

March 18, 2016

To Members of City Council, Utility Department and the Administration;

I am presenting my observations concerning the REC monies and potential energy efficiency upgrades to homes in the community. My assessment examines the needs and possible expenditures needed to bring existing homes nearer to Building Performance Institute standards. Costs and available programs are based on discussions with people working in local efficiency programs and personally evaluating thousands of homes in the last several years for programs run for Columbia Gas. All homes were given recommendations based on the cost effectiveness of the improvements. My views are personal, as a citizen of Oberlin and I am not representing the companies that I am employed by.

The essential question is to determine the scope of the needed funding to examine a large number of homes for possible energy efficient upgrades and possible safety related issues. The next question is to examine the means of paying for the improvements, taking into account successful existing programs that are available to citizens.

There are two programs available to the low income homeowner (HWAP), a weatherization program and The Warm Choice program. These tend to be slow to provide results and have limitations and are not being examined in this exercise. Including them in any potential citywide program discussions is recommended to fill a specific need and to take advantage of existing dollars.

There are two programs operated by Columbia Gas and run by CLEARResult that are operating in Oberlin. There is the Assisted audit and the Standard audit, which are comprehensive auditing processes available to the citizens. They operate exactly the same except for the initial audit fee and the out of pocket for the homeowner to have the recommended air sealing and insulation work performed. These are based on income levels and are available to all. The Assisted requires \$20 for the audit and the standard audit fee is \$50. An assisted homeowner would pay the first \$300 dollars of the work to be performed and Columbia Gas picks up the remainder. The standard audit homeowner is offered

substantial rebates on the work to be done based on the scope of the work. A 30% or greater discount is the general rule with some discounts much higher.

The following section is to illustrate the potential costs of the programs involved on a larger scale. I have picked 1000 homes as a target to audit and make improvements if necessary. The costs presented are based on pricing thousands of audits and discussions with Greg Jones the community outreach person of POWER. The mix of Homes is 700 assisted and 300 standard audits. These figures assume no cost to the city as this is the present setup. Screening and signing people up for audits are already being done by Clearesult with help from present staff. Homeowners with skin in the game are likely to proceed. The scenario below assumes \$ 2000 in work to be done as a historical average. This scenario does not cover all situations, but is intended to show that massive taxpayer dollars are not needed to achieve truly remarkable savings in usage, cost to homeowners, increased safety and comfort. This work could be done in a very short time, perhaps less than 5 years.

<u>Assisted Homes</u>	Homeowners Cost	Col Gas Cost
Audit cost 700 homes @ \$ 20	\$14,000	
Energy upgrade Cost 700@ \$ 300	\$210,000	
Total Assisted Homeowner	\$224,000	
700@ \$1700 average paid by Col Gas		\$1, 190,000
 <u>Standard Audits</u>		
Audit cost 300 homes@ \$ 50	\$15,000	
 Work Cost 70% homeowner		
Energy upgrade 300 homes@ \$1400	\$420,000	
300 Homes@600 paid by Col Gas		\$180,000

Total \$ Homeowner and Col Gas \$659,000 \$1, 370,000

To further assist our citizens in need we could always offer financing that is taken off the utility bill, or put on the taxes much like how our sidewalk repair was done.

There are furnace replacement rebates available as well for the homeowner.

In closing it is my position that the Utility Director's proposal for the use of existing REC funds provides plenty of money to remove roadblocks to utilizing the above mentioned programs. It also can fund and leverage other opportunities that become available and are cost effective to take advantage of. The City could achieve the goal of the majority of homes being brought to a very energy efficient level quickly by using present resources. There are most certainly commercial and industrial efficiency programs that need to be investigated that can bring the same bang for the buck for our non-residential sites. The expenditure of additional large portions of potential REC dollars to create new programs is unnecessary and wasteful.

I am available for further explanation of these programs and to offer my assistance with furthering the energy efficiency of our community.

Brent R. Smith

Senior Energy Auditor Clearesult

brs@oberlin.net

440669-5450