



RAP



International
Energy Agency



Rapporteur Report – Group B

Deep Retrofits

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Topics

- Group Composition
- Summary of Presentations
- Summary of Discussion

Group Composition

- Total number – 13, plus chair & rapporteur
- Energy Providers - 3
- Government – 1
- Regulators - 1
- Consumer advocates
- Energy efficiency industry - 6
- Academics and NGOs - 2

Summary of Presentations

- Delivering EE to Middle Income Single-Family Households – Mark Zimring, LBNL
- Effective Programs and Market Hurdles in Residential EE Financing – Peter Krajsa, AFC First Financial Corp.
- Experience of Electric Cooperatives of South Carolina – Michael Couick, CEO

SUMMARY OF DISCUSSION

What is deep building renovation?

- Agreement by group that it was
 - Multi-measure (or comprehensive)
 - Minimum 20% savings
- Immediate challenge arising from this definition
 - How do you get savings at this level while ensuring cost-effectiveness?
- Cost-effectiveness is the key metric against which utility-based programs will be evaluated
 - As a result, the discussion was not about more aggressive definitions of deep retrofits

Market is more familiar with single-measure approaches

- Comprehensive retrofits face a number of real and perceived barriers
 - Despite the fact that there are replicable examples of successful programs
- Value proposition
- Market readiness
- Access to capital
- Policy certainty

Value Proposition

- Consumer perspective
 - Save money, increase comfort, social norms
- Contractors
 - Increase business, provide quality
- Utilities
 - Reduce load growth and risk, meet regulatory requirements
 - Increase customer satisfaction

Market readiness

- Consumer perspective
 - Trusted provider, quality service
 - Simple choices, easy to access and understand
- Contractors
 - Sufficient availability
 - Trained and effective
 - Programs simple, easy to implement, timely
- Utilities
 - Lack of clarity on role (deliverer or facilitator)
 - Data collection in line with regulatory responsibilities and customer needs

Access to Capital

- Credibility gap between market participants and sources of capital
 - Lenders perceive higher risk due to lack of familiarity with retrofit performance track record
 - Lack of consensus on how to collect funds
- Lack of standardized instruments
 - Arises from inconsistent performance metrics
- Lack of secondary market to provide private capital flows

Enabling Policies

- Consumer perspective
 - Consistent, simple means of accessing programs
- Contractors
 - Simple means to access capital
 - Simple process for certification
 - Clear guidelines for measurement
- Utilities
 - Policy certainty
 - Efficient and properly aligned data collection requirements

Conclusions and Next Steps

- Need for comprehensive policy approaches
 - Consistent with consumer, contractor, and utility needs identified
- Build on successes
 - Share knowledge
 - Focus on metrics for evaluation