



June 27, 2011

Mr. David Lee
Residential Supervisor, Building Technologies Program
Office of Energy Efficiency and Renewable Energy
U.S. Department of Energy

RE: State and Territory Energy Office input on Home Performance with ENERGY STAR transition

Dear Mr. Lee:

The National Association of State Energy Officials (NASEO) is pleased to submit the following comments on behalf of the 56 State and Territory Energy Offices regarding the transition of Home Performance with ENERGY STAR (HPwES) from the U.S. Environmental Protection Agency (EPA) to the U.S. Department of Energy (DOE), scheduled to take place on October 1, 2011.

In response to DOE and EPA's request for input in the four areas referenced below:

1. Defining HPwES and promoting more consistency across the program,
2. The HPwES name and brand,
3. Existing HPwES Resources, and
4. Integrating other DOE residential resources such as Home Energy Score into HPwES.

NASEO has developed the following comments and recommendations.

Maintain the ENERGY STAR Brand. While the term "home performance" is not necessarily intuitive to a homeowner, the ENERGY STAR brand is very powerful, both for consumers and participating contractors. If the ENERGY STAR brand were changed, the program's ability to attract contractors to the program would be significantly impacted. Moreover, if the brand were changed, DOE, the States, and their partners would have to invest considerable resources to rebuild the program's market standing at a time when energy efficiency program resources, generally, are beginning to decline.

Consistency in approaches can be helpful, but flexibility in program delivery is critical to continued success. Due to the diverse nature of the home retrofit market across the country, many elements of a national HPwES program cannot and should not be standardized. The diversity of the building stock—not just in terms of climate, but also with respect to building age, size, materials, and occupant lifestyle and behavior

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alone makes national standardization challenging and resource-intensive. Furthermore, homeowners' in each local community range widely in terms of energy efficiency awareness, consumer motivation, and ability to access financing. For these reasons, prescriptive packages are not an ideal way to standardize the program. If however, prescriptive measures are incorporated, a parallel performance-based path should also be allowed.

Program sponsors should continue to have the flexibility to adapt HPwES to meet the specific and targeted needs of the communities they serve. Consistency may be achieved through standardizing processes and how work is performed, but required uniform program delivery may undermine the ability of states and other program sponsors to tailor the program to meet the unique needs of homeowners in their communities. Finally, contractors are central to the continued success of HPwES, and DOE should be mindful not to erect new barriers to entry for contractors into the program.

Allow for phased improvements while continuing to promote a whole-house approach. Ideally, home energy efficiency retrofits should strive for deeper savings and a whole-house approach. It is important that contractors continue to include this in their offerings and continue to “upsell” homeowners into the whole-house approach. However, the HPwES program needs to also recognize the market realities that may impact homeowners' decision-making and accommodate the option for phased improvements. Not all homeowners can afford to do everything recommended in their audit report at once, but should not be discouraged from participating in the program if they cannot.

Dedicate sufficient resources to fully support program transition. Across the country, uptake for HPwES is still uneven and varied. Different programs are at different stages of understanding their local market, building up a contractor base, and conducting outreach to homeowners. Any program changes, whether in standardization or program name, will cause some disruption for those program sponsors already engaged in any step of that process. In many cases, program sponsors like State Energy Offices have invested substantial resources and time to securing buy-in from contractors, organizing training, and conducting marketing and outreach. Some communities are already facing challenges in attracting contractors and homeowners to participate in the program, and any significant program changes may cause contractor attrition in those fragile new programs. Even in communities where that is not the case, new education materials, tools, and training for all stakeholders will be crucial to transitioning the program. This will require dedicated and sustained resources and effort over a period of time in order to be successful.

States recognize that in many markets across the country, HPwES has not yet taken hold. This does represent an opportunity reach aggressively into those markets and build programs from the ground up. However, that effort must recognize and fully support the needs of existing programs to make any such transition. We should not permit perfect to be the enemy of the good.

Engage the remodeling contractor community. The home remodeling market presents an enormous opportunity to incorporate energy efficiency. If HPwES can systematically engage home remodeling contractors to offer energy efficiency upgrade options as part of remodeling projects that could dramatically scale up the number of energy efficiency retrofits. Additional outreach, education and training strategies, resources, and tools for these contractors should be developed.

The Home Energy Score label should be an optional feature. If the new proposed version of HPwES chooses to incorporate DOE's Home Energy Score, it should be included only as an optional feature. At present, results from the Home Energy Score pilot are not well established enough to assess how it is received by the residential market. Any inclusion of the score should be voluntary, given the wide-ranging nature of different residential markets.

Thank you for your consideration of these recommendations. NASEO commends DOE and EPA for their efforts to improve the HPwES program, and we look forward to continuing dialogue among the states, DOE and EPA as the program continues to evolve and grow. NASEO is committed to a robust HPwES program. However, we do not want to destroy the existing program.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. Terry", with a stylized flourish at the end.

David Terry
Executive Director, NASEO

cc: Kathleen Hogan, Deputy Assistant Secretary for Energy Efficiency, U.S. DOE
Ely Jacobsohn, Residential Energy Retrofits, Building Technologies Program, U.S. DOE
Chandler von Schrader, Manager, Home Performance with ENERGY STAR, U.S. EPA