss of anticipated profit, resulting from contract termination.
- While it is impossible to note every type of violation or unacceptable conduct that could lead to termination, Participating Contractors should refer to the Contractor Participation Agreement for specific examples. Those examples, however, do not constitute an exhaustive list.



SMUD HPP Requirements (1)

An HPP retrofit must include:

- Overall energy savings: minimum of 15% electric (kWh) savings as determined by EnergyPro modeling
- Air infiltration: general target of .45 ACHn, with an optimal target of .35 ACHn, with mechanical ventilation required per BPI standards when necessary (see next page)
- Attic insulation: no less than R38 (see next page)

SMUD HPP Requirements (2)

- *When is attic air sealing required?:*

		Existing Attic Insulation		
		R19 or less	R20-R29	R30 or more
Existing Infiltration	0.35 ACHn or less	<i>Air Sealing Required</i>	<i>Not Required, but highly recommended</i>	<i>Not Required, but highly recommended</i>
	More than 0.35 ACHn	<i>Air Sealing Required</i>	<i>Required</i> if infiltration target can't be achieved by other means	<i>Not Required, but highly recommended</i>

- Any job that requires air sealing (as seen in above chart) must meet the general target of .45 ACHn, with an optimal target of .35 ACHn, with mechanical ventilation required per BPI standards when necessary
- If a project cannot reach .45 ACHn through air sealing efforts, the job will be flagged for further review by a QC verifier



SMUD HPP Requirements (3)

- Ducts
 - leakage can measure no more than 10% of measured air flow
 - R8 insulated replacement ducts must be used
 - ducts in attic must be fully buried as much as possible, and preferably deeply buried (>3.5" of insulation)
- Combustion safety
 - both pre-retrofit and post-retrofit combustion safety testing is required in compliance with BPI Technical Standards
 - house must pass all post-retrofit combustion safety testing
 - SMUD strongly recommends that CAS testing be performed by a certified BPI-BA; however, a well-trained and experienced employee of a BPI-accredited firm may perform CAS testing so long as the firm's BPI accreditation number is filed with its Contractor Participation Agreement



SMUD HPP Requirements (4)

Pool Pumps

- Requirements
 - Upgraded pool pump must be Variable Speed and default to low-speed
 - Upgraded pump and controller (if applicable) must be on program “Approved Equipment List”
 - All equipment and installation methods must be Title 20 compliant
- Deemed Energy Savings
 - kWh savings are based on the EnergyPro pool pump default of 2698 kWh/year and the savings are applied to each project within the JRT
 - Single-Speed -> Variable Speed = 2225 kWh (83%)
 - Two-Speed -> Variable Speed = 741* kWh (61%)



SMUD HPP Requirements (5)

Pool Pumps (cont.)

- QA/QC
 - Desktop review will require existing and upgraded pump data: type, manufacturer, model #, controller (if applicable)
 - Field verification will involve verification of pool pump type and pump/controller run settings, with all educational opportunities maximized
 - If Pre-Verification is unable to determine existing pool pump type, program will default to Two-Speed existing condition
 - The program potentially will coordinate with local pool industry associations to create educational workshops and homeowner factsheets.



SMUD HPP Requirements (6)

Home eligibility:

- Qualifying for *Full Rebate, Full Assessment*:
 - Single family detached homes (all electric, electric/natural gas, electric/propane)
 - Manufactured homes constructed on site and bolted to concrete foundation are *eligible*, mobile homes are *ineligible*
 - Separate “guest home” or “mother-in-law” unit allowed (see contractor handbook)
 - If home uses natural gas or propane, owner receives only SMUD rebate, but all combustion safety testing protocols still apply



SMUD HPP Requirements (7)

Home eligibility:

- Qualifying for *Full Rebate, Full Assessment*:
 - Buildings with two or more units in which each unit is individually owned (all-electric only)
 - These are limited to: individual condominiums, individual townhouses, individual halfplexes
 - Not all units in multi-family buildings must participate; gas-to-electric conversions do not qualify as “all-electric”



SMUD HPP Requirements (8)

- Qualifying for Half Rebate/Unit, Single \$200 Assessment per Building:
 - Duplex (all-electric)
 - Triplex (all-electric)
 - Quadplex (all-electric)
 - Additional rules/clarifications for duplexes, triplexes, and quadplexes:
 - All units in building must be owned by one entity
 - All units in building must participate in Home Performance Program
 - Jobs will be reviewed only when all units are submitted
 - Assessment will be paid only if all units are submitted simultaneously
 - A single building (not unit) counts as one assessment and one conversion (per the assessment conversion requirement)



SMUD HPP Requirements (9)

Permits, codes, and BPI:

- *All required permits must be pulled prior to beginning work*
- *All work must meet or exceed all appropriate codes*
- *All work must adhere to all appropriate BPI standards*



SMUD Homeowner Rebates

Rebate based on percent reduction in modeled electricity use (kWh):

$$\frac{(Pre-retrofit kWh/yr) - (Post-retrofit kWh/yr)}{Pre-retrofit kWh/yr}$$

<u>kWh savings %</u>	<u>SMUD rebate value</u>
15-19%	\$500
20-24%	\$1,000
25-29%	\$1,500
30-34%	\$2,000
35-39%	\$2,500
40-44%	\$3,000
45-49%	\$3,500
50% and higher	\$4,000



SMUD Home Assessment Program (1)

Subsidy rate:

- SMUD subsidy in new program decreases from \$400/assessment to \$200/assessment (note clarification on page 16)

Conversion rate:

- SMUD requires that 20% of each Participating Contractor's assessments be converted into HPP projects

Limits on subsidies:

- Participating Contractors will not receive a subsidy for the 51st assessment (or for any thereafter) until ten of the Contractor's first fifty assessments (20%) performed in the new program are converted into completed HPP projects
- Assessments performed and paid for under previous programs do not count toward the conversion rate



SMUD Home Assessment Program (2)

What to give to Jim and your client (hard copies!):

- In new JRT: “Assessment” tab (11 pages; last 4 pages optional) and “Assessment-CAS” (1 page) tab with all fields completed (when “Pre-Retrofit” and “Combustion Safety” tabs are completed, the assessment tabs will populate automatically, except for cells in pale yellow)
- ECON-1 and ECON-2 reports from the preliminary EnergyPro model
- Page 1 of the Assessment Subsidy Application must be signed by both the customer and the Participating Contractor
- A hard copy printout of the “Assessment” and “Assessment-CAS” tabs of the JRT must be provided to the customer



New Quality Control Requirements

Homes selected for post-retrofit verification:

- Rebate check will not be processed until verification and any corrective actions are completed to SMUD's satisfaction

Combustion safety:

- SMUD will not allow into the HPP any home whose owner declines to include in the pre-project workscope corrections to existing combustion safety problems (i.e., all pre-retrofit combustion safety problems must be identified, placed in project workscope, and fixed)



Important Program Dates

March 23, 2012 (one week from today):

- Preferred date by which to submit all correct data (including post-retrofit data) to ensure larger rebate from current program

March 30, 2012; 5:00 PM (two weeks from today):

- Absolutely final date and time to submit correct data (including post-retrofit data) to ensure larger rebate from current program (although rebates will be issued after this date and time)

April 1, 2012:

- New program begins; all data for new program must be submitted to Vision through new JRT (see next slide for “pipeline” retrofit jobs)

April 2-6, 2012:

- Staff will concentrate on approving previous program projects (to close those out) prior to approving new program projects



Projects in the Pipeline (1)

What happens if I have a job in the current program that I know won't be finished or approved by the March 30 deadline?

- Confirm whether the job qualifies for the new program
- Explain the rebate reduction to the customer
- Notify us through Vision that the job will be transferred to the new program
- We will review the proposed scope of work and confirm that it meets the new program requirements or inform you of any required changes to the workscope to meet the requirements



Projects in the Pipeline (2)

- After that conversation, transfer your pre-retrofit data from the old program JRT to the new program JRT, collect any data not included on the old JRT (e.g., pool pumps), and submit the data using the new JRT
- All jobs in the new program must be submitted for post-retrofit review w/in 90 days after receiving “authorization to proceed”; for jobs transferred from the old program to the new program, you will have until July 8, 2012 to submit the post-retrofit data (90 days after April 9, 2012)



New Participating Contractor Agreement (CPA)

All Participating Contractors must sign the new Contractor Participation Agreement (Contractors Signature Sheet) and the Contractor's License Information sheet prior to any jobs being approved in the new HPP

- Available at SMUD's website:
 - <https://www.smud.org/en/do-business-with-smud/contracting-opportunities/documents/HPP-Application.pdf>
- Available at the front of the room
- Names of Participating Contractors on the website for the new program will include only those who have:
 - Signed the CPA
 - Are deemed to be active and eligible by SMUD



Questions and Answers

- *Thank you for all of your great work!*
- *Thank you for helping to make this home performance program the most successful in California!*
- *Thank you for wanting to participate in the new program!*