August 3, 2010
3pm Eastern

Variations on a Theme: PACE Legislation and Retrofit Ramp-up Programs in Maine and New Hampshire

Moderator:
Joel Rogers, Center on Wisconsin Strategy (COWS)
Satya Rhodes-Conway, Center on Wisconsin Strategy (COWS)
Agenda

• Welcome and intro (5 min)
• Presenters (45 min)
  • Ben Frost, New Hampshire Housing
  • Eric Steltzer, NH Office of Energy and Planning
  • Dana Fischer, Efficiency Maine
  • Cliff Ginn and Rob Brown, Opportunity Maine
• Questions and discussion (40 min)
• Close
EECBG: BetterBuildings Program

New Hampshire’s Beacon Communities Project
NH- Beacon Communities Project

- **Origins**
  - Energy Efficiency and Renewable Energy Board
    - legislatively created board (early 2009)
  - Strategic planning for EE/RE efforts in the state
  - Diverse level of participation, public/private/nonprofit

- **Purpose**
  - Hyper-invest community resources to create model and replicable examples of sustainability

- **Project Areas**
  - Building improvements
  - Energy distribution (electric and thermal)
  - Large-scale renewable energy
  - Land use and transportation patterns
**NH- Beacon Communities Project**

- BetterBuildings is one component…
  - Make existing buildings more energy efficient

- State Partners: Private/Public/Nonprofits
  - Office of Energy and Planning
  - Community Development Finance Authority
  - Jordan Institute
  - Governor’s Office
  - Public Service Company of New Hampshire
  - NH Electric Cooperative
  - NH Charitable Foundation
  - Community Loan Fund
  - Community representative
NH- Beacon Communities Project

- BetterBuilding Goal:
  - NH Climate Action Plan
    - 30,000 homes annually- 60% more energy efficient
  - Market Barriers
    - Market value for energy efficiency and renewable energy

- BetterBuilding Purpose:
  - Community driven effort supported with state resources
  - Deep energy improvements
    - ≥30% gain in efficiency
  - Multiple building sectors (residential, commercial, industrial)
  - Concentrate efforts and services to confined area
  - Decentralize Services: Employ NH small businesses
  - Compliment rather than compete with existing efforts
    - Banking institutions
    - Contractor services
**NH- Beacon Communities Project**

- **BetterBuilding Purposes: (con’t)**
  - Leverage funds
    - $10 million in public funds - $26 million in improvements
      - System Benefits Charge
      - Regional Greenhouse Gas Initiative
      - Renewable Energy Fund
      - DOE Smart Grid funding
      - Private Investment
      - HUD Neighborhood stabilization funds

- **Phase I Communities:**
  - Competitively Selected from 28 applications
  - Nashua, Plymouth, and Berlin

- **Phase II:**
  - Replicate in other municipalities
  - Share successes and challenges
NH- Beacon Communities Project

- Scale of Building Improvements:
  - Residential ($15-$30K/household)
    - Single Family
    - Resident Owned Communities (ROCs)
    - Multi-family
  - Commercial/Industrial ($60K+)

- Qualified Contractor List (incentive contractors- PA model)

- Process:
  - Audit, Improvement, Commissioning

- Monitoring and Verification
  - Deliverable Fuels: Enertrac, Hudson, NH

- Mentorship Program
Community Profile- Nashua

- Population
  - 87,000 people (2nd largest city in NH)

- Strong Attributes
  - Heavy Commercial/Industrial Sector
  - Past Support for Green Initiatives- Green Fund
  - Well established “Green Team”
  - Geographic location: southern

- Project Outcome (three years)
  - Buildings: 408
  - Investment: $10,200,000
  - GHG: 4,691 metric tons CO2e (annual)
Community Profile- Plymouth

- Population
  - 6,600 people

- Strong Attributes
  - Town Government
  - Academic Institution
  - Strong Commitment to Energy Issues
  - Plymouth Area Renewable Energy Initiative
  - Geographic location: central

- Project Outcome (three years)
  - Buildings: 359
  - Investment: $10,950,000
  - GHG: 3,357 metric tons CO2e (annual)
Community Profile - Berlin

- Population
  - 10,200 people

- Strong Attributes
  - Mill Community (lumber)
  - Hub of North Country
  - Economic Hardship
  - Energy Involvement
    - CHP, district heating

- Project Outcome (three years)
  - Buildings: 158
  - Investment: $5,820,000
  - GHG: 1,622 metric tons CO2e (annual)
Organizational Structure

- Partnership
  - Lead Organization: NH Office of Energy and Planning
  - Key Implementer: Community Development Finance Authority
    - Assistance by Jordan Institute
  - State Advisory Committee

- Community Field Offices
  - Face of community effort, entrance into program
  - CDFA employees
    - Community Manager
    - Technical Assistant
  - Local Advisory Committees
Program Services: Technical

- Direct assistance to interested individuals

- Energy Assistance:
  - What work should be done?
    - Windows versus Insulation?
  - Who can help me?
    - Find auditors and contractors
    - List of eligible improvements

- Financial Assistance
  - What incentives are available?
  - What lending options are available?
Program Services: Financial

- **Mechanisms**
  - PACE: NH Legislation

- **On-Bill Financing**
  - Utility ran since 2002
  - Traditionally offered to municipalities and small businesses
  - Pilot program expanding to residential sector (RGGI funds- 2009)
  - Standardize offer between utilities
  - Explore tying to meter
  - Expand to fossil fuels
  - Utilize private financing

- **Private Lending:**
  - Personal loan: Utilize existing Bank network
  - Extended terms, Lower interest rate, Unsecured
  - HUD Title I product
  - USDA product
Program Services: Financial (con’t)

- Design being developed
  - Collaborating with community banks
  - Revolving Loan Fund ($3.7 million)
    - Blend with other public and private source to bring down interest rate
  - Loan Loss Reserve ($2.6 million)
    - 10% of potential investment
    - LLR being held by banks
    - Coverage increase as lending increases
Program Services: Outreach

- State-wide branding
- Community focused messaging
- Use existing communication channels
  - Main Street Programs - Chamber of Commerce
  - Non-Profits (PAREI) - Schools (competitions)
  - Large Employers - Local Energy Committees
  - Community Leaders (influencers)
- Energy Efficiency and Renewable Energy Education
  - Economics of renewable energy and energy efficiency
For More Information...

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- BA Philosophy/Sociology - Univ. of Chicago  
- Master Brewers Fermentation Science Program - UC Davis  
- MBA - University of Southern Maine

- Former Municipal Finance Director, Treasurer, Tax Collector, Budget Analyst  
- Solar Thermal Innovator  
- BPI Certified Building Professional- Energy Auditor  
- Former Microbrewing Brewmaster
Maine currently has the highest dependence on #2 heating oil of any state in the nation. With annual consumption of half a billion gallons, the state is losing upwards of a billion dollars – and thousands of jobs – every year.

Significantly due to:
Old housing stock, plenty of cold weather, very little natural gas distribution, expensive electricity.
The Efficiency Maine Trust was established to develop, plan, coordinate and implement energy efficiency and alternative energy programs in Maine.

**Triennial Plan of the Efficiency Maine Trust**

- *Reductions in electricity and natural gas consumption of 30 percent within a decade;*

- *Reductions in oil heating use of 20 percent in the same timeframe; and*

- *Weatherization of 100 percent of homes and 50 percent of businesses by 2030.*
Efficiency Maine Residential Programs

- **Home Energy Savings Program**
  - Cash incentives based on Energy Audit Projected Savings
  - (Currently $2500 for 25%, $4000 for 50%)
  - 60 BPI Participating Energy Advisors and growing.....

- **Residential Heating Equipment Replacement Program - Dollars for Boiler Upgrades**

- **Residential Lighting Program - CFLS ETC**

- **PACE Mortgage Resources (R2) LAUNCHING!**
PACE Resources for Municipalities

488 organized municipalities  (95% of municipalities have less than 10,000 residents)
The largest municipality in Maine, by population, is the city of Portland (pop. 64,249).
The smallest city by population is Eastport (pop. 1,640).
The largest town by population is Brunswick (pop. 21,172).

www.efficiencymaine.com/pace

- Introduction to Maine PACE;
- Model PACE Ordinances (2);
- Frequently Asked Questions (FAQs); and,
- LD 1717 - An Act to Increase the Affordability of Clean Energy for Homeowners and Businesses.
Contact Information

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