



Setting the Standards for  
Home Energy Efficiency

## Results of Ballot of the RESNET® Board of Directors on Adoption of RESNET® Initiatives and Activities to be Supported in the 2024 RESNET® Budget August 18, 2023

The following are the results of the electronic ballot:

***Shall the RESNET® Board of Directors adopt the August 14, 2023 “Draft RESNET® Initiatives to be Supported in the 2024 RESNET® Budget (Attachment A)”***

Yes (15)	No (0)	Abstain (0)	Not Voting (4)
Sandra Adomatis			Emelie Glitch
Jacob Atalla			Cy Kilbourn
David Beam			Chris McTaggart
Philip Fairey			Curt Rich
Matt Gingrich			
Lindsey Elton			
David Goldstein			
John Hensley			
Leo Jansen			
Mark Johnson			
Abe Kruger			
Robert Pegues			
Jonathan Risch			
Brian Shanks			
Clayton Traylor			

The RESNET® Initiatives and Activities to be Supported in the 2024 RESNET® Budget was adopted.

## Attachment A



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### **Draft RESNET® Initiatives to be Supported in the 2024 RESNET® Budget August 14, 2023**

There are many emerging opportunities that are taking place now and will take place in the near future that will ensure the growth in demand for RESNET® rated homes and RESNET®'s financial success. While not all of these will be accomplished in 2024, investments must be made and work commissioned now to take advantage of these opportunities. Many of these initiatives will take years to implement but the activities proposed for 2024 lay the foundation for all the initiatives.

These initiatives offer real potential for 1 million HERS-rated homes per year by the year 2029. With the current \$7.50 rating fee per home, that represents a potential 2028 RESNET® income of \$7.5 million.

Based on RESNET®'s growth potential, we recommend the following initiatives be supported via the 2024 RESNET® budget:

#### **HERS® Raters as the Go-to-Source for Energy Code Compliance Initiative**

##### Activities

- Collaborate with the International Code Council (ICC) on the recognition of the ICC certified HERS®/IECC Compliance Professional certification of HERS® raters.
- Provide outreach to HERS® Raters to become certified as ICC certified HERS®/IECC Compliance Professionals.
- Complete the development of the API's so that HERS® software programs can incorporate the ICC/RESNET IECC Section 405 Compliance Reports into their software programs.

- Collaborate with ICC to educate code officials of the benefits of the Section 405 reports, once incorporated into the software.
- Conduct outreach to RESNET® Energy Smart Builders on the advantages of using the 405 compliance report.
- Continued collaboration with the Texas Association of Builders on educating Texas builders and code officials on the HB 3215 HERS® Index energy code compliance option.
- Collaborate with the Leading Builders of America to advocate for targeted state and local adoption of the 2021 IECC and the adoption of a HERS® Index compliance option.

## **45L Federal Income Tax Credit for Energy Efficient Homes**

### Activities

- In recognition of the increased scrutiny because of the extension and reform of the 45L federal tax credit, collaborate with the Environmental Protection Agency (EPA) and US Department of Energy (DOE) on implementing their new quality assurance and control oversight requirement for the ENERGY STAR and Net Zero Energy Ready Homes programs.
- Work with EPA and DOE on implementing new quality assurance and control protocols.
- Provide support for certified HERS® Raters on marketing their services as the go-to-source for qualifying for the federal tax credit.

## **Maintain Recognition of RESNET® as the Gold Standard by Enhancing RESNET®'s Quality Assurance and Control Procedures**

### Activities

- Work with Rating Providers and builders on increasing the emphasis of detecting errors prior to the home being uploaded to the RESNET® registry and home certification.
- Enhance quality assurance field reviews by “blind” inspection of homes on a case-by-case basis.
- Have all RESNET® Rating Providers use the RESNET® QA Review checklist app as a stand-alone tool or through an API to upload all QA Reviews directly to the RESNET® Building Registry, which will result in real-time tracking and quality control.
- Give Rating Providers access to the RESNET® Quality Assurance and Data Analytics Tool (Kibana) to enable more efficient oversight of ratings.
- Explore how generative AI can improve the data analytics capabilities of Kibana.

- Continue to vigorously defend RESNET®'s quality assurance standard in legal challenges.

## **Maintaining Integrity of RESNET® Registered Assets**

### Activity

- Continue to vigorously legally defend RESNET®'s trademark protected assets from fraudulent abuse and trademark violations.

## **Position the HERS® Industry to Take Advantage of the Environmental, Social and Governance (ESG) Movement**

### Activities

- Support the RESNET® ESG Advisory Committee in developing recommendations of activities that position RESNET® to take advantage of the emerging opportunities in this area.
- Develop new APIs to allow Builders access to the RESNET® National Registry to equip them with the information to report on the HERS® activity in developing their ESG reports.
- Continue to educate builders on the opportunities that HERS® Ratings have in ESG reporting.
- Educate the HERS® Industry on the opportunities presented by ESG.
- Continue collaboration with the Structural Finance Association in assisting investors in determining the number of HERS® rated homes in their portfolios and educating the investors of the advantages of HERS® in ESG reporting.

## **Collaborate with the Veterans Administration (VA) Loan Program on Implementing the New VA Loan Energy Efficiency Program**

### Activities

- Advocate that VA develop the guidelines for the new program.
- Advocate that the VA appoint a RESNET® representative to their legislatively mandated advisory committee.
- Collaborate with VA on implementation on the new mortgage program.
- Conduct education program for HERS® Raters on the new mortgage feature.
- Collaborate with VA on outreach to veteran service organizations on the new program.

## **Continue to Support the Fannie Mae & Freddie Green Mortgage-Backed Securities**

### Activities

- Complete APIs for Fannie Mae and Freddie Mac to access the RESNET® National Registry to verify homes have a confirmed HERS® rating.
- Assist in implementing the Leading Builders of America revised scope of work that builders can incorporate into their HERS® rating contracts to ensure the timeliness of rated homes being entered into the Registry. This will allow Fannie Mae and Freddie Mac to more effectively bundle green loans into the mortgage securities market.
- Implement education program to HERS® Raters on the green mortgage-backed securities programs and how it benefits their builder clients.
- Collaborate with Fannie Mae and Freddie Mac on an outreach campaign to lenders on their green mortgage programs.
- Advocate to Fannie Mae and Freddie Mac on adding the RESNET® HERS<sub>H20</sub>® and carbon rating program to their green mortgage programs.

## **Implementing HERS® Index Scores in California**

### Activities

- Continue accrediting California Energy Commission (CEC) accredited rating providers to become RESNET® Rating Providers and producing RESNET® HERS® Index.
- Collaborate with CEC accredited rating providers on recruiting their certified raters to become certified RESNET® HERS® Raters.
- Educate builders of the new opportunity to have their California homes RESNET® HERS® rated and uploaded into the RESNET® National Registry.
- Continue to collaborate with the California Association of Building Energy Consultants on educating energy modelers on how they fit into the RESNET® HERS® Rating process.

## **Continued Implementation of HERS<sub>H20</sub>®**

### Activities

- Work with RESNET® accredited HERS<sub>H20</sub>® Rating Software Providers on incorporating the RESNET® water efficiency rating program into their software programs.
- Recruit certified RESNET® HERS® Raters to be certified as HERS<sub>H20</sub>® raters and add the water efficiency rating to their builder client services while conducting the HERS® ratings.
- Educate builders of the KB Home initiative where all new communities in Arizona, California and Nevada are HERS<sub>H20</sub>® rated and encourage them to adopt such an initiative for their companies.
- Advocate to RESNET® Energy Smart Builders to have their homes both HERS<sub>H20</sub>® and HERS® rated.
- Continue to collaborate with the EPA WaterSense Homes Program and NRDC on educating water districts of the advantage of having homes WaterSense labeled.
- Advocate to Fannie Mae and Freddie Mac Green Mortgage-Backed Securities programs to have them incorporate HERS<sub>H20</sub>® into their programs.

## **Implement RESNET®'s Carbon Index**

### Activities

- Work with RESNET® accredited HERS<sub>H20</sub>® Rating Software Providers on incorporating the RESNET® carbon rating program into their software programs.
- Encourage certified RESNET® HERS® Raters to become certified as RESNET® Carbon Index raters.
- Educate builders of the advantage of having their homes carbon rated along with their HERS® rating.
- Advocate to builders to have their carbon ratings included in their ESG reports.
- Advocate to Fannie Mae and Freddie Mac Green Mortgage-Backed Securities programs to incorporate carbon index into their programs.
- Collaborate with Habitat for Humanity International on a pilot carbon index rating project.

## **Recruiting the Next Generation to the HERS® Industry**

### Activities

- Collaborate with the Building Talent Foundation on recruiting new talent into the HERS® industry.
- Support the RESNET® Emerging Leaders Council.

- Undertake such efforts as the RESNET® Recognition of Women Pioneers in the HERS® Industry that recognizes and celebrates the female trailblazers and provide inspiration for future leaders.

## **Promote the Including of HERS® Index Scores in Real Estate Appraisals and MLS Listings**

### Activities

- Continue to support the RESNET®/Appraisals Institute Appraiser Portal that is available free to all appraisers.
- Continue to collaborate with the Appraisal Institute on educating appraisers on the HERS® Index and the Appraiser Portal.
- Collaborate with Freddie Mac on the auto populating of HERS® Index Scores in the new Standard Appraisal Form.
- Continue to work with MLS organizations to auto populate HERS® Index scores into their listings.

## **Advocacy to Decision Makers on Residential Energy Efficiency and Implementation of Residential Energy Efficiency Programs**

- Host RESNET® Policy Forum in the Spring of 2024 in Washington, DC.
- Coordinate a “Capitol Hill Day” for the HERS® industry visit to Congressional delegations.
- Continued presence in DC through RESNET®’s Washington Representative

## **Habitat for Humanity Affiliates Having Homes HERS® Index Rated**

### Activities

- Continued collaborations with Habitat for Humanity International in having their affiliates have their new developments HERS® rated.
- Develop with Habitat for Humanity International a new phase of RESNET® collaboration on recruiting HERS® Raters to work effectively with their Habitat affiliates.

## **Develop RESNET® ANSI Candidate Standard for Calculating RESNET® Embodied Carbon in Residential Building Materials**

### Activities

- Support the RESNET® Standard Development Committee on Calculating Embodied Carbon in drafting the technical standard specifications.

- Coordinate RESNET®'s standard development with the ICC, ASHRAE, EPA and the California Energy Commission's embodied carbon efforts.
- Coordinate with ICC and ASHRAE on the RESNET® embodied carbon standard development effort.

## **Position RESNET® and the HERS® Industry to Take Advantage of the Build to Rent Movement**

### Activities

- Stay abreast of developing trends in the Build to Rent market.
- Collaborate with the National Rental Home Council on educating its developer members on the value of HERS® ratings and how it can fit into ESG reporting (RESNET® is the newest member of the Council).
- Work with Build to Rent developers that are already having their homes HERS® rated in telling their story to their peers.
- Educate investors in Build to Rent developments on use of HERS® Index Scores in their ESG reports.

## **Position RESNET® and the HERS® Industry to Take Advantage of Modular Homes**

### Activities

- Develop strategy of how to position the industry to promote single family and multifamily developers to have their homes HERS® Index rated and apply to ESG reporting and the 45L federal tax credit.

## **RESNET®'s Ongoing Activities**

In addition to these initiatives RESNET® will continue to conduct the following ongoing activities:

- Continued effective management of RESNET®'s finances and organization.
- Continued maintenance of RESNET®'s standards following ANSI consensus standard development procedures.
- Review and approve applications to be new or renewed accredited RESNET® Providers.
- Continued effort to improve the consistency of RESNET® accredited HERS® Software Providers.