

Contractor Marketing and Outreach: Growing a Residential Efficiency Program from the Inside Out

A Whitepaper from WECC

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Contractor Marketing and Outreach: Growing a Residential Efficiency Program from the Inside Out

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Abstract

Effective consumer marketing is a significant contributor to the success of residential energy efficiency programs. Often overlooked, however, is the program marketing and promotion potential which lies within a service territory's trade ally network.

Through thoughtful contractor recruitment efforts, training and ongoing education, and development of trade ally sales and marketing tools, WECC has found that efficiency programs can thrive “from the inside out”—as highly informed, engaged, and motivated trade allies actively promote energy-saving products, equipment, and incentives in the field.

It is evident that treating contractors as valuable *partners* in energy efficiency program implementation yields exceptional outcomes. In addition to gaining trusted, valuable advocates in the marketplace, overall contractor enrollment, participation, and retention increases—which, in turn, results in greater equipment sales and claimed incentives.

Perhaps most importantly, we have found that energy efficiency program implementers can strive for a nobler, long-term outcome in influencing trade ally behavior. By providing value (beyond incentives) to trade allies, implementers can contribute to a “transformation of the marketplace,” wherein participating *and* non-participating contractors adopt the sale and promotion of energy efficiency as part of their business. WECC has experienced this transformation as implementer of Wisconsin's Focus on Energy New Homes Program.

In summary, this paper discusses and proves the value of a.) marketing an energy efficiency program to contractors, b.) effective contractor training, education, and outreach, and c.) examples of the impact of sales and marketing tools on actual residential energy efficiency programs.

Introduction

Founded in Madison, Wisconsin, in 1980, WECC implements energy efficiency, environmental sustainability, and financing programs for utilities, municipalities, and businesses across the United States. WECC is a mission-based nonprofit with a wide range of expertise, currently specializing in residential energy-saving programs (e.g. ENERGY STAR® lighting and appliances, heating, ventilation, and air conditioning (HVAC) equipment, new home construction, appliance recycling, online home audit, and low-income services).

Over time, WECC realized the value of working closely with contractors to effectively market and deliver residential energy efficiency programs. Robust, engaged trade ally networks contributed significantly to the success of Wisconsin's Focus on Energy New Homes Program, Minnesota Power's Power of One® HVAC program, Michigan Electric Cooperative Association (MECA)'s Energy Optimization program, and Lansing Board of Water and Light's Hometown Energy Savers® program.

Trade Ally Recruitment

In order for a residential energy efficiency program to succeed, a sufficient number of trade allies must be recruited to implement the program in a utility's service territory. Trade allies can include heating, ventilation, and air conditioning (HVAC) contractors, other product and equipment installers, home builders, energy raters, and more. Following are some examples of successful trade ally recruitment strategies.

Focus on Energy New Homes Program

Wisconsin's statewide energy efficiency program, Focus on Energy, launched the Wisconsin ENERGY STAR Homes (WESH) Program as a pilot in 1999. The Program helped provide Wisconsin residents with homes approximately 25 percent more efficient than those built to the Wisconsin Uniform Dwelling Code. Builders worked with third-party energy raters to test and document various aspects of the home's performance.

WECC took an innovative approach to recruiting builders and raters for the WESH pilot, commonly referred to as the "market-based consultant model." The strategy was to grow the Program—and provide economic development for the state of Wisconsin—by helping energy raters start new businesses. To begin, the Program covered the cost of RESNET® training to assist individuals in becoming certified energy raters. Next, consultants were provided with sales training and marketing tools to help them attract new clients (builders) to participate in the Program.

Over the next 17 years (WESH was redeveloped and named the New Homes Program in 2011), the energy raters remained primarily responsible for recruiting new builders into the Program. It was a win-win situation: The more builders the energy raters recruited, the more business they acquired; and, when more builders participated in the Program, more energy was saved.

The table below shows the exponential growth of the WESH Program throughout its first six years. As additional energy raters were enlisted, the number of active builders in the Program—and the number of energy-efficient homes completed—grew at a rapid, comparative rate.

Table 1. Number of energy raters, active builders, and homes certified per year.

Year	# Energy Rat	# Active Builders*	# Homes
1999	10	20	25
2000	22	95	184
2001	29	238	575
2002	30	253	789
2003	32	283	1,120
2004	43	383	1,959

*Active builders = Certified at least one new home within the past two years.

To assist New Homes Program Building Performance Consultants, or BPCs (previously referred to as "energy raters" in earlier years) in recruiting new builders into the Program, a promotional flyer was developed which outlined the advantages of Program participation. It also featured a detachable, personalized business card with each BPC's contact information. The flyer served as an effective leave-behind piece following a conversation with a builder, and was also designed to be mailbox-ready (see Appendix 1-A). BPCs found this tool extremely useful when discussing the Program with non-participating builders. Proof positive: A builder

survey conducted in late 2015 revealed that nearly 60 percent of builders learned about the New Homes Program from a BPC.

To supplement BPC builder recruitment, WECC periodically reached out to builders by hosting various training sessions at local building supply stores. This scenario proved beneficial to all parties involved:

- Building supply stores: Builders visited the store and were exposed to their products.
- Builders: Received free training and continuing education credits (CEUs).
- Program: Opportunity to recruit non-participating builders; no cost for training venue and refreshments.

Additionally, a proactive approach to builder recruitment was taken in response to the demise of the housing market in the late 2000s. In 2010, through a partnership with the Wisconsin Builders Association (WBA), WECC delivered education and training opportunities which, in turn, increased Program awareness and credibility. WECC also worked with the WBA to promote the Program, offering incentives to the WBA for each builder they recruited. These strategies undoubtedly yielded a positive effect: Active builders in 2010 completed 371 more new homes compared to the previous year. This is remarkable, considering the continued instability of the housing market.

The New Homes Program's market-based consultant model is a proven method of trade ally recruitment, overall network growth, and economic development. By cultivating a core group of consultants/BPCs, and providing them with the tools and motivation with which to pursue builder recruitment, the New Homes Program has undoubtedly grown "from the inside out."

MECA's Energy Optimization Program

WECC has administered and implemented MECA's Energy Optimization program since 2012. The portfolio includes residential (efficient HVAC, ENERGY STAR products, appliance recycling, low-income services, online home audit), business (custom and prescriptive rebates), and farm programs offered by twelve cooperative and municipal utilities throughout Michigan. MECA utilities are located in small, rural communities—more than half of which are found in the Upper Peninsula.

Trade ally recruitment for programs in rural communities can be challenging, as the pool of potential contractors is relatively small. A comprehensive approach to trade ally recruitment included the following methods:

- Trade Ally Account Representatives: Trade Ally Account Representatives were hired to assist with recruitment and retention. These individuals performed a wide range of activities, including cold calls to contractor lists, reference of rebate forms and identification of non-participating contractors, and development of partnerships with equipment distributors to promote the program to area contractors.
- Advertising: Print ads were placed in various contractor publications, such as Michigan Plumbing & Mechanical Contractor magazine (see Appendix 1-B). Advertisements provided an overview of the program, trade ally benefits, and how to enroll.
- Website and email: A dedicated trade ally page on the Energy Optimization website (michigan-energy.org/tradealliesoverview) featured the benefits of enrollment, instructions for joining in the program, and an online application. Email blasts were sent to acquired contractor lists in territories where participation was lacking.

While enrollment in the Energy Optimization program was not required in order for contractors to participate, it was highly encouraged (and promoted) through benefits such as: a listing in the Energy Optimization program's online contractor directory, access to program staff for support, and program newsletters with sales tips, rebate information, and industry best practices.

These strategies resulted in impressive growth within the Energy Optimization program's enrolled trade ally network, achieving a 154 percent increase from 2012–2016.

Table 2. Trade ally participation summary for MECA's Energy Optimization program, 2012-2016.

Year	Total # Enrolled Trade Allies	# Newly Enrolled Trade Allies	Annual % Increase	Annual % Increase Since 2012
2012	177	177	n/a	n/a
2013	240	63	36%	36%
2014	343	103	43%	94%
2015	389	46	13%	120%
2016	461	72	19%	160%

Minnesota Power's Power of One HVAC Program

Minnesota Power's Power of One HVAC program rewards residential customers with rebates for energy-saving equipment such as air source heat pumps, ground source heat pumps, furnaces with electronically commutated motors (ECMs), and more. Based in Duluth, Minnesota Power provides electricity to a 26,000 square mile service area in northeastern Minnesota.

In addition to other strategies, contractors were recruited for the Power of One HVAC program by requiring trade ally enrollment prior to servicing customers pursuing rebates for qualified equipment. In fact, the contractor *must file the rebate for his or her customer*. To enroll in the program, contractors must meet program and product performance standards (including trade-specific training and exams).

Table 3. Trade ally participation growth in the Power of One HVAC program, 2013-2016.

Year	Total # Enrolled Trade Allies	# Newly Enrolled Trade Allies	Annual % Increase	Annual % Increase Since 2012
2013	94	94	n/a	n/a
2014	127	33	35%	35%
2015	143	16	13%	52%
2016	166	23	16%	77%

Education, Training, and Outreach

While trade ally education and training is undoubtedly necessary during program launch, there is also tremendous value in providing ongoing training, education, and outreach opportunities for builders, energy consultants, contractors, and retailers. Requiring continuing education in order to maintain enrollment can also be an effective strategy to ensure program success.

Focus on Energy New Homes Program

To provide exceptional service through the New Homes Program, participating BPCs must acquire and maintain accreditation as a certified RESNET energy rater (completion of 18 continuing education credits, or CEUs, is required every three years to sustain certification). To keep BPCs up-to-date on the latest energy-efficient building practices, to assist them in maintaining certification, and to add value to the Program, multiple technical training opportunities were provided each year—most of which offered RESNET-approved CEUs. These trainings, conducted by the Program’s Technical Director—a nationally-regarded building science specialist with more than 30 years of industry experience—were generally informal in nature, fostering open discussions between BPCs and Program staff in regards to installations, guidelines, and technical issues.

As an additional Program benefit, BPCs received a one-on-one building science training session each year on a topic of their choice. These trainings were also provided by the Program’s Technical Director. Finally, three webinar trainings were held each year for BPCs, typically focused on sales and marketing strategies, in order to help BPCs better market their businesses to recruit additional builders into the Program.

For the most part, BPCs were relied upon to train participating builders in energy-efficient methods for new home construction. However, WECC periodically offered relevant building science training to builders, as well as sales and marketing education, to help builders effectively sell the value of the Program to their customers.

In 2016, WECC reached out to builders across Wisconsin (non-participating builders were also welcome) by offering regional training sessions in regards to updates to the state’s residential energy code. Most sessions filled to capacity, with attendance totaling nearly 500 builders, raters, HVAC contractors, and code inspectors.

Table 4. Wisconsin energy code training attendance (New Homes Program), 2016.

Date	Location	Number of Builders
April 12	Waukesha	116
April 13	Wausau	60
April 14	Green Bay	92
April 15	Eau Claire	66
April 23	Woodruff	105
July 15	Verona	50
TOTAL: 489		

Minnesota Power's Power of One HVAC Program

Ongoing training and information sharing amongst Minnesota Power trade allies was a cornerstone of the Power of One HVAC program. To facilitate this objective, an annual meeting was held each January in Duluth wherein contractors had an opportunity to discuss best practices and learn from one another. Contractors also received technical training on various topics, and top-performing trade allies were honored with a special breakfast event.

To maintain status as a Power of One HVAC contractor, trade allies were required to pass technical exams every two years. WECC helped contractors prepare for the exams at the annual meeting in Duluth. For contractors unable to attend the in-person meeting, training videos were posted online. The biennial exam requirement ensured trade allies were knowledgeable about and qualified to properly install energy-efficient equipment.

To keep contractors in the loop regarding program updates and information, email newsletters were sent on a regular basis. These communications included information and reminders about rebates, upsell strategies, talking points, and sales tips specific to the heating and cooling seasons. Within the past few years, most newsletters achieved an open rate of at least 50 percent—even exceeding 60 percent in January 2016.

Retailers

Similar to providing proper training for trade allies and contractors, educating retail sales staff about energy efficiency, the significance of ENERGY STAR, and available rebates is essential to ensure success in residential appliance and lighting programs.

To assist in the implementation of these programs across the United States, WECC employed field outreach staff who visited participating retail stores on a regular basis. When new big-box stores were added to a program, outreach representatives coordinated formal trainings to help sales staff understand the various rebates and the fact that the savings were offered/funded by a local utility. Staff members also received education in regards to energy-efficient appliances and lighting, how to assist customers with purchase decisions and, when necessary, how to qualify a customer and complete rebate applications.

Informal trainings were also held throughout stores on a weekly basis as outreach staff engaged associates in the aisles during routine visits. Outreach reps also arranged lunch-and-learn meetings and educational presentations during regular store employee meetings. To assist store associates, reference materials, such as “pocket cards,” (See Appendix 1- C) were created and disseminated, which contained quick facts about ENERGY STAR and energy-efficient appliances and lighting. Lists of qualifying products were also provided to store employees.

In the first half of 2016 alone, WECC trained more than 1,000 retail sales associates on the benefits of replacing incandescent bulbs with CFLs and LEDs as part of Iowa's Be Bright residential lighting program.

Marketing Tools for Trade Allies

To effectively grow a residential energy efficiency program “from the inside out,” implementers must capitalize on trade allies' proximity and accessibility to the customers within a utility's service territory. Contractors have the opportunity to directly influence customer purchasing decisions; therefore, implementers must provide contractors with effective marketing materials they can use to promote efficiency programs in the field.

Focus on Energy New Homes Program

For 17 years, WECC assisted builders with promoting their participation in the New Homes Program as a means of gaining new customers. Builders could request a majority of the following marketing materials (at no cost) via an online order form:

- **Builder sell sheet:** This two-sided Program overview presented the benefits of building or buying a Focus on Energy Certified New Home, the basic steps in certification, and how to get started. This go-to piece was used by builders when discussing the Program with their clients (see Appendix 1-D). It was also translated into Spanish to help reach Wisconsin's Hispanic community.
- **Testimonials:** Case studies provided a first-hand account of another homeowner's experience with the New Homes Program. Testimonials were useful for builders in showing customers real, relatable results when discussing the Program (see Appendix 1-E).
- **Partner signs:** Desktop signage, placed in a reception area or in a builder partner's office or window, displayed his or her participation in the New Homes Program. These signs were also placed inside Focus on Energy Certified New Homes featured in a builder's local Parade of Homes.
- **Yard signs and window clings:** These large, visible signs and clings were placed inside/outside homes under construction, or those recently certified through the Program. The signage was intended to capture the attention of potential home buyers passing through the neighborhood.
- **Website content and logos:** Boilerplate content about the Program, as well as Trade Ally-specific Focus on Energy logos, were provided to builders to enhance their websites.
- **Builder annual report:** Distributed annually in January, this piece summarized each builder's Program activity over the past three years. Builders received multiple copies of their reports, which compared their individual achievements in overall efficiency, air tightness, etc. with the overall Program average amongst all builders (See Appendix 1-F).
- **Co-op advertising program:** Builder advertisements approved by the Program Administrator qualified for up to a 50 percent reimbursement through the New Homes Program (typically \$500 maximum per year). Builders could design their own ads, or utilize a provided template.

Providing builders with marketing materials helps remind them to discuss the Program with their customers. A 2015 survey revealed that 60 percent of builders "always discuss the New Homes Program with their potential customers." Additionally, 56 percent of builders said they feature information about the New Homes Program on their business' website.

MECA's Energy Optimization Program

Energy-efficient equipment and technologies can be complicated and difficult to understand for many utility customers. To provide education and assistance in making purchase decisions, a number of fact sheets (See Appendix 1-G) were developed for trade allies to use when discussing various energy-saving products and equipment with their customers. These materials were distributed to trade allies via the following methods:

- **Email blasts/newsletters:** Email communications were sent periodically with links to electronic versions (PDFs) of fact sheets trade allies could print on their own. Professionally-printed copies of fact sheets were also mailed to contractors on request.
- **Traditional mail:** Letters were sent to trade allies on a seasonal basis with copies of fact sheets enclosed to help them sell energy-efficient products and equipment.
- **Field staff:** Trade Ally Account Representatives and other field outreach staff hand-delivered fact sheets when meeting in-person with contractors in the field.

Lansing Board of Water and Light's Hometown Energy Savers Program

The Hometown Energy Savers program provides a variety of in-store and mail-in rebates for its residential customers throughout central Michigan, including incentives toward the purchase of ENERGY STAR lighting, efficient heating and cooling equipment, appliances, and more.

To assist trade allies with promoting energy-saving products and equipment in the field, WECC created postcards and flyers contractors could mail or hand-deliver to their customers, including:

- HVAC sales card: This card explained the value of energy-efficient furnaces on one side, and featured a table of available rebate amounts on the reverse (see Appendix 1-H).
- HVAC tune-up sales card: This piece explained the importance of annual tune-ups for heating and cooling equipment on one side, with available HVAC rebates on the reverse (see Appendix 1-I).

Results

The value in treating contractors as valuable *partners* in energy efficiency program implementation is undeniable. This is accomplished through thoughtful trade ally recruitment efforts, training and ongoing education, and development of in-field sales and marketing tools.

WECC has demonstrated that this approach results in outcomes beyond merely achieving annual savings goals. For example, Wisconsin's Focus on Energy New Homes Program provides financial incentives to participating builders. While builders appreciate the incentives, they continue to participate in the Program for other reasons:

- Value of working with a Building Performance Consultant (BPC).
 - The BPC "keeps the builder out of trouble" by minimizing/eliminating customer call backs and issues.
 - Ultimately, the BPC helps builders construct better homes.
- Ability to prove they build a better home (BPC produces a report based on extensive testing).
- Opportunity to market their participation in the Program.
 - Commitment to energy efficiency/competitive edge in the industry.
 - Other advantages such as improved safety, comfort, durability, and peace of mind.

These benefits undoubtedly played a part in continued builder participation throughout the economic downturn of the late 2000s. In fact, the market share of Focus on Energy Certified New Homes throughout the state of Wisconsin continuously *increased* during the height of the recession.

Table 5. Focus on Energy Certified New Homes market share in Wisconsin, 2007-2011.

Year	Market Share
2007	12.61%
2008	21.12%
2009	23.55%
2010	29.53%
2011	31.54%

This theory was further proven by a survey of builders conducted in late 2015, in which 60 percent of builders cited the “ability to market myself as a better builder (through enhanced credibility)/attract more business” as their top reason for participating in the Program.

Most importantly, an evaluation (including a utility bill analysis) of the New Homes Program was published in 2016. The study revealed that standard homes, or those *not* certified through the New Homes Program, were *also* being constructed as more energy-efficient than required by the Wisconsin Uniform Dwelling Code (the current baseline for energy savings for the New Homes Program)—which is indicative of “spillover, or “market transformation,” in the home building industry. In other words, the evaluation proved that the effects of the New Homes Program (energy efficiency training/building practices, value of working with a BPC, and competitive edge of marketing energy efficiency) have proliferated throughout Wisconsin’s building community in the past 17 years—raising the bar statewide in energy-efficient home building.

While the results of the evaluation necessitated redevelopment of the New Homes Program once again, the long-term goal of influencing participating *and* non-participating contractors to adopt energy efficiency as part of their business—whether participating in an energy efficiency program or not—was achieved.

Conclusion

It is well-known that strong trade ally networks are vital to any residential energy efficiency program. However, in addition to relying on contractors to simply perform installations and complete rebate forms, implementers must tap into the marketing and promotional potential which lies within a service territory’s trade ally network.

By working side-by-side with contractors, and treating them as valuable *partners* in energy efficiency program implementation, programs can thrive “from the inside out.” To achieve this, an implementer must:

- Develop creative contractor recruitment strategies/ effectively market energy efficiency programs to contractors.
- Provide ongoing training and education.
- Create effective sales and marketing tools for trade allies to use in the field.

By employing these strategies, trade allies are empowered to become trusted, invaluable advocates in the marketplace. They are the “boots on the ground” of the program, with the most direct access to ratepayers—and when their marketing efforts are tapped to supplement traditional outreach and promotional strategies, exceptional results can be achieved.

Finally, energy efficiency program implementers can strive for a nobler, long-term outcome in influencing trade ally behavior. By providing value (beyond incentives) to trade allies, implementers can contribute to a “transformation of the marketplace,” wherein participating *and* non-participating contractors adopt the sale and promotion of energy efficiency as part of their business. Though often overlooked, this is the ultimate goal of any residential energy efficiency program.

Appendix 1-A: Builder Recruitment Flyer (Focus on Energy New Homes Program)



ENERGY EFFICIENCY IS IN DEMAND

DID YOU KNOW? In 2014, 33 percent of homebuyers in Wisconsin chose builders associated with the Focus on Energy New Homes Program.

DON'T MISS OUT. Partner with the New Homes Program and prove to your customers that you build a superior home. Focus on Energy New Homes are Certified as more energy efficient, durable, comfortable, and safer than those built to meet minimum code requirements.

THE BEST PART? YOU GET PAID TO BUILD ENERGY-EFFICIENT HOMES. Focus on Energy rewarded Wisconsin builders with more than \$1.5 million in incentives in 2015 alone.

SAVING ENERGY AND MONEY FOR WISCONSIN
For more information, call 800.762.7077 or visit focusonenergy.com.

ACT NOW. Competition is fierce—homeowners have countless options when it comes to choosing a builder. But with the New Homes Program on your side, you will have an advantage that is sure to help you win additional business.

Contact me today to start building Focus on Energy Certified New Homes.

I look forward to working with you!

JAMISON KNOWLTON
On Site Performance Testing, LLC
4828 143rd Street
Chippewa Falls, WI 54729
PHONE: 715.559.8085
EMAIL: jknowlton0073@oharter.net

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Appendix 1-B: Trade Ally Recruitment Magazine Advertisement (MECA's Energy Optimization Program)



Cozy & Warm

Help your customers stay warm
and save energy by providing cash incentives
available through the Energy Optimization program.

Become an Energy Optimization trade ally and:

- Help new customers find you
- Earn contractor rewards
- Grow your business!

**Contact us today to enroll, and
for a list of participating utilities.**


ONLINE: michigan-energy.org
PHONE: 877.296.4319


 **Energy
Optimization**




Appendix 1-C: Retail Lighting Pocket Reference Card (MECA's Energy Optimization Program)

COST COMPARISON

LIGHTING





Bulb Type (Approx. 800 lumens. 60W equivalent bulbs)	Life	Cost	Year 1	Cost Annually	Total Cost Over 10 Years
 Halogen Incandescent 43W	1 YEAR	Bulb Cost	\$1.50	\$1.50	\$15.00
		Energy Cost	\$5.16	\$5.16	\$51.60
		Total Cost	\$6.66	\$6.66	\$66.60
 CFL 13W	9 YEARS	Bulb Cost	\$3.00	\$0.00	\$6.00
		Energy Cost	\$1.56	\$1.56	\$15.60
		Total Cost	\$4.56	\$1.56	\$21.60
 LED 10W	15 YEARS	Bulb Cost	\$7.00	\$0.00	\$7.00
		Energy Cost	\$1.20	\$1.20	\$12.00
		Total Cost	\$8.20	\$1.20	\$19.00

Appendix 1-D: Builder Sell Sheet (Focus on Energy New Homes Program)



YOUR HOME SWEET ENERGY-SAVING HOME

Focus on Energy New Homes Program

WHO BUILDS FOCUS ON ENERGY CERTIFIED NEW HOMES?
Builders who care about using Wisconsin's energy smarter enroll in Focus on Energy's New Homes Program. Your participating builder works with a third-party Building Performance Consultant—a trained and accredited building science expert—who inspects your home before, during, and after the construction process to ensure your new home is more energy efficient than state building code.

KEY FACTS
A Focus on Energy Certified New Home is more than a beautiful space—it's proof of quality, energy efficiency, comfort, safety, and durability. The average Focus on Energy Certified New Home:

- \$ Saves \$600 in energy costs per year.**
- Is 31% more efficient than code.**

YOU'RE IN GOOD COMPANY
In 2015, nearly 30 percent of Wisconsin homeowners chose builders associated with the Focus on Energy New Homes Program. Join your neighbors in having the best homes on the block!

MORE WAYS TO SAVE
Check out other energy-savvy incentives at focusenergy.org

Money matters
Building a new home requires a significant investment. Get the most for your money with a Focus on Energy Certified New Home.

- 1 Ongoing savings**
Unlike a standard home, your Focus on Energy Certified New Home continues to pay you back year after year in substantial energy savings.
- 2 Durability and comfort**
Proper ventilation helps your house breathe correctly, managing indoor moisture and humidity and fighting mold and mildew.
- 3 Safety**
Prevent backdrafting of fuel-burning appliances (furnace, water heater, boiler), keeping your family safe from carbon monoxide and other pollutants.
- 4 Peace of mind**
Strict Program standards ensure your home is built to a higher standard than homes built to code.

focus on energy
Partnering with Wisconsin utilities

HOW DOES IT WORK?

BUILDING A FOCUS ON ENERGY CERTIFIED NEW HOME IS EASY
New Homes Program builders are committed to providing you and your family with a superior home. We're here to ensure your home is built to achieve the level of energy efficiency you desire. This is accomplished by adding just a few extra steps to the home building process, as outlined below.

- 1 Plan and Design**
Using the blueprints for your custom home, a Building Performance Consultant utilizes special software to conduct an energy analysis which estimates your new home's energy consumption. At this time, you can adjust the energy efficiency features of your new home as you wish.
- 2 Site Visit #1**
The Building Performance Consultant inspects your home to review framing and insulation methods. The Consultant works with your builder to ensure your new home is on track to satisfy Program standards.
- 3 Site Visit #2**
During the second site visit, the Building Performance Consultant completes testing (air tightness, ventilation) and verifies that all Program standards have been met.

Get Started Today
All builders will say they build the best home, but only those who partner with the New Homes Program can prove it. As part of your home's certification, you will receive tangible proof that your home is truly energy efficient. Down the road, when it comes time to sell your home, you'll have more negotiating power to demand a better price.

Enjoy the many benefits of your Focus on Energy Certified New Home today and well into the future!

LET'S BUILD YOUR DREAM HOME.
Online: focusenergy.com/newhomes Phone: 800.762.7077

SAVING ENERGY AND MONEY FOR WISCONSIN

focus on energy
Partnering with Wisconsin utilities

Focus on Energy, Wisconsin utilities' statewide program for energy efficiency and renewable energy, helps eligible residents and businesses save energy and money while protecting the environment. Focus on Energy information, resources and financial incentives help to implement energy efficiency and renewable energy projects that otherwise would not be completed.
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Appendix 1-E: Case Study (Focus on Energy New Homes Program)



Focus on Energy New Homes Program delivers energy savings. As much as \$90,000.

Owning a new home is an exciting prospect for homebuyers and builders that take pride in the home's construction. However, many people think that all new homes are created equal. Not true. That's why Focus on Energy's New Homes Program (focusonenergy.com/new-homes) is proving that homes constructed with energy efficiency in mind and whole-house building science principles are superior.

MYTH: ENERGY EFFICIENT HOMES ARE EXPENSIVE.

This is the assumption homeowners Wendy and Stephen Tupper had when they researched building a new home in Milton, Wisconsin. Now that the couple lives in a Focus on Energy New Home, they readily admit their original notion was 100% false.

"The fiscal advantage of working with Focus on Energy was the primary reason we chose to build a Focus on Energy New Home," said Stephen Tupper. "Focus on Energy's consultants were terrific in explaining the process, getting the paperwork submitted, and supporting us and our builder—Schauer Construction."

MYTH: ANY NEW HOME SAVES ENERGY. NO SPECIAL REQUIREMENTS ARE NEEDED.

Builders, too, have misconceptions about building energy efficient homes. They may think they are already doing everything they can to maximize efficiency and don't need to implement methods used in building a Focus on Energy New Home. Greg Schauer of Schauer Construction changed his thinking after attending a building conference that featured a New Homes Program seminar.

"I decided to enroll in the New Homes Program in order to verify and receive recognition for the energy efficiency performance that we anticipated from the Tupper's home," said Schauer. "I decided that instead of just speculating on the energy savings from our construction method, it would be worth a little extra time to have the home tested and certified by Focus on Energy."

Becoming a participating home builder for the Focus on Energy New Homes Program was easy and included a listing in its online directory. Schauer took advantage of the on-the-job partnership of working with a certified building performance consultant which is a primary benefit of the Focus on Energy New Homes Program.

"What really impressed me the most is the support I have received from the program with technical guidance

throughout different stages of construction," said Schauer. "I valued the confirmation from Focus on Energy during the inspection and testing process that what we planned to do was correct."

LET THE BUILDING BEGIN: FIRST SITE VISIT

Schauer worked with the Focus on Energy consultant to familiarize himself with the program's 14 program standards. Once the Tupper's home was framed and insulated, the Focus on Energy building performance consultant visited the site and reviewed the work.

"Between Focus on Energy and our builder, I never doubted that our home would be built with energy efficiency, comfort and durability in mind, work scheduled as planned, and be the home we wanted," said Tupper.

SECOND SITE VISIT

Before the Tupper's moved finished new home, the site Energy building performance consultant who conducted the first site visit. This time, the home was put to test—multiple tests in fact, confirmed the house met Focus on Energy's standards for per quality. For example, the blower door test verified that the home's air tightness program standards.



Why Focus on Energy New Homes? Benefits builders and homebuyers...

PROOF

- Third-party site visits
- Builder mentoring & training
- Testing & certification
- Quality

14 BUILDING REQUIREMENTS

- Proper ventilation
- Moisture management
- Combustion safety
- Durability

PEACE OF MIND

- Builder incentives
- Resale differentiator
- Cost-effective
- Comfort

Finally, the building performance consultant entered the test data into REM/Rate energy modeling software, the industry-standard energy model, to confirm that the Tupper's home was at least 10% more efficient than Wisconsin state building code and was eligible for certification and incentives. The Tupper's home passed with flying colors and was 89% more efficient than code.

RESULTS

While the Tupper's home's energy efficiency was already remarkable, Wendy and Stephen decided to achieve even greater energy independence. They added renewable energy solar photovoltaic and solar water heating to their home.

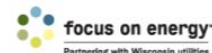
The end results are a home that can be up to twice as energy efficient than a standard code built new home and carries a higher resale value than other neighborhood properties. The Tupper's goal is for their home to be net zero—using the same amount of energy as it produces. Thanks to Focus on Energy, they have already achieved that goal as their monthly energy costs are near zero, while enjoying a home that is as comfortable as it is durable. In fact, the Tupper's are seeing a savings of up to \$3,000 in energy costs per year. That would equate to \$90,000 over the length of a typical 30-year mortgage!

"I absolutely would recommend the New Homes program to others," said Stephen Tupper. "The unique construction method (R33 walls) not only is energy efficient, but also provides a very quiet living environment and significant energy savings."

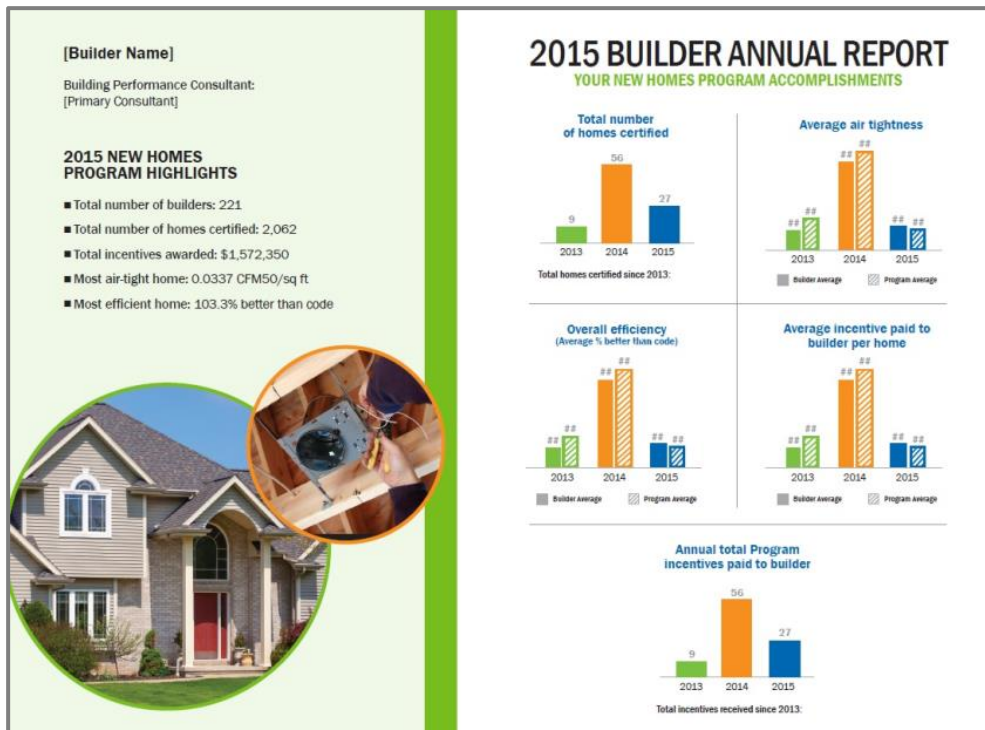
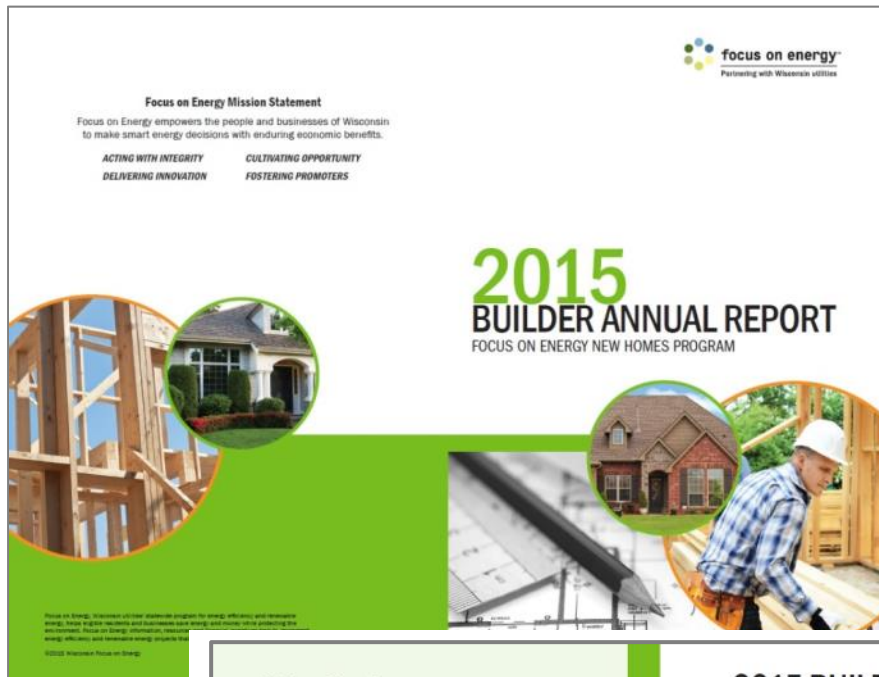
The Tupper's builder agrees. Although the Tupper home was his first Focus on Energy New Home, he sees many more in his business's future.

"I see the program as an opportunity to grow my business and differentiate myself from other builders," said Greg Schauer. "I would recommend the New Homes Program without hesitation to any home builders trying to build a more energy efficient, better performing home and to anyone who may want to buy a new home."

Focus on Energy, Wisconsin's statewide program for energy efficiency and renewable energy, helps eligible residents and businesses save energy and money while protecting the environment. Focus on Energy information, resources and financial incentives help to implement energy efficiency and renewable energy projects that otherwise would not be completed.
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Appendix 1-F: Builder Annual Report (Focus on Energy New Homes Program)




Appendix 1-G: Thermostat Fact Sheet (MECA's Energy Optimization Program)

Wi-Fi and Smart Thermostats

Take control of your energy use today.

It happens to all of us: We rush out the door in the morning, only to realize hours later that we forgot to turn our heat down or the A/C off. Thought you were home free with a standard programmable thermostat? Not so fast. What about the days when you're running late, or forgot about that evening commitment? Are you sure you've even programmed your thermostat correctly? Running the heat or A/C excessively is a costly mistake of far too many homeowners.



Conventional thermostats no longer do the trick

Many homeowners continue to use basic, non-programmable thermostats, while some have upgraded to more effective programmable models. Both of these thermostats provide limited functionality—often resulting in wasted energy used to heat or cool unoccupied spaces.

Non-programmable thermostats

Basic, non-programmable thermostats are the simplest controllers for home heating and cooling systems. Operation is limited to turning a dial or pressing a button to set the temperature—and it stays there until someone physically makes another adjustment.

This type of thermostat is efficient only if you always remember to adjust the setting when you go to sleep or leave the house. Most people forget to raise or lower the temperature at these critical times, wasting energy and paying unnecessarily high heating and cooling bills.

Standard programmable thermostats

Standard programmable thermostats are the next step up in technology, allowing for the customization of a daily schedule with varying temperature settings. Different schedules can be set for weekdays versus weekends, and many programmable thermostats allow for a seven-day schedule.

Programmable thermostats come with their own set of challenges. They can be confusing to set up, and many homeowners program the device incorrectly. Oftentimes, users hit the override button to temporarily change the temperature and then forget to set it back to the program. Or, homeowners may set the temperature too high or low, causing the system to run longer than expected, while their heat or A/C kicks in at the regular temperature. All of these scenarios cause temperatures to remain unneeded for an extended period of time, wasting energy and money.

Energy-saving solutions

Thanks to advancements in technology, Wi-Fi enabled and smart thermostats provide remote, around-the-clock access to adjust our thermostats—eliminating many of the issues associated with older devices.

Wi-Fi enabled programmable thermostats

These innovative devices connect to the Internet, allowing for easy programming of the thermostat's daily schedule through a website or app accessible from a smartphone, tablet, or computer. Most importantly, you can remotely control your home's temperature 24/7—whether you're stuck at work, out shopping, or traveling across the country. Simply log in online or via the thermostat's app to adjust your home's heating and cooling settings.

With a Wi-Fi enabled programmable thermostat, gone are the days of wasting energy when you're away from home. With remote access to your thermostat, you can save energy by adjusting your settings anywhere, anytime—heating or cooling your home to a comfortable level just before your arrival.

Smart thermostats

These cutting-edge devices are the most advanced residential thermostats available. Not only do they connect to the Internet via Wi-Fi, allowing you to adjust the temperature remotely—they can actually program themselves as they "learn" your behavior patterns and desired temperatures for certain days and times during the week.

How do they work? Smart thermostats feature occupancy-sensing technology, with some models including motion sensors to detect whether or not people are inside the home. Other units feature GPS geofencing technology which can sense when a connected smartphone is within a defined geographic area. The smart thermostat essentially "observes" users' behaviors, in turn using internal algorithms to predict when occupants will want the temperature adjusted based on past actions (thus, "learning" when you want the settings modified).

Rebates Now Available

Receive a **\$100 rebate** from the Energy Optimization program toward the purchase of a qualified Wi-Fi enabled or smart occupancy-sensing thermostat.

Looking to upgrade, but can't make that much of an investment? Purchase a standard programmable thermostat and receive a **\$20 rebate**.

Learn More

Visit michigan-energy.org or call us at 877.296.4319.

About the Energy Optimization program

Energy Optimization programs reward residential and business customers of 13 Michigan electric utilities for making energy-saving choices. Earn cash rebates when you purchase ENERGY STAR® or energy-efficient appliances or equipment.

Online: michigan-energy.org Phone: 877.296.4319



DO YOUR RESEARCH

It is important to research various thermostats before choosing a new device. Remember, not all "Wi-Fi thermostats" are smart thermostats. Wi-Fi thermostats are simply programmable thermostats that can be adjusted remotely. Only true smart thermostats can sense when you are actually home and program themselves. There are currently less than a dozen true smart thermostat models on the market, but the technology is advancing quickly and more will be available in the future.

	Controls HVAC system	Programmable	Programmable online	Programs itself	Remote temp control	Rebate available
Non-programmable thermostat	✓					
Standard programmable thermostat	✓	✓				✓
Wi-Fi enabled programmable thermostat	✓	✓	✓		✓	✓
Smart thermostat	✓	✓	✓	✓	✓	✓

Online: michigan-energy.org Phone: 877.296.4319

Energy Optimization programs and incentives are applicable to Michigan electric service locations only. Other restrictions may apply.



Appendix 1-H: Efficient Furnaces Sales Card (BWL's Hometown Energy Savers Program)



For the greatest energy savings, choose a high-efficiency furnace with a 95 percent or greater annual fuel utilization efficiency (AFUE) and an electronically commutated blower motor (ECM). When properly installed, furnaces with an ECM:


- Use less electricity than a conventional furnace fan motor.
- Have lower annual operating costs, saving you as much as \$800 over 10 years.
- Help central air conditioners run more efficiently, providing increased comfort all year long.

Are you a BWL electric customer? The Hometown Energy Savers® program offers a \$150 rebate on select high efficiency furnaces with an ECM.

See the reverse side for additional rebates on thermostats, air conditioners, water heaters and more.

FIND THE RIGHT FURNACE






Energy efficiency pays

Choosing energy efficient heating and cooling equipment can reduce energy costs and improve your home's comfort. Plus, you may qualify for cash rebates from the Lansing Board of Water & Light (BWL) Hometown Energy Savers® program.

HEATING & COOLING REBATES FROM BWL	
Product	Mail-in Rebate
High efficiency furnace (95%+ AFUE with ECM)	\$150
Standard programmable thermostat	\$15
Smart thermostat	\$50
Central air conditioning system (SEER ≥15)	\$150-\$450
Mini/multi-split heat pump (SEER ≥21)	\$450
Central air conditioning system tune-up	\$50
ENERGY STAR® heat pump water heater	\$150
ENERGY STAR® pool pump	\$250

*SEER = Seasonal energy efficiency ratio. AFUE = Annual fuel utilization efficiency. ECM = Electronically-commutated motor. Furnaces with an ECM can greatly improve the efficiency of your air conditioner.

Save now with cash rebates. Save later by reducing your energy use.
For more information, visit lbwl.com/energysavers or call 800.573.3503.



Appendix 1-I: HVAC Tune-up Sales Card (BWL's Hometown Energy Savers Program)



If you aren't scheduling yearly tune-ups, your heating and cooling equipment has to work harder—wasting energy and money. Tune up your equipment and:

- Save on energy costs.
- Prevent costly breakdowns.
- Collect cash rebates.

Are you a BWL electric customer?
The Hometown Energy Savers® program offers a \$50 rebate on air conditioner tune-ups.

Need to replace aging equipment?
See the reverse side for additional cash rebates on air conditioners, furnaces, water heaters and more.

IT'S TIME TO TUNE-UP





Energy efficiency pays

Choosing energy efficient heating and cooling equipment can reduce energy costs and improve your home's comfort. Plus, you may qualify for cash rebates from the Lansing Board of Water & Light (BWL) Hometown Energy Savers® program.

HEATING & COOLING REBATES FROM BWL	
Product	Mail-in Rebate
High efficiency furnace (95%+ AFUE with ECM)	\$150
Standard programmable thermostat	\$15
Smart thermostat	\$50
Central air conditioning system (SEER ≥15)	\$150-\$450
Mini/multi-split heat pump (SEER ≥21)	\$450
Central air conditioning system tune-up	\$50
ENERGY STAR® heat pump water heater	\$150
ENERGY STAR® pool pump	\$250

*SEER = Seasonal energy efficiency ratio. AFUE = Annual fuel utilization efficiency. ECM = Electronically-commutated motor. Furnaces with an ECM can greatly improve the efficiency of your air conditioner.

Save now with cash rebates. Save later by reducing your energy use. For more information, visit lbwl.com/EnergySavers or call 800.573.3503.

