

**RESNET**

*Residential Energy Services Network*

# 2009 RESNET® Annual Report

## January 2010

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**Residential Energy Services Network, Inc.**

**P.O. Box 4561**

**Oceanside, CA 92052-4561**

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*Setting the STANDARD  
for QUALITY*

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## Introduction

The Residential Energy Services Network, Inc. (RESNET®) is a membership driven, not-for-profit corporation. RESNET's mission is to ensure the success of the building energy performance certification industry, set the standards for quality and increase the opportunity of high-quality building ownership.

RESNET supports its mission through two principle goals:

- Setting the standards for quality of rating services thereby enhancing the credibility of ratings to consumers, lenders, the housing industry, government agencies and utilities.
- Providing the tools to help home energy raters succeed in becoming profitable businesses

RESNET is guided by a Board of Directors whose membership includes representatives from the entire home energy rating industry.

2009 RESNET Officers:

President - Philip Fairey, Florida Solar Energy Center  
Vice President – David Goldstein, Natural Resources Defense Council  
Treasurer – Lee O’Neal, Nspeacts  
Secretary – Bruce Harley, Conservation Services Group  
Immediate Past President – Kelly Parker, Guaranteed Watt Saver (GWS)

Other members of the RESNET Board of Directors:

Ben Adams, MaGrann Associates  
Steve Byers, Energy Logic  
Dennis Creech, Southface Energy Institute  
Richard Faesy, Vermont Energy Investment Corporation  
Andy Gordon, Washington State University Energy Program

Tom Hamilton, CalCERTS  
Michael Holtz, Architectural Energy Corporation  
Mark Jansen, Energy Efficient Homes Midwest  
C.T. Loyd, The Nelrod Company  
Greg Nahn, Wisconsin Energy Conservation Corporation  
Bill Prindle, ICF International  
Robert Scott, California Home Energy Efficiency Rating Services  
Barb Yankie, Homes+, Inc.  
Daran Wastchak, D.R. Wastchak, LLC  
Erin Wiggins, Cenergy, LLC  
David Wilson, Energy Rated Homes of Utah

To better achieve its goal of setting the standards for quality, the RESNET Board of Directors has established standing committees. Each committee's purpose is to provide the RESNET Board with policy implementation and technical guidance. The committees are:

**Quality Assurance and Ethics Committee**

Chair: Daran Wastchak

Members:

Ben Adams, MaGrann Associates  
Doug Beaman, Douglas Beaman Associates  
C.T. Loyd, The Nelrod Company  
Ethan MacCormick, TREAT Ratings  
Greg Nahn, Wisconsin Energy Conservation Corporation  
Lee O'Neal, NSpects  
Zachary Shadid, Environmental Protection Agency  
Robby Schwarz, Energy Logic  
Daran Wastchak, D.R. Wastchak, LLC  
Erin Wiggins, Cenergy, LLC

**Training and Education Committee**

Chair: Mark Jansen, Energy Efficient Homes Midwest

Members:

Brett Dillon, IBS Advisors, LLC  
Adam Gifford, Conservation Services Group  
Russ King, Sierra Building Science Center  
Tei Kucharski, Energy Gauge USA  
Neil Moyer, Florida Solar Energy Center  
Kelly Parker, Guaranteed Watt Saver Systems  
Tabetha Reyes, Energy Potential, Inc.  
Richard Simpson, Total Energy Systems  
Dan Tempas, Dow Building Solutions CTSC  
Darrel Tenter, Saturn Resource Management  
Douglas Walter, Kansas Building Science Institute

### **Technical Committee**

Chair: Bruce Harley, Conservation Services Group

Members:

Michael Blasnik, M Blasnik & Associates  
Chunlin Cao, Dow Chemical Company  
Steve Byers, EnergyLogic  
Philip Fairey, Florida Solar Energy Center  
Bion Howard, Building Environmental Science and Technology  
Abraham Kruger, Sealing Agents Waterproofing, Inc.  
Michael Lubliner, Washington State University Energy Program  
David Meisegeier, ICF Consulting  
Gary Nelson, Energy Conservatory  
Duncan Prael, IBACOS  
Dave Roberts, National Renewable Energy Laboratory  
Paul Scheckel, Vermont Energy Investment Corporation  
Dennis Stroer, Energy Calcs  
Michael Stuart, Fluke Corporation

### **Standards Committee**

Chair: Michael Holtz, Architectural Energy Corporation

Members:

Philip Fairey, Florida Solar Energy Center  
Tom Fitzpatrick, Texas Home Energy Raters Organization  
Matt Golden, Sustainable Spaces  
Patrick Hudson, Michigan Energy Office  
Candace Lightner, Energy Smart Real Estate Professionals  
Edward Mazria, Architecture 2030  
Jim Ploger, National Association of State Energy Officials  
Edward Pollock, U.S. Department of Energy

### **RESNET's® Priorities for 2009 Adopted by the RESNET Board of Directors**

The RESNET Board of Directors adopted the following priorities for 2009 in rank order:

- I. Ensuring the Quality of Rating a Building's Performance**
- II. Make RESNET Standards American National Standard Institute (ANSI)/International Standard Organization (ISO) Compliant**
- III. Develop RESNET National Building Registry**

- IV. Advocate Residential Energy Efficiency Strategic Initiatives to New President and Congress**
- V. Tap Existing Homes Market**
- VI. Develop Commercial Building Energy Performance Index**
- VII. Harmonize RESNET Standards with International Building Performance Rating Standards**

This report is divided into two parts:

- Report on achieving 2009 RESNET Board priorities
- Report on other accomplishments in 2009

### **Report on 2009 RESNET® Priorities**

In 2009 the RESNET Board of Directors adopted seven very ambitious priorities. This decision was made because of the growing concerns over energy prices and global climate change facing our nation coupled with the current opportunities available to the industry with the new Administration and Congress.

- **Ensure the Quality of Rating a Building's Performance**  
RESNET staff has continued its ongoing quality assurance activities including quality assurance oversight of providers, maintaining the RESNET Standards, accreditation of providers and administration of the national rater test. In 2009, RESNET staff completed quality assurance reviews of accredited rating providers. The RESNET staff monitoring included the review of the following submissions by rating providers:
  - Rater Registry
  - Rater Agreements
  - Proof of Initial Rater Training and Provider's Rater Probationary Reviews
  - Continuing Education Credits Documentation
  - Proof of Provider Complaint Process and Notification of the Process to Consumers
  - Documentation of Building File Reviews
  - Documentation of Field Inspection Reviews
  - Documentation of Company's Tracking Method for Building File and Field Reviews
  - Documentation of Disclosure Notice to Customers

RESNET's quality assurance oversight has been enhanced with the addition of Clinton Heyn as the organization's Quality Assurance and Accreditation Director. Mr. Heyn brings real world experience to the position having served as a quality assurance designee for two rating providers in one of the nation's most dynamic housing markets.

The RESNET Quality Assurance and Ethics Committee is developing a comprehensive enhancement to the RESNET standard's quality assurance provisions. This enhancement will include the provision of field monitoring of ratings.

To enhance its ability to resolve quality assurance disputes, RESNET selected a set of contractors through a Request for Qualifications that it can call on to review building files and field ratings.

In 2009 the following amendments were adopted by RESNET to clarify technical issues with the RESNET Mortgage Industry National Home Energy Rating Standards:

- Auxiliary electric energy of ground source heat pumps
- Rater Trainer and Quality Assurance Designee professional development
- Certified Home Energy Rater professional development
- Rating Field Inspector knowledge and skill set
- Rating Provider Quality Assurance Designee Continuing Education Requirements

The RESNET Board of Directors also adopted the following formal interpretations:

- Alternative quality assurance procedures for low volume raters
- Clarification of the number of ratings conducted as part of rater training

A key element in ensuring the quality of rating services is a robust consumer complaint response process. In 2009 RESNET revised its process of receiving and investigating consumer complaints and ethics complaints. This included developing an online complaint process.

In 2009 RESNET staff investigated and resolved five consumer complaints and three ethics complaints.

- **Make RESNET Standards American National Standard Institute (ANSI)/International Standard Organization (ISO) Compliant**

The following have been accomplished in 2009:

- Formed and appointed a formal Standards Committee. The committee is responsible for maintaining RESNET's standards and ensuring amendments to the standard comply with ANSI protocols.
  - The RESNET Standards Committee adopted a work plan that included:
    - Establish a new process for reviewing proposed amendments.
    - Set up rules for consideration of comments by committees that propose amendments.
    - Reorganize standards and put into compliance with ANSI procedures.
  - The committee adopted ANSI compliant procedures for amending of RESNET standards.
  - Submitted proposed amendment that includes the Standards Committee in standards amendment process.
- **Develop RESNET National Building Registry**

The following have been accomplished in 2009:

- Appointment of RESNET National Building Registry Working Group to oversee the development of the registry. The working group is composed of:
  - Steve Byers, EnergyLogic, Chair
  - Dawn Carton, CHEERS
  - Philip Fairey, Florida Solar Energy Center
  - Tom Fitzpatrick, Texas HERO
  - C.T. Loyd, Nelrod Company
  - Dave Roberts, NREL
  - Rob Salcido, Architectural Energy Corporation
  - Zak Shadid, Environmental Protection Agency
- The working group adopted a framework for the directory
- The framework was vetted at a breakout session at the 2009 RESNET Building Performance Conference.
- R.L. Martin Associates was contracted to develop the registry.
- It is expected that the beta version of the registry will be introduced at the 2010 RESNET Building Performance Conference.

- **Advocate Residential Energy Efficiency Strategic Initiatives to New President and Congress**

With the inauguration of the Obama Administration and the new Congress there has been a major national push to promote building energy performance. Initiatives that have been introduced in 2009 include:

- Inclusion of over a hundred billion dollars for building energy efficiency in the economic recovery legislation.
- Passage of the Waxman-Markey energy legislation by the U.S. House of Representatives. Building energy performance provisions include:
  - More stringent building energy codes
  - A national building retrofit rebate program
  - National utility energy efficiency portfolio standard
  - Enhancement of energy efficient mortgages
- Vice President Biden announcing Recovery Through Retrofit initiative.
- The U.S. Department of Energy developing a home energy performance labeling effort.
- Introduction of Home Star by President Obama for rebates for residential energy efficiency retrofits.

RESNET was active in joining other organizations in advocating for the initiatives and providing input to decision makers.

- **Tap Existing Homes Market**

The key accomplishment with this priority is the implementation of the RESNET National Home Energy Audit Standard. Milestones include:

- Accreditation of Home Energy Survey Professional Providers
- The training and certification of over 250 Home Energy Survey Professionals

RESNET started an effort to develop software guidelines for software programs for occupied homes. A RESNET Occupied Homes Software Working Group was appointed. Members of the group are:

Michael Blasnik, M. Blasnik Associates  
Philip Fairey, Florida Solar Energy Center  
Tom Fitzpatrick, Texas HERO  
Dave Roberts, NREL  
Rob Salcido, Architectural Energy Corporation  
Greg Thomas, Performance Systems Development



RESNET worked with the Building Performance Institute (BPI) to develop a Comprehensive Home Energy Audit Standard. RESNET staff coordinated the draft standard's public review and comment process and the consideration of comments that were submitted. Even though BPI tabled the adoption of the standard, invaluable knowledge was gained. This will lead to the adoption of performance testing standard by RESNET that will include combustion safety testing and preparing work orders.

- **Develop Commercial Building Energy Performance Index**

This effort has received a considerable boost from the formation of the ad hoc COMNET network. COMNET is being spearheaded by the New Building Institute, Architectural Energy Corporation, The Institute for Market Transformation, and RESNET. With funding from the Energy Foundation, COMNET has drafted technical standards for software programs to calculate the rating of commercial and high-rise multifamily buildings and accreditation of commercial building ratings. RESNET drafted the provision for rater certification.

It has been decided that after the adoption of the COMNET standards the effort will be folded within RESNET.

- **Harmonize RESNET Standards with International Building Performance Rating Standards**

RESNET has made solid progress in its international dialogue on harmonizing the ratings of building performance. Accomplishments include:

- RESNET Executive Director Steve Baden provided training and technical assistance on RESNET's standards to the Shanghai Real Estate Science and Research Institute in developing its building rating program.
- Steve Baden addressed the International Energy Agency and Russian Duma conference on sustainable buildings in Moscow.
- The chair of the European Union's Energy Performance in Buildings Directive addressed the 2009 RESNET Building Performance Conference providing an update on the European requirement that all buildings be rated at the change of occupancy.
- RESNET Board President Philip Fairey continued to serve on the International Standards Organization working group

on developing an international standard for rating building energy performance.

- RESNET has become a member of the United Nations Sustainable Building Climate Initiative. The purpose of the organization is to develop a set of recommendations on incorporating building energy performance in the successor of the international climate treaty. RESNET participated in meetings in Washington, DC and Paris in developing an international metric for rating building performance. A remarkable consensus of member nations was achieved.

### **Other Accomplishments Achieved in 2009**

In addition to meeting the goals established for 2009, RESNET staff achieved a number of key accomplishments. The following is a summary of the results of those activities.

#### **A. Enhance RESNET Financial Stability**

RESNET's expenses conformed to the budget adopted by the RESNET Board of Directors. Through sound financial management in 2009, RESNET's revenues exceeded its expenses. To properly manage the organization's financial resources, the RESNET Board of Directors adopted a financial plan where the excess revenues are invested in a sound mutual investment fund. At the end of 2009, RESNET had a balance of \$343,738 in the checking account and \$848,322 in insured reserve accounts. This is a total of \$1,192,070 in assets entering into 2010. This is a remarkable feat in today's economic climate.

#### **B. RESNET Staff Reorganization**

In March 2009 RESNET Executive Director announced a reorganization of RESNET staff. The provisions of the reorganization are:

- To relieve the RESNET Executive Director's administrative burden and provide a clear transition of succession, Kathy Spigarelli was been designated as the RESNET Deputy Director. Kathy's main responsibilities are to support the RESNET Executive Director, maintain and update RESNET's strategic planning framework, and oversight of RESNET staff.
- Because of the vital importance of quality assurance to RESNET's credibility, a RESNET Director of Quality Assurance was created

whose responsibilities will be focused solely on monitoring provider quality assurance and accreditation rating providers.

- Laurel Elam is being added to RESNET's staff support. She is to be responsible for the logistics for the annual RESNET Conference and supporting the RESNET Standards Committee, the RESNET Technical Committee and Existing Home Software Task Force.
- Randy Martin's role will be expanded to develop RESNET's new National Building Registry.
- An administrative assistant has been added who will perform much of the day-to-day office duties which includes responding to inquiries via phone and email.

This new staffing support plan will accomplish:

- The most efficient and effective use of staff resources
- More efficient use RESNET's financial resources
- More checks and balances of staff responsibilities
- The backup of individual staff knowledge -- Projects not dependent on a single person

**C. RESNET Adopts RESNET Green Rater Training and Accredits First RESNET Green Rater Training Providers**

RESNET has adopted its first rater specialty designation, the RESNET Green Rater.

Through pilot trainings held in conjunction with the 2008 and 2009 RESNET Building Performance Conferences and the Colorado Rater Fest, RESNET has created training that raters must complete in order to receive the RESNET Green Rater designation.

In its first year, five training providers have been accredited as Rater Green Training Providers to offer the training nationally on an ongoing basis.

**D. RESNET Entering into an Agreement with the US Green Building Council for Raters to Become Certified as LEED for Homes Green Raters**

RESNET reached an agreement with the US Green Building Council (USGBC) to recognize RESNET Green Raters as meeting the prerequisites for being certified to verify homes for the

USGBC's LEED for Homes. RESNET has also entered in such an agreement with the NAHB Research Center for the NAHB Green Building Program. As part of the partnership with USGBC and NAHB, the NAHB Research Center will be offering NAHB green building verifier training and the USGBC will be offering green rater training in conjunction with the 2010 RESNET Building Performance Conference on February 2010.

**E. Host the 2009 RESNET® Building Performance Conference**

The 2009 conference was held February 16 - 18, 2009, in New Orleans. The conference not only had the largest attendance to date but created increased revenues over previous years. The effectiveness of the conference is clearly demonstrated in the results of the on-line survey of conference attendees. Over 85% of attendees responded positively on the value of the conference, and 83.1% said they planned to attend the 2010 conference in Raleigh, North Carolina.

**F. Liaison and Advocacy With the Environmental Protection Agency (EPA) and U.S. Department of Energy**

Labeling of ENERGY STAR homes is currently the single largest business activity of the home energy rating industry. Because of this central economic concern, a key responsibility of RESNET® is to act as a liaison/ advocate for the home energy rating industry in working with the EPA. In 2009, RESNET was involved in discussions and negotiations with the EPA on the following issues:

- Deliberations on Version Three of the ENERGY STAR New Homes Program
- Quality Assurance
- National Building Registry

RESNET has also entered into a dialog with the U.S. Department of energy on the labeling of homes and software certification.

**G. Maintain and Enhance the RESNET® National Rater Test**

In conjunction with the 2009 RESNET Building Performance Conference, all accredited rating providers were provided an opportunity to review and comment on all rater test questions in a secure setting. This served as another level of control assurance of the test.

**H. Implement 2009 RESNET® Rating Industry Leadership Awards Program**

To recognize leadership in the rating industry, the RESNET Board of Directors established the Rating Industry Leadership Awards. At the 2009 RESNET Conference, the following awards were presented:

- Market Transformation Award – *Southwest Energy Conservation (SENERCON)*
- Program Leadership Award – *New York State Energy Research and Development Authority*
- RESNET Industry Innovation Award– *Oregon Energy Trust/Earth Advantage*

**I. Increase in RESNET® Membership** 2009 has witnessed a continued increase in membership. Through on-line evaluations of memberships, it has been determined that this increase is being driven by:

- Listing on the RESNET Web Site Rater Directory
- RESNET’s Effectiveness on Serving as the Voice of the Rating Industry
- Affordable Rater Insurance
- Subscription to Home Energy Magazine
- Effectiveness of RESNET Communications to its Network
- RESNET’s Heightened National Visibility

In 2008 RESNET exceeded 1,000 members. At the end of 2009, RESNET had 1,767 members in good standing.

**J. Development of RESNET Infrared Scanning Standard**  
Thermal imaging technology has advanced significantly in the past few years and the price of equipment has grown more affordable. This technology offers the promise of a way to measure the EPA ENERGY STAR Homes Thermal Bypass Checklist and the quality of the installation of the insulation after the dry wall has been installed.

To pave the way to achieve this potential, RESNET is developing a standard for conducting an infrared scanning of homes. An Infrared Task Force was recruited to draft the standard. The task force developed a draft standard, based on both the experience of its members and the United Kingdom’s standard for using the technology in measuring the quality of insulation installation.

The draft standard was submitted to the RESNET standard amendment public review and comment process

**K. RESNET's New Web Based Networking Program**

Recently there has been a truly revolutionary transformation in how information is shared through the internet. Rather than solely relying on web pages made by professionals, internet users are beginning to turn to user generated pages and social networking sites which allow them to share and receive information with little knowledge and experience in web-building. The practical value of this transformation is best demonstrated by the 2008 Obama presidential campaign. The campaign deployed this networking to effectively allow citizens to organize local campaigns and raise funds.

In 2009 RESNET created a networking site for accredited rating and rater training providers that allows users to connect with others in the building performance industry. In addition RESNET has posted a page on FaceBook and in its first six months has attracted 380 "fans". RESNET also has posted an online map for persons interested in being certified as raters to locate rater training opportunities.