



Setting the Standards for
Home Energy Efficiency

Minutes
Fall 2012 RESNET Board Meeting Agenda
October 22 & 23, 2012
Double Tree Charleston – Historic District
Charleston, SC

Members Present:

Ben Adams
Dave Bell
Steve Byers
Dennis Creech
Brett Dillon
Philip Fairey
David Goldstein
Andy Gordon
Mark Jansen
Lee O'Neal
Eurihea Speciale
Dennis Stroer
Greg Thomas
Daran Wastchak
Barb Yankie

Members Not Present:

Charles Eley
Jim Petersen

Staff Present:

Steve Baden
Kathy Spigarelli
Laurel Elam

Monday, October 22, 2012

Call to Order

The meeting was called to order at 9:00 a.m.

Roll Call

The roll was called and a quorum was present.

Approve Agenda

David Goldstein made the motion to approve the agenda. The motion was seconded by Daran Wastchak. Motion was adopted without objections.

Approval of February 26, 2012 Minutes

Daran Wastchak made the motion to approve the February 26, 2012 minutes (see Attachment A) with an amendment to note that Daran Wastchak and Mark Jansen abstained on the RESNET Board of Director's officers election. The motion was seconded by Philip Fairey. The motion was passed without objection.

Executive Director's Report

Steve Baden delivered the executive directors report. He highlighted that the HERS Index has become the Metric for Home Energy Performance, the challenges of the existing homes market and that there is an increasing consumer awareness of the RESNET brand name.

There are 27 of the largest national builders and 184 local builders that have committed to have all homes rated and marketing homes' HERS Index Score. Utilities now requiring the HERS Index Score on Builder Programs are Louisville Gas & Electric, Kentucky Utilities, Blue Grass Energy, Hoosier Energy and Associated Electric Cooperative

The HERS Index has been incorporated into building energy codes in 125 and the state of New Mexico. The Home Builders Association of Lexington committed all members to have all of their homes energy rated and market their homes' HERS Index Score.

Mr. Baden highlighted several challenges of the existing homes market including an uneven playing field because government and utilities are only recognizing one program and that there is no market penetration for a program that matches the HERS Index. He highlighted that RESNET has viable business model along with trade association and manufacturer support. Mr. Baden stated that the keys to tapping the existing homes market include affordable and sustainable financing for consumers to improve the energy performance of their homes.

The RESNET brand is increasing in consumer awareness and the website statistics prove it. The website team has worked to increase Search Engine Optimization (SEO) of RESNET web site. There is average of 22,000 unique visits a month (64% new visitors). A large majority of visitors are finding the RESNET web site through search engines (70%). The domain authority rating has increased to 80 for the RESNET web site. There has also been an increase of Twitter, Facebook, and LinkedIn likes and follows. Builders are marketing the HERS Index to consumers through label and there are several national and local media outlets that have covered stories on the HERS Index including USA Today, CNN and Associated Press.

The opportunities for 2013 include builders promoting the HERS Index Score, incorporating the HERS Index Score into the International Energy Conservation Code, the Social Media, Google Ad and Media Campaign for HERS Index, RESNET National Building Registry, and the RESNET Pre-Apprentice Workforce Standard.

Initiative to Incorporate HERS Index Score into the International Energy Conservation Code (IECC)

David Goldstein presented on the initiative to incorporate the HERS Index as a compliance option to the IECC. At the last board meeting there was discussion regarding allowing performance paths to allow for trade-offs for the IECC. Mr. Goldstein is advocating that there be a minimum of a HERS Index of 50 for compliance. There is discussion with the Institute for Market Transformation and DOE about trade-offs, specifically can the analysis be completed before 2015 code submittal. Mr. Goldstein feels that there will be common ground and feels confident that if we miss the 2015 deadline that we will be able to meet the 2018 deadline. January 3, 2013 code change submission deadline for the 2015 IECC. The Leading Builders of America will be doing their own analysis and are support of the initiative to incorporate the Index into the IECC. Builders like using performance path with the HERS Index instead of the prescriptive path. Discussion related to HERS as a code compliance option ensued.

Approve RESNET Strategic Plan

Steve Baden presented the strategic plan for 2013. (See Attachment B Draft RESNET Strategic Plan) Mr. Baden stressed that this strategic planning framework was developed to be a guide for staff to follow. Strategic planning taskforce was formed in 2011 and the taskforce developed the strategic plan which was sent to the board for review and comment.

RESNET mission and vision statements were created in the development of the strategic plan. The plan covers what are the opportunities for RESNET in addition to developing goals.

David Goldstein made the motion to adopt the strategic plan. The motion was seconded by Andy Gordon.

Philip Fairey made a friendly amendment to state that the vote is on the September 17th version of the Strategic Plan. Both the persons who made and seconded the motion accepted the motion as a friendly amendment. The motion was adopted without objection.

Approve 2013 RESNET Priorities

Steve Baden presented the 2013 RESNET Priorities. (See Attachment C Draft 2013 RESNET Priorities). They are:

- Increase the Penetration of the RESNET HERS Index in the Housing Market
- Work with the Building Industry, Code Advocates, and Local Code Jurisdictions to Incorporate the HERS Index Score into Building Energy Codes
- Consumer Awareness Campaign on the HERS Index Score
- Advocate for Legislation to Foster the Financing of the Improved Energy Performance of Homes
- Maintain RESNET's Financial Sustainability

Philip Fairey made the motion to adopt the 2013 priorities. The motion was seconded by Daran Wastchak.

Discussion ensued on the priorities. After the discussion the persons who moved and seconded the motions agreed to the following changes as a friendly amendment:

- Increase the Penetration of the RESNET HERS Index in the Housing Market
- Work with the Building Industry, Code Advocates, Rating Industry and Local Code Jurisdictions to Incorporate the HERS Index Score as an option into Building Energy Code Compliance
- Consumer Awareness Campaign on the HERS Index Score
- Advocate for Policy and Legislation to Foster the Financing of the Improved Energy Performance of Homes
- Maintain RESNET's Financial Sustainability

The question was called and the motion passed without objection.

Approve RESNET Member Restructuring

Daran Wastchak presented the proposed RESNET Member Restructuring plan. (See Attachment D Draft Member Re-Structuring) The plan was developed by the RESNET Strategic Positioning Working Group. The working group looked at the current structure and the by-laws were approved in March so the next step was develop member categories. The working group recommendation is to develop the following categories of membership-

- Providers: Quality Assurance, Training, Audit, Contractor Qualification, and Software
- Home Energy Raters, Energy Auditors
- EnergySmart Home Builders
- EnergySmart Contractors
- Product Suppliers and Manufacturers
- Associate Members

Daran Wastchak made motion to adopt the following categories of RESNET membership:

- Providers: Quality Assurance, Training, Audit, Contractor Qualification, and Software
- Home Energy Raters, Energy Auditors
- EnergySmart Home Builders
- EnergySmart Contractors
- Product Suppliers and Manufacturers
- Associate Members

Dennis Stroer seconded the motion.

After discussion the persons who made and seconded the motion agreed to the following friendly amendment:

- Providers: Quality Assurance, Training, Audit, Contractor Qualification, and Software Companies
- Home Energy Rating and Energy Auditing Companies
- EnergySmart Builder Companies
- EnergySmart Contractor Companies
- Product Suppliers and Manufacturing Companies
- Associate Members

Barb Yankie raised an objection to the current RESNET By-Laws that restricted voted for board representatives to the member categories of the board representatives. It was pointed out that the concern is separate issue from what is being proposed and this is just to establish the membership categories.

The motion was called on the proposed amendment. The motion passed with Barb Yankie voting no.

Report of RESNET Housing Industry Advisory Committee

David Kaiserman, chairman of the RESNET Housing Industry Advisory Committee presented the report of the RESNET Housing Industry Committee related to brand awareness. Mr. Kaiserman stated that RESNET is the leader in the marketplace and said there were a couple of efforts including press releases but it didn't make huge impact and didn't substantially increase awareness. He suggested that the message should not be so technical and simply explain the meaning of the Index as the MPG for a new home. RESNET standards are now the metric in the home building community and they understand it but homeowners don't. Solar is visible where energy efficiency is disguised in regular building products but the Index Label is visible. Mr. Kaiserman suggested having advertising companies make presentations on a proposed media campaign to continue to increase awareness of the HERS Index.

RESNET ANSI Standard 301 Update

Philip Fairey, chairman of the RESNET Standards Management Board gave an update on the two ANSI standards are currently under development.

The first standard is the Proposed Standard for the Calculation and Labeling of the Energy Performance of Low-Rise Residential Buildings Using the HERS Index (RESNET Standard 301-2012) based on Chapter 3 of the RESNET Standards. The public comment period has closed for that standard and 161 comments were received. The goal is to have all of the public comments considered by the RESNET Standards Development Committee and responded to by December 2012. After the comments have been addressed the entire standard, comments and responses will be submitted to ANSI for final approval.

The second standard is Standard 380 for Envelope and Air Leakage testing which is based on chapter 8 of the RESNET standard and is being chaired by Iain Walker. The standard received an objection from BPI when it was submitted it to ANSI. The objection must be resolved and a call is set for November 1st.

Washington Update

Carl Chidlow and Victoria Benner presented the legislative update and reviewed the bills that are currently being proposed. They gave an update on the federal tax credits, the HOMES Act, the SAVE Act and the Rural Energy Savings Program. RESNET worked with Senator Bingaman's office to provide information on the 45L credit in advance of an August Senate Finance Committee Hearing. A 2 year retroactive extension of 45L was included in a bill voted out of the Committee. The Senate did not act on this bill before adjourning but it is expected to be addressed in the lame duck session that will take place after the election.

Charleston, SC Case Study – Impact of RESNET HERS Index Builder MOUs

Nancy St. Hilaire of Home Energy Group presented a case study from Charleston, South Carolina on the impact of RESNET HERS Index on the Charleston housing market and her rating business. Ms. St. Hilaire went to the 2011 RESNET Conference and learned about builders using the HERS Index and how it gave the builders branding by designing their own program to meet the needs of customers in their areas. Because of the recession the builders wanted to differentiate themselves. She showed the various builders her company works with that have committed to labeling all the homes they build with the HERS Index. Those builders are both increasing their market share and the numbers of homes they build each year and are now competing with each other to get the lowest score

Meeting recessed at 5:24 p.m.

Tuesday, October 23, 2012
Meeting reconvened at 9:03 a.m.

Review of RESNET Whistle Blower, Anti-Trust and Conflict of Interest Policies

Kathy Spigarelli reviewed the whistle blower, anti-trust and conflict of interest. (Attachments E, F, and G) RESNET's By-Laws requires that the RESNET Board annually review these policies.

New Model for Mortgage Financing and Appraisal Evaluation Using HERS Index

Teresa Lopez with Green Energy Money presented her new model for mortgage financing and appraisal evaluation using the HERS Index. By the 2013 RESNET Conference she will have the web based tool finished and is it being piloting it right now. Pilot program will include 2,000 homes. Ms. Lopez showed a sample appraisal report including what her company created which is a ranking system (E0-E5) to go on the energy efficient line of the report. She showed a case study of a passive house retrofit in Austin that spent \$42,000 got a HERS 41 and the value increased to \$292,000 and it was purchased for \$170,000. Her goal is to link rating software to appraisal so that the information is automatically pulled onto the report.

RESNET Technical Committee Update

Brett Dillon, chairman of the RESNET Technical Committee gave the committee report. The following activities were reported on:

- The domestic water heating subcommittee is working on system distribution efficiency.
- The auxiliary end use subcommittee completed definitions on projected and confirmed ratings.
- The HVAC subcommittee is working on checklist for raters based on ACCA QI Standard and modeling installed performance of HVAC systems.
- The performance testing subcommittee is drafting 380, developing a method for measuring airflow and room to room pressures, balancing systems, and CAZ testing revisions.

The RESNET Board requested that each committee will start posting on the RESNET website the priorities and activities. Committee chairs will send information to Laurel Elam to post on the website.

RESNET Training and Education Committee Update

Mark Jansen, Chairman of the RESNET Training and Education Committee gave the committee report. The committee met in June in Kansas City to review all of the rater exam questions. The questions were revised and have been replaced on the exam. Chapter two has gone out for public comment and 63 comments have been received. The comments are being reviewed and responded to on weekly calls.

Mr. Jansen officially resigned as chairman of the Training and Education Committee to assume the full duties as President of the RESNET Board. Mark moved that Andy Gordon be appointed as the new chairman of the RESNET Training and Educations Committee. Brett Dillon seconded motion. Andy Gordon abstained. The motion passed with Andy Gordon abstaining.

RESNET Accreditation Committee Update

Andy Gordon, chairman of the RESNET Accreditation Committee gave the committee report. 21 applications for accreditation have been reviewed and approved. Mr. Gordon raised the issue of QADs not being qualified so a process has been developed to ensure that they have met all of the requirements.

Andy Gordon resigned as the chairman of the committee to assume the duties as chairman of the RESNET Training and Education. Andy moved that Dave Bell be appointed as the new chairman of the Accreditation Committee, Barb Yankie seconded the motion. The motion passed with Dave Bell abstaining.

RESNET Financial Controls Review

Lee O'Neal, the RESNET Treasurer reported on the independent review of RESNET's financial controls review. As due diligence, an independent review of RESNET internal financial controls took place this year. As a result of a RFP process RESNET hired J.H. Cohn, an international accounting firm was contracted to undertake the independent. The firm determined that RESNET financial controls are in good order. The company suggested three items be considered for improving the RESNET financial internal controls. Lee reported that RESNET staff is reviewing the recommendations and will report back to him.

Consideration of the 2013 RESNET Budget

2013 RESNET Operating Budget Request

Lee O'Neal reviewed the current financial state and the proposed 2013 budgets. In 2013 there were two budget requests, an operating budget request (Attachment I) and a capital investment request (Attachment J).

Lee noted that payroll, professional services, and travel have been reduced for the 2013 budget.

Philip Fairey moved that the following 2013 RESNET Operating Budget be adopted:

Payroll	\$600,000.00
Professional Services	\$310,000.00
Travel	\$80,000.00

RESNET Conference	\$222,000.00
Other	\$106,000.00
Supplies	\$7,000.00

The motion was seconded by Eurihea Speciale. The motion was adopted with no objection.

2013 Capital Investment Request

Revision of the RESNET Rater Test	\$25,000.00
Revision of RESNET Registry	\$50,000.00
Social Media Campaign and Google Grant Support	\$117,000.00

Steve Byers made the motion to approve the requested rater test revisions capital investment request of \$25,000. The motion was seconded by Ben Adams. Motion was adopted with no objection.

Daran Wastchak reported that he met with EPA regarding assistance with cost share to complete the work on the registry because the EPA will want to access the information in the registry. There will still be restrictions for access to all data. Mr. Wastchak disclosed that he has a conflict of interest with a company Pivotal that is interested in doing the work, so he will no longer participate in this discussion after his presentation. Based on his expertise working with a software database firm, believes that a budget of \$60,000-100,000 (\$30,000 - \$50,000 RESNET - \$30,000 - \$50,000 EPA funding will be necessary to fund completing the goals and scope of work for the project. Mr. Wastchak proposed that the Revision of RESNET Registry should be \$60-100,000 (Attachment K)

Philip Fairey moved to approve requested revision of building registry capital investment request of \$50,000. The motion was seconded by Dennis Stroer seconded the motion. The motion passed with Greg Thomas and Daran Wastchak abstaining.

Dave Bell made the motion to approve the social media campaign and Google advertising support capital investment request of \$117,000. The motion was seconded by Barb Yankie. Motion was adopted without objection.

Public Relations and Media Support

In addition to the RESNET staff capital investment request Daran Wastchak proposed an appropriation of \$60,000.00 for public relations and media support (Attachment L).

Philip Fairey made the motion to approve the public relations and media support capital investment request of \$60,000. The motion was seconded by Dennis Creech. Motion was adopted without objection.

Disney VISION House Project

RESNET received a proposal from Disney and Green Builder Media for RESNET to participate in the VISION House exhibit at the Epcot Center of \$50,000 per year for 3 years (Attachment M)

Brett Dillon made the motion to approve the Green Builder Media/Epcot Vision House capital investment request of \$50,000. The motion was seconded by David Goldstein.

Philip Fairey requested a friendly amendment to add a clause that we will be able to evaluate the progress of the project after the first year to determine if RESNET should continue funding. Both Brett Dillon and David Goldstein are in agreement of the friendly amendment.

Lee O'Neal announced that he would abstain from discussion and voting due to a potential conflict of interest if the project was approved.

Discussion ensued

The vote was called. By a show of hands six voted yes and six voted no with Ben Adams and Lee O'Neal abstaining. The motion failed.

RESNET Quality Assurance Committee Update

Daran Wastchak, chairman of the RESNET Quality Assurance Committee gave the committee's report.

The committee started work in June of 2011 on revisions to Standards. Changes based on feedback from the membership, QA Designees, RESNET staff, and Committee Members.

Changes to be proposed include:

- Change in the name of "Rating Providers" to "QA Providers"
- Clarification of Rater Candidate requirements
- Updated recertification requirements for Rating Field Inspectors
- Creation of a Rater ID card to be issued by QA Providers
- Minimum requirements for written Rater discipline procedures
- Added language for the new RESNET National Buildings Registry
- Removed Chapter 4 (and references) because BOP's are no longer in Standards
- Updated quality assurance file and field review requirements for sampled ratings
- Updated quality assurance field review requirements for Rating Field Inspectors
- Clarified corrective action requirements for non-compliant QA reviewed ratings
- Clarification of QA Designee requirements
- Clarification of RESNET recognition requirements for Energy Efficiency Programs
- Moved QA Requirements for CEQ Providers from Chapter 10 to Chapter 9
- Updated probation, suspension and revocation provisions for Providers
- Simplified language for appeals

The staff and providers will review the changes then the revisions will go out for public comment. A presentation of final changes to QA Designees will be delivered at the QA Roundtable at conference in Orlando.

The committee is also working on general improvements to RESNET overall QA process. Growing importance of HERS Index and ratings is raising the stakes and there is a need to improve the reporting of problems to RESNET. The committee also will update RESNET Standard Disclosure Form and will rethink allowed conflicts of interest. They will also look at RESNET Field QA procedures.

DOE Challenge Home/Home Performance with ENERGY STAR Update

David Lee of the U.S. Department of Energy praised RESNET's successes and the RESNET board of directors for their hard work.

Mr. Lee reported that the DOE Challenge Home building off of the success of ENERGY STAR. All homes must meet ENERGY STAR version 3 and there is a performance path and prescriptive path. Homes will be 40-50% more efficient and renewable energy ready; WaterSense, Indoor airPLUS are also minimums. Better Buildings Platform will encompass the Challenge Home, a commercial building program and will highlight comfort, indoor air quality, durability of the homes through a label or metric.

Mr. Lee then addressed the Home Energy Score. Currently DOE only recognizes individuals certified by BPI as an Energy Analyst and RESNET as a Home Energy Rater to participate in the program. RESNET and the American Society of Home Inspections and the International Association of Certified Home Inspectors requested DOE to recognize RESNET certified Home Energy Survey Professionals (HESP) to be able to participate in the program. David announced that because of a pilot effort in Missouri DOE has decided not to recognize HESP to participate.

An update was also presented on the Home Performance with ENERGY STAR program. DOE is considering changing some requirements. There will now be a performance and prescriptive path for the program. The changes will not be finalized until 2015.

ENERGY STAR Version 3 Update

Jonathan Passe of the Environmental Protection Agency presented the ENERGY STAR Version 3 update. He reported that in 2011 130,195 homes were certified (26% market share) and in 2012 1st and 2nd quarter reports show 47,891 homes certified. Mr. Passe also reported that new partners still signing on with the ENERGY STAR program. The EPA focused on continued emphasis on webinars and training on key issues of V3 and have developed HVAC training videos which are posted on the EPA website. They are also coordinating with DOE on online building science solutions center and that will replace the EPA ENERGY STAR v3 Field guides.

There are now several HVAC oversight organizations including ACCA, a new Advanced Energy program which just launched and accepting HVAC contractors across the country, NYSERDA (NY only 2 years), and Northern CO (limited service area 2 years only). And Pacific Northwest (via NEEA and PTCS) has a program that is pending approval.

EPA working with RESNET to integrate ENERGY STAR QA into existing HERS QA process and a working group convened in DC to develop draft. The goal is to add minimal burden while ensuring meaningful QA of ENERGY STAR checklists. They are also committed to sunset online reporting system and will support the registry revisions financially.

The ENERGY STAR program has a new marketing campaign- "better is better". They are working on brochures, reworked consumer website, and new video that will hopefully be ready by the conference. They also have a new PSA "this new sticker sealed the deal on our new home".

The EPA and RESNET are saying the right things about the HERS Index and ENERGY STAR that they are complimentary. EPA has concerns that this message is not trickling down to the field and so it is important to properly characterize value of both tools for builders and consumers. EPA asks for

RESNET to support in helping to educate raters on this item.

RESNET Building Registry Update

Philip Fairey presented the RESNET Building Registry update.

Rating uploaded to the registry since June 15, 2012-

Confirmed- 30,630

Sampled- 1,811

Projected - 953 (no longer accepted)

Total- 33,394

Ratings have been registered from all states except California, Hawaii, and Vermont.

There are 120 Rating Providers and 3,471 raters in the registry to date.

Other projects that are being worked on include adding independent test system for software providers; implementing a simple but controlled way to revise previously submitted rating and designing a QA sub-system so that QAs can do their record keeping and reporting through the registry. New Projects include EPA ENERGY STAR v3 data; DOE Challenge home data; detailed building data– building input file parsing; HPXML implementation and HERS Appraisal data

2013 RESNET Conference Update

Laurel Elam presented the 2013 Conference update and compared the number of attendees, sponsors and exhibitors from this time last year to this year's totals. She encouraged board members to participate in the scholarship program and also reported that the conference will be in Atlanta in 2014.

Dennis Stroer made a motion to adjourn and the meeting adjourned at 4:05 p.m.