

# 2013 RESNET

## The Role Of Utilities in Marketing the HERS Index

Roy Honican

# Electric Utilities

- Different types have different objectives
- Three types
  - Municipals
  - Investor owned
  - Cooperatives (aka RECC)

# Electric Utilities

Three Parts:

- Generation
- Transmission
- Distribution

# Electric Utilities

- Cooperatives
  - Not for profit (Member owned)
  - Governed by a Board that's elected by its membership
- Two types
  - Generation & Transmission Cooperatives
  - Distribution Cooperatives

# Electric Utilities

- Energy Efficiency Programs very dependant on;
  - Utility type
  - Generation capacity
  - State regulation
- Understanding your Utilities goals can give you a market edge

# Kentucky

- Utility type
  - We have all three
- Generation capacity
  - Reaching capacity
  - Implementing Load Management

# Kentucky

- State regulation
  - Regulated by Public Service Commission
  - Utilities can recover lost revenue from Energy Efficiency Programs in their rates or DSM surcharge
  - Governor's plan calls for a voluntary 1% annual reduction

# Blue Grass Energy

- Blue Grass Energy
  - Distribution Cooperative
  - Member owned
- East Kentucky Power
  - Generation & Transmission Cooperative
  - Owned by 16 Distribution Cooperatives
- Together we are

Kentucky's Touchstone Energy® Cooperatives





# Blue Grass Energy

## Purpose Statement:

*Making life better; the cooperative way.*

## Mission Statement:

*Provide safe, reliable, affordable energy services, while improving the quality of life for our members.*

# Blue Grass Energy

## Values

- Accountability
- Commitment
- Integrity
- Respect
- Unity

# Program Development

- Program must meet:
  - Blue Grass Energy's
    - Purpose
    - Mission
    - Values
  - Touchstone Energy requirements
    - If using Touchstone Energy branding

# Program Development

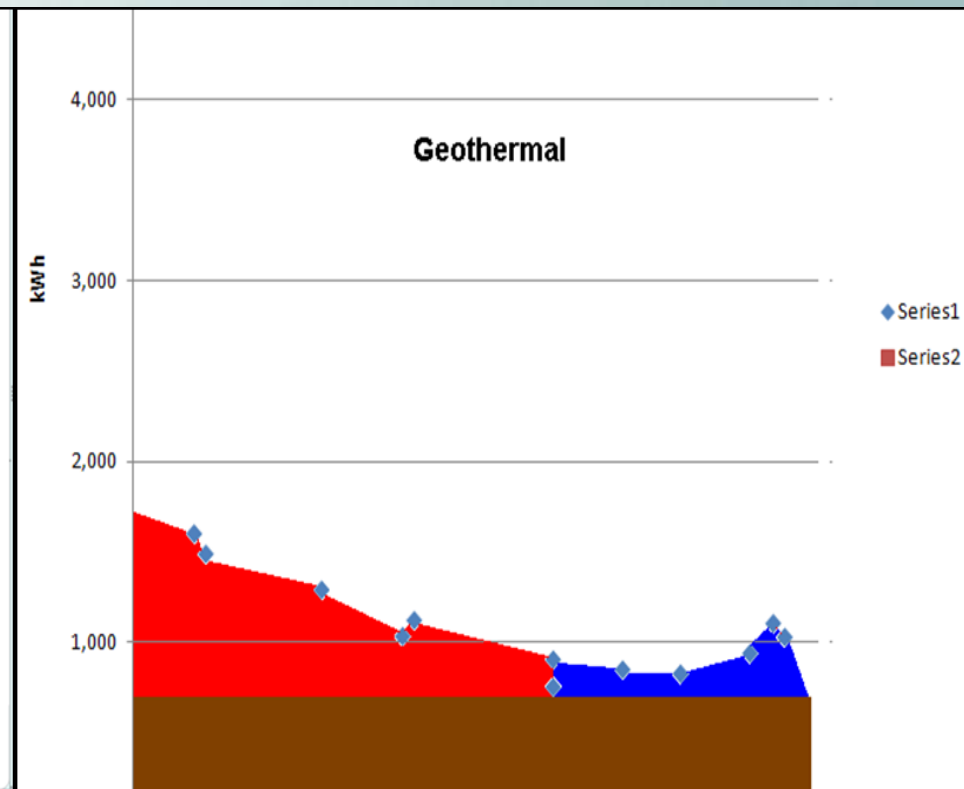
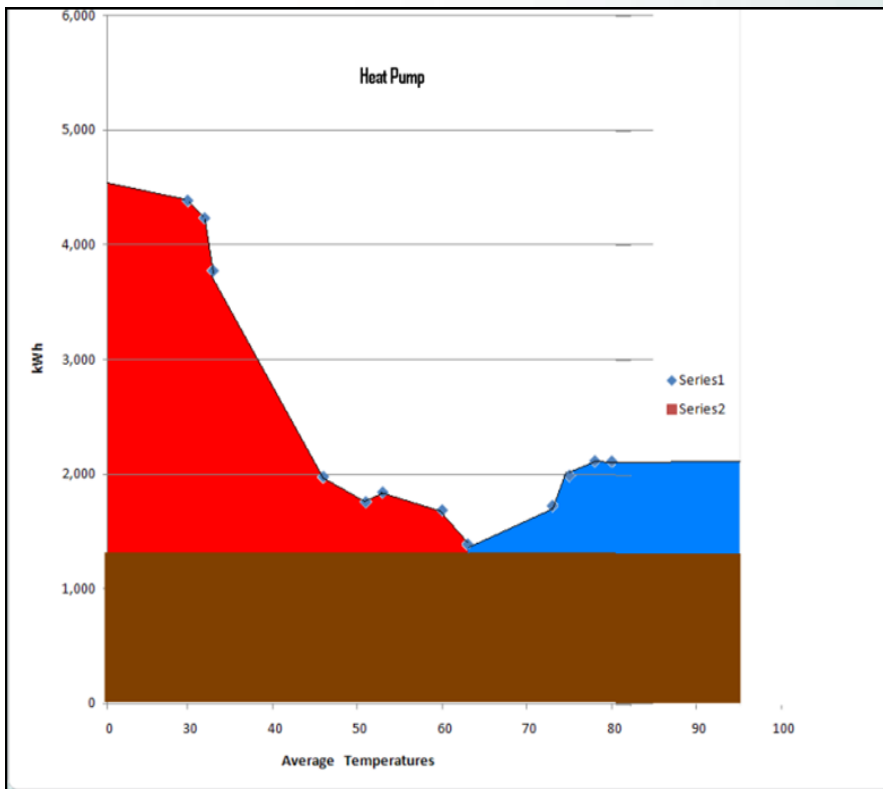
- Program must meet:
  - State regulations
    - Tariff approval
    - California Test
- Note:
  - California Test must show positive benefit for participant to receive PSC approval
  - Blue Grass Energy evaluates non-participant benefit

# Program Development

- Modeling
  - Distribution Cooperative buys power from G&T (kWh)
  - Distribution Cooperative pays a demand charge (kW)
- If a program lowers kW more than kWh, the nonparticipant benefit is positive

# Program Evaluation

## Electric Metering



# Touchstone Energy Home

- National requirements
  - Must meet 2009 IECC
  - Heat Pump or GEO
  - Electric water heater(tank storage)

# Touchstone Energy Home

- Blue Grass Energy
  - Meets National requirements
  - Thermal bypass
  - 2009 IECC performance path
  - HERS Index of  $\leq 85$
- Free HERS Rating if all requirements are met



# Touchstone Energy Home

- Background
  - 2003
    - 5 Employees certified as HERS Raters
  - 2004
    - EKPC become HERS provider for coops
  - 2005
    - Incorporated Energy STAR in Touchstone Energy Home program


# Touchstone Energy Home

- Background
  - 2012
    - Incorporated HERS Index into Touchstone Energy Home program

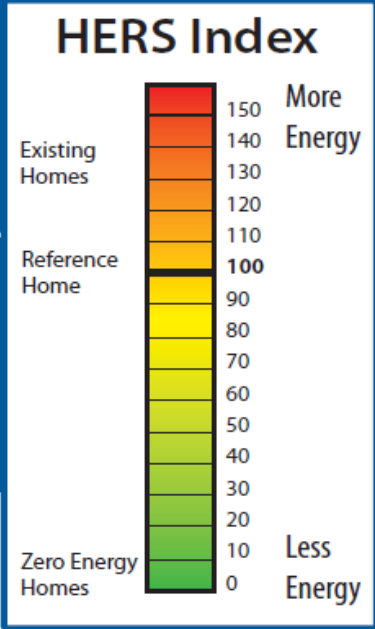
# Touchstone Energy Home



# Touchstone Energy Home



Touchstone Energy<sup>®</sup>  
**HOME**



**HERS Index**

Existing Homes


Reference Home

Zero Energy Homes

More Energy

Less Energy

Projected Rating Based on Plans-Field Confirmation Required



**RESNET**  
A RESNET EnergySmart Program



**Blue Grass Energy**  
A Touchstone Energy Cooperative 

# Touchstone Energy Home



*For the home you're building...*

## Touchstone Energy Home

Blue Grass Energy's Touchstone Energy Home is designed to provide you with superior comfort and energy savings while promoting exemplary building performance in new site-built homes. One of our energy advisors will work with you. When standards are met, a certificate will be issued stating the home meets Touchstone Energy standards.

**Eligibility:** Members building an electrically-heated new home.

**Benefits:**

- Energy-efficient design from blueprints
- RESNET HERS Index certificate (\$1,200 value)
- IECC Code Compliance
- Greater home comfort
- Pride in home ownership



*Making life better, the cooperative way.*

## Other member benefits...

### Pay-as-you-go

Say goodbye to deposits, late fees, disconnect fees and reconnect fees with the new Pay-as-you-go program (A Prepaid Energy Solution).

For more information, or to sign up, call (888) 546-4243.

### Levelized Budget Billing

Levelized Budget Billing averages payments into 12 (monthly) installments throughout the year. Certain restrictions apply for enrollment.

### Automatic Bill Payment

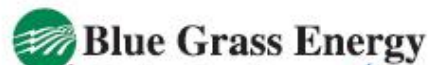
Conveniently pay your bill using automatic bill payment, which deducts the amount of the electric bill each month from your bank account or debit/credit card.

### E-Billing

E-Billing takes online bill payment one step further by emailing your electric bill each month. On your billing date, you'll receive an email linking you directly to your Blue Grass Energy bill.

### Beat the Peak

Working together, you and Blue Grass Energy can save on power costs. Reducing energy use during peak demand helps lower energy costs. Join our Beat the Peak program and we'll notify you before a peak time. You have the power to plan your energy conservation. Learn more at [www.bgenergy.com/BeatThePeak.aspx](http://www.bgenergy.com/BeatThePeak.aspx) or simply text bgpeak to 85700.



A Touchstone Energy Cooperative

*Making life better, the cooperative way.*



1-888-546-4243  
[www.bgenergy.com](http://www.bgenergy.com)



**Blue Grass Energy**  
A Touchstone Energy Cooperative  
[www.bgenergy.com](http://www.bgenergy.com)

**ENERGY EFFICIENCY PROGRAMS**

Labels in the image: TSE Home, Beat the Peak, Levelized Budget Billing, Energy Audit, HVAC Duct Sealing, Smart Meter.

# Touchstone Energy Home

## Blue Grass Energy's SimpleSaver

1-800-305-5493  
www.simplesaver.coop

### SimpleSaver (Direct Load Control)

SimpleSaver will reduce peak demand and energy usage through the installation of load control devices on residential air conditioners, electric water heaters, and/or pool pumps.

Peak demand reduction occurs by cycling equipment on and off according to a pre-determined control strategy. Participating members receive a bill credit incentive.

**Eligibility:** Any Blue Grass Energy member.

#### Benefits:

- \$10 bill credit in February for each active water heater control device.
- \$5 bill credit in June, July, August and September for each active A/C unit control device.
- \$5 bill credit in June, July, August and September for each pool pump.



### For the existing home...

#### Home Energy Audits

Whether your house is always too cold or too hot, your bills are a little too high, or you just want to learn how you can become more energy efficient, Blue Grass Energy can help.

Our energy advisors will come to your home to perform an energy audit. They inspect the likely suspects – your insulation, windows, ductwork, water heater or any other place you think might be troublesome – and tell you how you can make a few changes that will make your home more comfortable and your energy bill lower. And the best part is, energy audits are free to all Blue Grass Energy members.

You can also check out our HomeEnergy Calculator in the Savings Center at [www.bgenergy.com](http://www.bgenergy.com).



#### Button-Up Weatherization

A Button-Up can improve the efficiency and comfort of your home. A Blue Grass Energy energy advisor will identify areas where improved insulation is needed and suggested weatherization techniques to reduce heat loss in the home.

**Eligibility:** Any BGEnergy member. Rebates available only to members with an electrically-heated home at least two years old.

#### Benefits:

- Up to \$1,370 for energy efficiency improvements.  
*The following work may qualify:*
  - adding insulation
  - replacing windows
  - air sealing

#### Heat Pump Retrofit

Thinking about replacing your old electric furnace, baseboard heat or ceiling cable? Check with us first.

**Eligibility:** Any BGEnergy member with stick-built home or manufactured home that is a minimum of two years old and uses electricity as the primary source for heating.

#### Benefits:

- Up to \$1,000 for replacement for replacing an electric furnace, baseboard heat or ceiling cable heat with a high-efficiency heat pump.

#### HVAC Duct Sealing

This program offers blower door tests to evaluate and identify costly duct leaks, and an incentive to seal leaking ductwork either with traditional mastic sealers or with the Aeroseal duct-sealing program.

**Eligibility:** Any BGEnergy member with a single-family, electrically-based home at least two years old. Duct systems must be accessible and in an unconditioned space.

#### Benefits:

- \$250 rebate per system to members for sealing ductwork. Members may do the work or hire a contractor. Final duct leakage must be less than 10 percent of the system's fan capacity.

 **Blue Grass Energy**  
A Touchstone Energy Cooperative 



# Touchstone Energy Home

## Next Step

- Transition new home program to contractor model
- Develop existing home program utilizing on staff Raters to promote HERS Index

# Summary

What is the Role Of Utilities in Marketing the  
HERS Index?

To develop the industry