

HOME  STAR



EfficiencyFirst

America's Home Performance Workforce

Creating Jobs

Delivering Energy Efficiency

HOME  STAR

Our Purpose

- **Rapidly Create Jobs**
- **Stand Up an American Industry**
- **Contribute to Energy Independence**
- **Help households lower energy costs**



Remember: NOT YET A LAW

- This is not yet a law
- This program is still being debated
- Nothing is final until it has passed both houses and is signed by the President
- We are at the table representing EF
- Be prepared to help soon

Construction Industry Employment

Construction

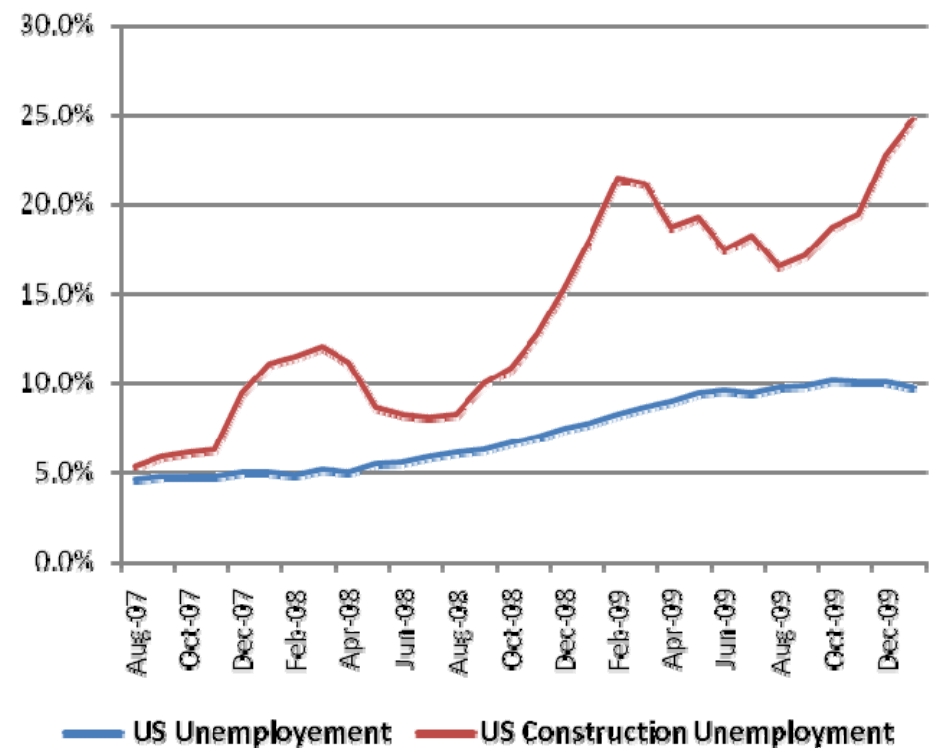
- 24.7% unemployment in construction industry (from 18.7% in October)
- 38% drop in employment since 2006

Manufacturing

- 24.5 % drop in construction related manufacturing
- Construction-related manufacturing at less than 62% of capacity

Construction Retail

- 14% drop in employment since 2006



Policy Objectives

- **Rapid Deployment**
 - Leverage existing systems and infrastructure
 - Avoid the need for rule making or procurement
- **Market-Based**
 - Match public dollars with homeowner investment
 - Empower existing business and organizations
- **Pathway to Performance**
 - Short-term job creation
 - Long-term transformation
- **Broad Support**
 - Retail, Manufacturing, Contracting, Labor, and Environmental groups
 - A win for the Environment, Economy and American Workers.

HOME STAR Program

HOME STAR \$6 Billion

- **SILVER STAR**
 - \$3.6 Billion
- **GOLD STAR**
 - \$1.8 Billion
- **Financing / QA / Admin**
 - \$600 Million



Cost:	\$6 Billion
Homes:	3.3 Million
Jobs:	168,000
Homeowner Saving (10 yr.):	\$9.4 Billion
Equivalent Cars Off-Road:	615,000 Cars
Power Generation Offline:	4 x 300MW Plants

SILVER STAR

- **Up to a \$1,500 rebate per measure**
- **Not to exceed \$3,000**
- **Not to exceed 50% of project cost**

SILVER STAR - Eligible Measures

Rebate delivered to customer at time of purchase, but paid to installer post completion of job and quality assurance:

- | | |
|---|--|
| <input type="checkbox"/> Air Sealing | <input type="checkbox"/> Duct Seal / Replacement |
| <input type="checkbox"/> Attic Insulation | <input type="checkbox"/> Wall Insulation |
| <input type="checkbox"/> Domestic Hot Water | <input type="checkbox"/> Floor Insulation |
| <input type="checkbox"/> Heating Equipment | <input type="checkbox"/> Cooling Equipment |
| <input type="checkbox"/> Windows and Doors | |

GOLD STAR

- \$3,000 incentive for a 20% savings
- \$1,000 for each additional 5% savings
- Not to exceed 50% of project cost or \$8,000

1. Energy Assessment

2. Retrofit

➤ *Fundamentals*

- Weatherization
- Insulation

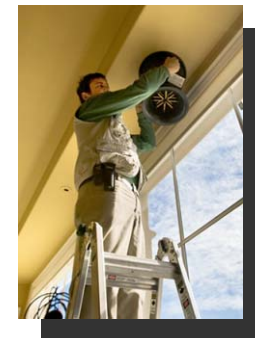
➤ *Major systems*

- Heating / Cooling
- Water Heating

➤ *Renewables*

- Solar

3. Quality Assurance



HOME STAR Financing

- Creates up to \$1.5 Billion in low interest consumer financing
- \$200 Million for credit supports and interest buy-downs
- Supports a wide variety of existing financial products including, but not limited to:
 - Property Assessed Clean Energy (PACE)
 - Fannie Mae loans
 - Non-collateral loans
 - Secured loan products
 - On-bill financing
- Allows American families to achieve cash flow positive results on most HOME STAR projects from day one

Enhances Existing Efforts

ARRA Investments

- Utilize training infrastructure developed with ARRA funds
- Create jobs for Weatherization workers as ARRA funds ramp down

Recovery Through Retrofit

- Combining HOME STAR incentives with the financing and industry standards recommended in this report will deliver results

Retrofit for Energy and Environmental Performance (REEP)

- Currently in House The American Clean Energy and Security Act (2009)
- Currently in Senate Clean Energy Jobs and American Power Act
- Currently in Senate Energy Bill - The American Clean Energy Leadership Act (ACELA)
- Large stakeholder group including industry, labor, and environmental groups

Active HOME STAR Coalition

Broad Industry, Labor, Social Justice, Energy and Environmental Supporters

Industry

AFC First Financial

Air-Conditioning, Heating and Refrigeration Institute

Andersen Corporation

BASF The Chemical Company

CertainTeed Corporation

Conservation Services Group

Council of the North American Insulation Manufacturers Association (CNAIMA)

The Dow Chemical Company

EcoBroker International

Efficiency First

Energy Federation, Inc.

GE Appliance and Lighting

Green Home Solutions by Grupe

Green Homes America

Home Depot

Knauf Insulation

The Linc Group

Lowe's Companies, Inc.

MASCO

MASCO Home Services

Owens Corning

The Polyisocyanurate Insulation Manufacturers Association (PIMA)

Recurve (formerly Sustainable Spaces)

Renewable Funding LLC

Serious Materials

Simonton Windows and ThermaTru Doors – Fortune Brands

Standard Renewable Energy

Labor and Social Justice

Blue Green Alliance

Change To Win

Green for All

Laborers International Union (LIUNA)

CONTINUED

Active HOME STAR Coalition

Broad Industry, Labor, Social Justice, Energy and Environmental Supporters

Energy and Environmental Advocates

ACEEE

Alliance to Save Energy (ASE)

Building Performance Institute (BPI)

Center for American Progress Action Fund

Environment America

ENE (Environment Northeast)

National Association of State Energy Offices (NASEO)

Natural Resource Defense Council (NRDC)

Northeast Energy Efficiency Council (NEEC)

Sierra Club

US Green Building Council (USGBC)

600+ Regional Contracting, Manufacturing and related small businesses from all 50 States.

In Sum

Fast Job Creation

- Leveraging existing capacity and infrastructure

Build on Existing Policy Effort

- Bridge to legislation in Senate and House Energy bills

Led by Consumer Demand

- Matching federal dollars by homeowner dollars

Performance Driven

- Rewarding results not products

Industry and Workforce Development

- Creating a new American industry

HOME STAR Program Actors



State
Quality Assurance
System

- State system that regulates QA providers network in state.

Federal Rebate
System

- Federal Database system that tracks jobs uploaded by Rebate Aggregators, notifies QA providers, and processes rebate requests.

Quality Assurance
Provider

- Third party (non contractor) entities that conduct on-site quality assurance inspections, insure contractor eligibility. Entities can be State offices or can be delegated to private contractors (most common).

Rebate Aggregator

- Entity that aggregates job data and rebate forms, checks to ensure eligibility and accuracy, uploads to Federal Rebate System, then distributes payments. QA providers, State energy offices, and national companies are all eligible to be Rebate Aggregators as determined by the secretary. National Contractors can perform Aggregator role but not QA role

Contractor

- Entity that enters into contracting agreement with homeowners. Rebate amount is fronted at time of purchase and floated by this entity until completion and processing.

Homeowner Contractor Relationship

State
Quality Assurance
System

Federal Rebate
System

Quality Assurance
Provider

Rebate
Aggregator

Homeowner

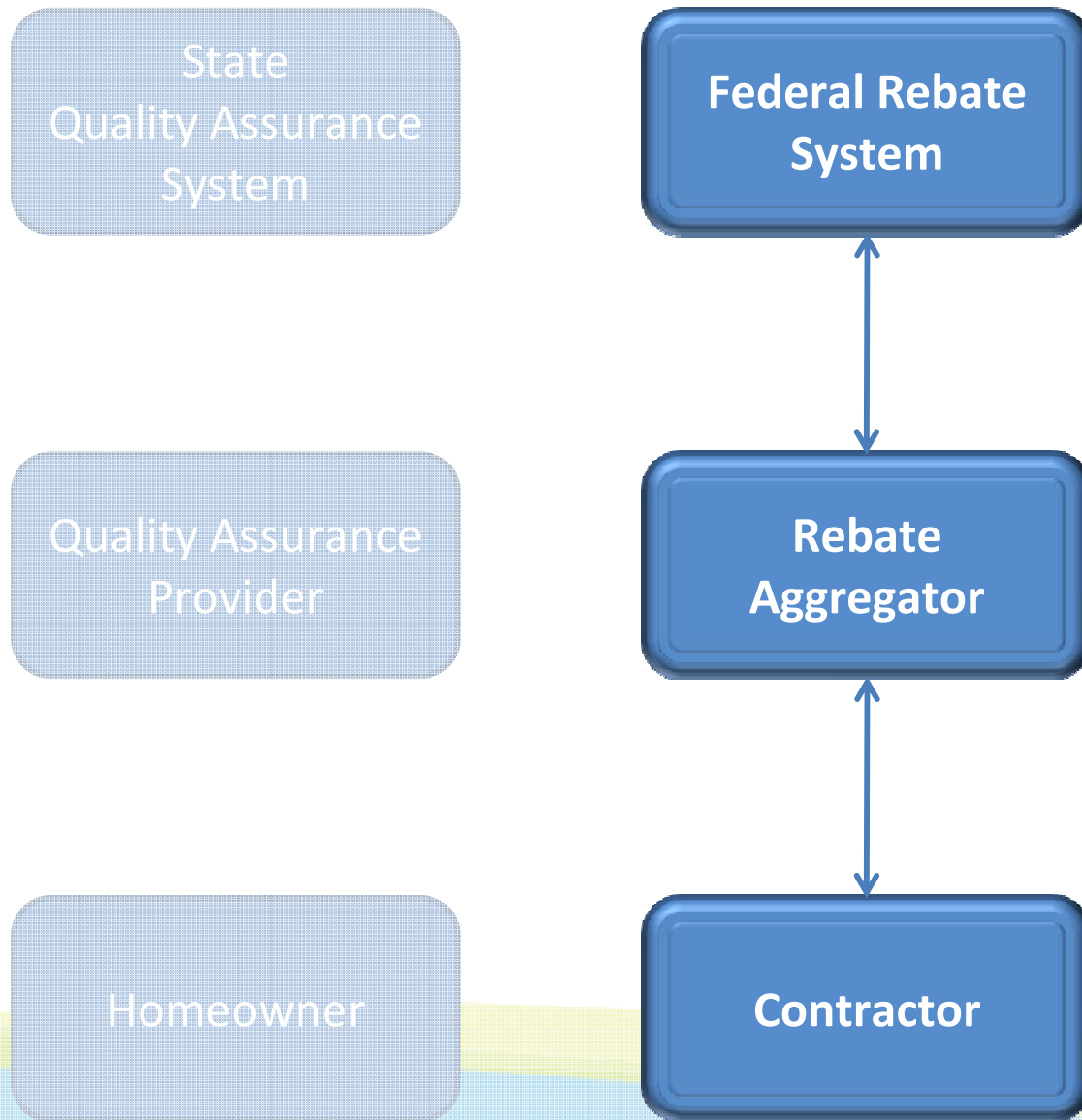


Contractor

Homeowner Contractor Relationship

1. Homeowner hear about HOME STAR from retailer, contractor, program, or referral.
2. Contractor and homeowner enter into agreement for eligible installed measures for the NET amount post HOME STAR.
3. Homeowner may elect HOME STAR financing package.
4. Contractor conducts work to HOME STAR standards.
5. Homeowner signs off that work is completed.
6. Homeowner pays contractor for contract amount after HOME STAR rebate.
7. Contractor submits necessary data to Rebate Aggregator of their choosing.

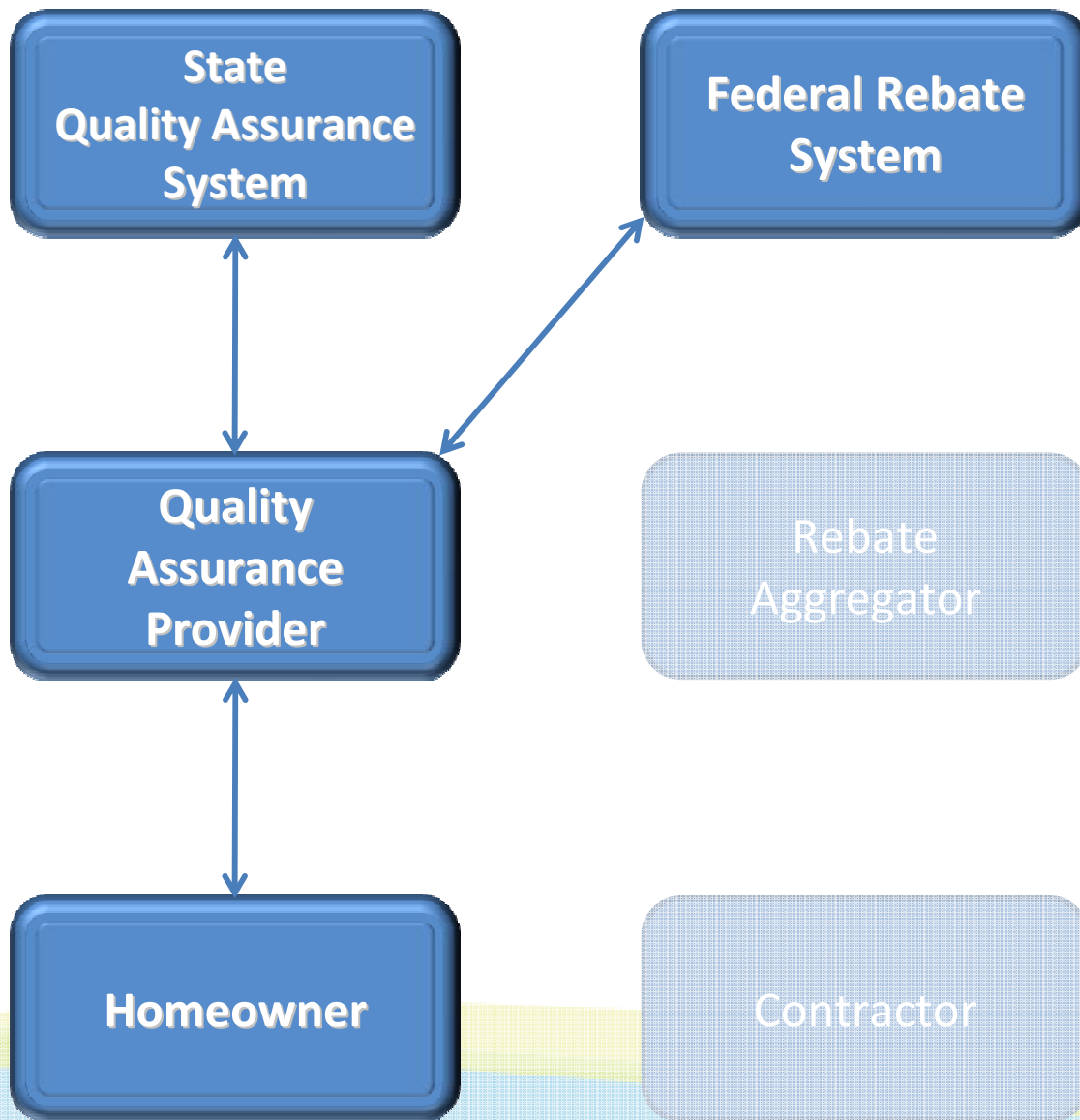
Rebate Processing



Rebate Processing

1. Contractor uploads standard forms, signed contract, and customer completion docs to Rebate Aggregator.
2. Rebate Aggregator checks documents to ensure eligibility and amounts.
3. Rebate Aggregator uploads request to the Federal Rebate System.
4. Federal Rebate System and/or Aggregator notifies QA Provider of record for the contractor.
5. Rebate is paid from Federal Rebate System to Rebate Aggregator within 30 days.
6. Rebate Aggregator provides rebate to Contractor within 30 days of receipt.

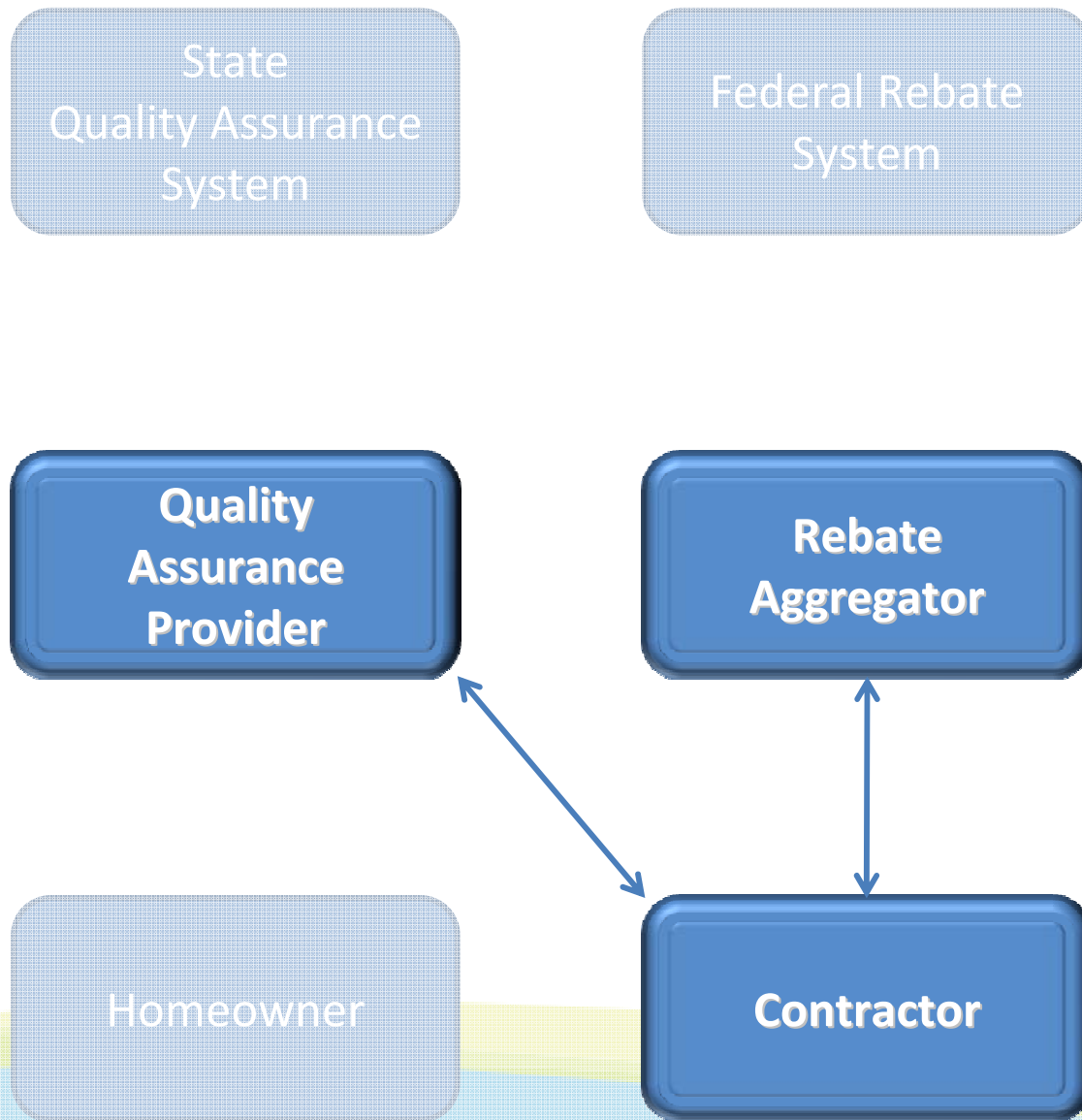
Quality Assurance



Quality Assurance

1. Federal Rebate System/Rebate Aggregator notifies Quality Assurance Provider as job data is uploaded by RA to Federal Rebate System.
2. Quality Assurance Provider selects percentage of jobs for on-site evaluation.
3. Quality Assurance Provider contacts homeowner to schedule evaluation.
4. Results sent to contractor and homeowner.
5. Contractor addresses any deficiencies found during QA.
6. Results reported back to Federal Rebate System and State Oversight
7. State oversees QA and resolves disputes or improper QA activity
8. HOME STAR Process Complete

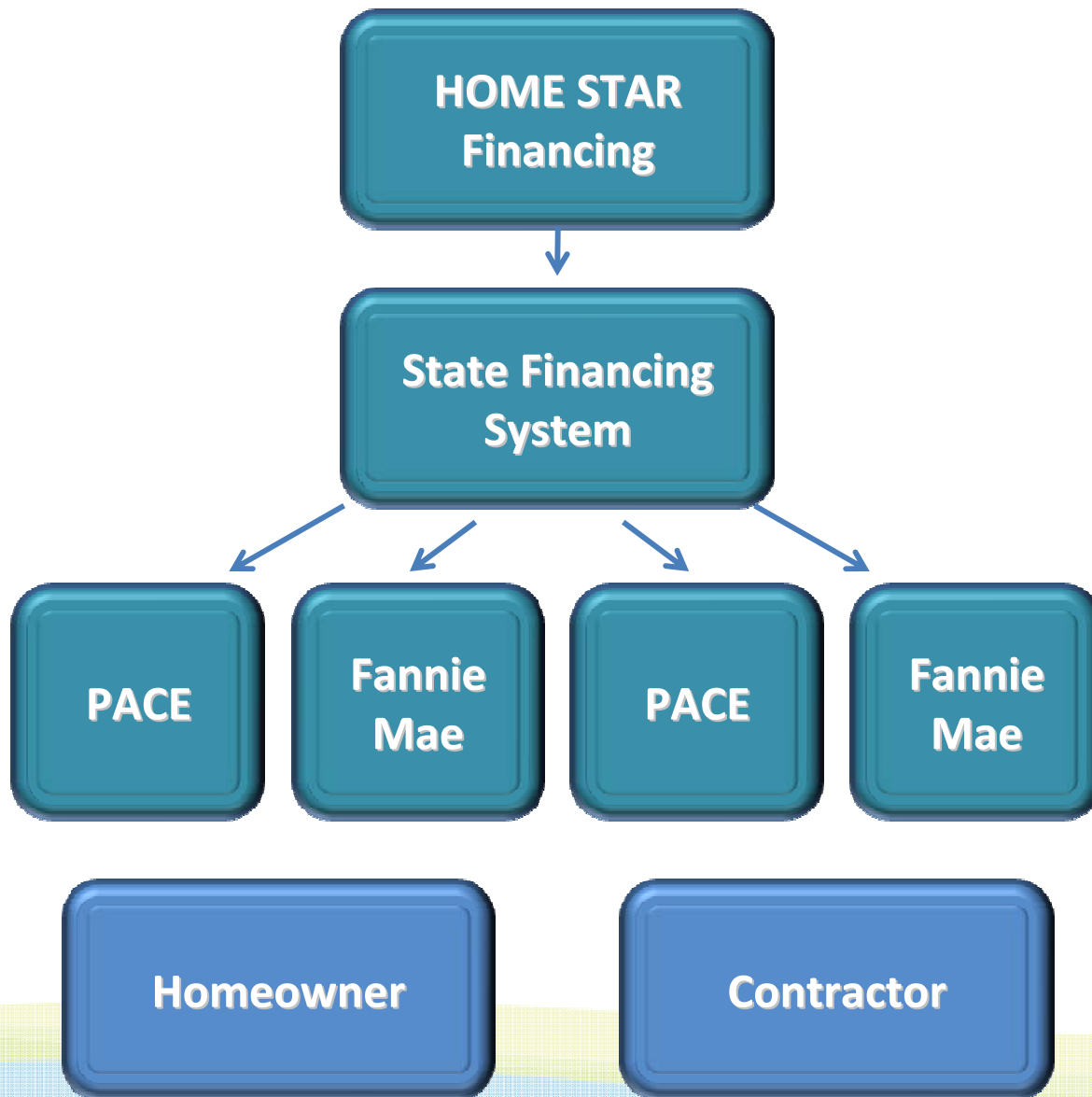
Contractor On-Boarding



Contractor On-Boarding

1. Contractor registers with Rebate Aggregator of their choosing.
2. Contractor selects State Authorized QA provider.
3. To be eligible for Silver Star, Contractor provides license and insurance.
4. To be eligible for Gold Star, Contractor provides license, insurance and BPI accreditation.

HOME STAR Financing



HOME STAR Financing

1. \$200 million provided to states according to SEP formula to be used as credit support or interest buy downs to increase access and reduce interest rates for consumer financing products.

- Property Assessed Clean Energy (PACE)
- Fannie Mae loans
- Non-collateral loans
- Secured loan products
- On-bill financing

2. Will create as much as \$1.5 billion in available financing.

3. Combining HOME STAR incentives with Financing will ensure homeowners are cash flow positive on day one.

FAQ

- When Does it start?
- Will projects be grandfathered in?
- What delays can I expect in getting paid?
- What are the political challenges?
- Can we combine w/ state, local and utility programs?
- How can I help make this happen?

<http://www.encyfirst.org/home-star/>

HOME PERFORMANCE WORKFORCE



- <http://www.encyfirst.org>
- Represent Home Performance Industry
- Work in DC and locally
- HP program and contractor best practices
- Discount on ACI Annual Conference
- Discounts on products from Infrared Cameras, Online training courses & office supplies