RESNET
RESIDENTIAL ENERGY SERVICES NETWORK

Setting the **Standards** for
Home Energy Efficiency

Approved
RESNET Board of Directors Meeting Minutes
Austin, Texas
October 12, 2022

Board Members Present	Board Members Absent	Staff Present
Jim Amorin	Jacob Atalla	Steve Baden
David Beam	Philip Fairey	Emma Bennett
Lindsey Elton		Faye Berriman
Sandy Gallo		Valerie Briggs
Emelie Cuppernell Glitch		Christine Do
Matt Gingrich		Scott Doyle
David Goldstein		Laurel Elam
Kathy Howard		Billy Giblin
John Hensley		Cardice Howard
Mark Johnson		Ryan Meres
Cy Kilbourn		
Abe Kruger		**Guests Present**
Chris McTaggart		Michael Browne (Energy Raters of Massachusetts)
Curt Rich		Matthew Brown (APA)
Jonathan Risch		Connor Dillon (Building Science Institute)
Brian Shanks		Joseph Ferringo (ARCXIS)
Clayton Traylor		Clayton Morris (ARCXIS)
		Robert Pegues (TexEnergy/US Ecologic)
		James Rodriguez (Fox Energy Specialists)
		Julio Samos (ARCXIS)

Meeting Call to Order

RESNET Board President John Hensley called the meeting to order at 9:40 AM Central Time.

Roll Call

Due to the absence of RESNET Board Secretary Philip Fairey, Christine Do, RESNET Staff, called the roll. A quorum was present. Philip Fairey was excused since he was presenting a paper on the RESNET CO_2e Standard at the ASHRAE International Building Decarbonization 2022 Conference in Athens, Greece.

Approval of Meeting's Agenda

Emelie Cuppernell Glitch made a motion to approve the draft agenda sent to board members prior to the meeting as amended. Sandy Gallo seconded the motion. Motion passed by voice vote.

RESNET Anti-Trust Policy

Curt Rich reminded the RESNET Board of the RESNET Anti-Trust Policy that was sent to board members prior to the meeting.

Approve Draft Minutes of September 13, 2022 Board Meeting

Kathy Howard made a motion to approve the Draft Minutes from the September 13, 2022 Board Meeting. Mark Johnson seconded the motion. Motion passed by voice vote.

RESNET Executive Director Report – Steve Baden, RESNET Executive Director

Steve Baden provided an update on the number of homes that have been rated as of October 1, 2022. He emphasized that RESNET is the industry-recognized gold standard for quality. He reviewed RESNET's strengths, all of which cannot be replicated. Steve discussed a collaboration with the Texas Association of Builders. In 2023, despite economic uncertainties, Steve foresees emerging opportunities to diversify. He discussed the upcoming RESNET conference and future events with the goal of having a 2024 Conference as a traditional in-person event. The RESNET team will convene after the Austin Leadership Forum to discuss.

Sandy Gallo expressed his agreement for moving towards in-person events again.

Steve continued his presentation, addressing efforts to get homes entered timely into the RESNET registry. Clayton Traylor emphasized the importance of this collaboration, and its effects on the secondary mortgage market. Curt Rich encouraged consideration of the inputs, so that the data can be useful to stakeholders. Chris McTaggart mentioned from the perspective of a provider, that the RESNET Standards do have a 90-day window for homes to be uploaded. Steve agreed, stating that the issue will require further discussions with all stakeholders. The board further discussed the timelines related to this process and current issues with data. Chris suggested preliminary uploads as a possibility.

RESNET 2021 Financial Audit Report

David Beam, RESNET Board Treasurer presented the Final Financial Statement and Auditor's Communication sent prior to the meeting. He discussed the characteristics of a successful audit. RESNET received an "unqualified audit", meaning that there were no discrepancies to be addressed. He recognized the efforts of RESNET staff in order to achieve this level of audit.

David Beam made a motion for the board to acknowledge receipt of the audit. Matt Gingrich seconded the motion. Motion passed by voice vote.

Consider RESNET Board Executive Committee's Proposed RESNET 2023 Operating Budget

David Beam discussed the proposed 2023 Operating Budget request sent prior to the meeting.

David Beam made a motion to accept the recommendation of the Executive Committee to accept the proposed RESNET 2023 Operating Budget below.

Proposed RESNET 2023 Budget

Payroll $1,420,000

- Executive Director – Steve Baden

- Deputy Director – Cardice Howard

- Quality Assurance Administration and Standards Director—Laurel Elam

- Communications Director – Valerie Briggs

- Programs Director – Ryan Meres

- Technical Director, Quality Assurance & Training – Scott Doyle

- Senior Accountant – Faye Berriman

- Quality Assurance Field Specialist—Billy Giblin

Professional Services $ 921,000

- RESNET Standard Manager

- Energy Modeling Director

- RESNET Conference and Meeting Coordinator

- Database Manager

- Government Relations

- Automated QA Tool Hosting and Licensing

- RESNET QA Support

- Hosting, Maintenance and Support of Servers

- Registry Support and Maintenance

- RESNET Web Site Maintenance

- Marketing and Advocacy

- Financial Audit

- IT Service Support

- Professional Employer Organization (PEO)

- Miscellaneous Contractual Support

      RESNET Test Support

      General Administrative Support

Travel   **$ 120,000**

RESNET Conference   **$ 260,000**

Other   **$ 197,000**

- Amortization & Depreciation

- Bank Credit Card Service Fees

- Computer & Software

- Insurance

- Legal Services

- Meetings

- Miscellaneous Other

      Dues

      Licenses

Subscriptions

Memberships

Storage

- Office Expense

    Copying and Printing

    Postage

    Supplies

- Telecommunications Services

    Telephones

    Internet

Total Proposed Budget $2,958,000

Kathy Howard seconded the motion.

Discussion on the motion followed. Cy asked if HERS ratings were projected to increase in 2023. Cardice Howard responded yes, and that with new commitments and developments, an increase was projected beyond historical increases.

Chris asked about the increase in the volume testing fees. Cardice responded that this was a conservative estimate, considering an increase in people entering the industry. John also added that the increase in HERS Modeler certification is also a consideration.

Emelie asked for clarification of the conference costs. It was discussed that the 2023 conference will be virtual, and that contributed to the estimated lower cost budget.

Motion passed by voice vote.

Consideration of RESNET Board Executive Committee's Proposed RESNET 2023 Capital Budget

David Beam discussed the proposed 2023 Capital Budget request from the RESNET Board Executive Committee sent prior to the meeting. Steve discussed the two requests: a marketing and education effort on Texas HB 3215, and an update to maintain the pilot California RESNET HERS Index project.

Curt discussed that efforts can be made with Texas Association of Builders (TAB) to work with energy code offices. Chris discussed whether additional staffing was considered, such as a previous recommendation of a working group to have a sales position to increase awareness of RESNET as an organization. Steve responded that it had been considered. Chris requested further follow-up on this matter at a future board meeting.

David Beam made a motion to accept the below recommendation of the Executive Committee to accept the proposed RESNET 2023 Capital Budget:

- **Modification of California Index CBECC-Res HERS Modeler Software - $50,000**
- **RESNET 2023 Texas House Bill 3215 Marketing Campaign - $125,000**

Kathy Howard seconded the motion.

Motion passed by voice vote.

RESNET Quality Assurance Update – Scott Doyle, Laurel Elam and Billy Giblin, RESNET QA Staff Support

Laurel discussed a series of amendments that will be pursued. Billy discussed field QA efforts, particularly being more approachable and connected to those in the field. Additionally, exit interviews with providers were discussed. Overall, Billy highlighted that there has been more consistency in field QA, and more engagement with the standards process.

Scott reviewed the developments with the QA Checklist, and improvements to the checklist and processes that were made as a result of conversations and discussions with providers, raters, QADS, and more.

Scott discussed the QA Data Analytics tool (Kibana), and future efforts to leverage the information there. He also discussed what the provider portal will look like, and how it can be used for quality assurance and business purposes. The timeline for training, preliminary rollout, and beta testing was also discussed for the fourth quarter.

John Hensley asked about the field QA process and how the information from visits is utilized post-visit. Additionally, he asked about how providers were responding to the increasingly complex standards, and how the QA team was bridging that gap. Billy responded that the overarching effort was education.

Chris stated that there should be certain expectations for the accredited entities, that they themselves demonstrate an ability to uphold the standards (for example, training). He gave an example of ensuring that training providers are held accountable for being up to date on standards themselves, and that their training materials follow that.

Sandy discussed how he has seen a dramatic improvement in the Quality Assurance team and how the processes have transformed over time to be efficient and accurate. Emelie agreed with this. She also emphasized the need for data and standards to be easily accessible in order to streamline processes in the industry.

Sandy inquired about the board being able to view the exit summary results. The Quality Assurance team will follow-up on this.

Washington Report – Carl Chidlow, RESNET Washington Representative

Carl Chidlow discussed the Inflation Reduction Act (IRA) and its importance. He also discussed what implementation will look like, and what the timeline for different stakeholders to coordinate will look like. He also discussed the 45L Tax Credit, and how RESNET stakeholders should be encouraged to maintain robust document retention during this transition phase. He emphasized that RESNET's national registry is an important metric for policymakers and government organizations that can be leveraged. Carl also provided an update on HR 4657, which covers VA mortgage policy.

Chris asked about unified messaging, talking points, infographics, or a toolkit for the RESNET community to utilize when individuals go to State Energy Offices (SEO). He also mentioned emphasizing coordinated efforts. Clayton also discussed a repository of different states' bills so that the resources are easily accessible. The board further discussed what exactly states should be proposed to spend money, and what opportunities exist for RESNET.

Texas House Bill 3215 Report – Kathy Howard, RESNET Board

Kathy Howard provided an update from the Texas Provider Advisory Group for HB 3215. She discussed the different paths to energy code compliance in Texas, and how the HERS Index is now recognized as a standalone compliance pathway.

Clayton Traylor discussed the context and history of Texas HB 3215, and the key stakeholders who were involved in the process. Emelie asked about the differences between HERS Index and ERI, in the context of HB 3215. Discussion followed on what the new law addresses.

RESNET Carbon Index Update – David Goldstein, RESNET Board

David Goldstein discussed what is needed to achieve the Paris 1.5 C goal, and why certain pathways are more advantageous. He discussed the Load Flexibility Working Group, its stakeholders, and its work. He suggests that RESNET help socialize the idea of the carbon index to its network.

Curt Rich suggested a non-technical webinar when the standard is published. David agreed, responding that Philip Fairey had done a similar webinar previously, and that can be pursued.

The board discussed what the anticipated timeline for implementation would be for this effort.

ESG Reporting and HERS Ratings – Ryan Meres, RESNET Staff

Ryan Meres, RESNET staff, reported on the implementation of green bonds, and how mortgage companies, Freddie Mac, and other stakeholders are involved in this process. It is critical that getting ratings into the registry as close to the mortgage closing as possible is critical. Board discussion followed on how this process can be made more efficient, produced, and potentially be monetized. Ryan also discussed what data is currently being shared with Builders for HERS Rated homes. He also discussed updates needed, metrics, and guidance needed. Finally, Ryan summarized the goals efforts of a new ESG group that is being led by Green Builder Media.

RESNET Builder Dashboard – Steve Baden, RESNET Staff & Cy Kilbourn, Ekotrope

Steve discussed the need for national builders to have a way to track and report data. He stated that the ESG dashboard would contain the same information as the Appraisal Institute /RESNET Appraisal Dashboard.

Cy discussed the problems that national builders are currently encountering, particularly with accurate ESG reporting. He detailed the reasons for timing and for RESNET to pursue this initiative. Finally, Cy discussed the go-to-market timeline and what the market reaction was.

Clayton, Cy, and Chris discussed certain input fields and features that would be helpful for the user. Sandy asked about funding; Cy responded that it would be most advantageous for builders who commit to 100% HERS Ratings. Sandy and Cy also discussed reporting features of the dashboard.

Appointment of RESNET Board Working Group of Embodied Carbon – Steve Baden & Ryan Meres

Ryan Meres discussed the current state of national efforts around Embodied carbon, and certain tools that are being used. He discussed the BEAM tool and its usage. Ryan also stated that DOE has provided funding to NREL to benchmark a "typical" production builder home, and that report is expected in the next few months. The NREL study also analyzed operational versus embodied emissions. Another potential concept that is considered is carbon use intensity. The work of NEHERS has been instrumental in this effort. Steve discussed that further investigation is needed to determine how embodied carbon can fit into the RESNET rating process itself, what components are needed in embodied carbon calculations, and how existing tools fit in. He also identified next steps.

Emelie Cuppernell Glitch made a motion to authorize RESNET staff to create a working group on Embodied carbon. David Goldstein seconded the motion.

David Goldstein discussed the importance of this working group, and potential challenges to overcome.
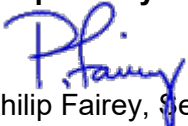
Motion passed by voice vote.

New Business

There was no new business to discuss.

Adjournment

Matt Gingrich made a motion to adjourn. The meeting was adjourned 3:26 p.m. Central Time.

Respectfully Submitted,

Philip Fairey, Secretary