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COMMENTS ON PROPOSED CHANGES TO HPWES PROGRAM

July 30, 2007

United States Environmental Protection Agency
Mr. Dale Hoffmeyer
Environmental Protection Agency
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Dear Mr. Hoffmeyer,

BP Consulting is pleased to submit the following comments in reference to the proposed changes to the Home Performance with Energy Star Program (HPWES) as requested. These comments may be posted on the website for public review.

P1 – Proposed Changes to Home Performance with ENERGY STAR® Quality Assurance Requirements
Comments Requested

The proposed approach is clear however, it is onerous and burdensome for many types of contractors. Consumers should be given the ability to choose from contractors who meet certain requirements to be in business. Contractors should be differentiated based on their performance, not based on whether they choose to participate in programs. Too many seem to think that contractors will want to participate in programs to get the imprimatur of the government behind them. However, there are many contractors who do not want to be involved because the requirements may be lower than their standard practices, in some cases it will require them changing their successful business in ways that is not in their or their customer's best interest.

These comprehensive services have value in the marketplace. There are contractors performing them exceptionally well without any HPWES program. The program requirements will add no new value but could detract from the value proposition they are building if it does not dovetail with their efforts. If HPWES suddenly comes into their market and is available these successful contractors may faced with a decision to participate or have their market share eroded by some new company that has the government program supporting it. It also leads the consumer into a false sense of security. Some companies may be marginally performing but in the program when there are actually better companies out there who do not participate but would do a much better job for the consumer. These companies are now being overlooked because they were not in the program.

The requirements should be modified to allow contractors that meet certain national standards to perform their own quality assurance. They could be required to provide consumers with certain standardized information so that a consumer can choose if they want to, to get a second or third opinion from another contractor or consultant and will have a means to compare the information systematically. This is much like going to a doctor, if

the consumer does not like what the contractor told them or showed them or if the consumer expected something different based on a certain understanding the consumer can choose to go to another contractor and get their feedback in a standardized format. They can also choose to do this if they want an independent review, but they are not forced to have someone review nor is the contractor forced to use this more onerous model. Some may want this service but it is not a one size fits all approach this way and it allows good contractors to participate who might not otherwise. There should also be a manufacturer model considered that uses their network in the marketplace.

P2 – Proposed Minimum Home Performance with ENERGY STAR® Sponsor Reporting Requirements
Comments Requested

The reporting system proposed assumes some larger sponsor that would aggregate the results and report to Energy Star. However, there has been no provision to allow a contractor to act as a sponsor of the program. In fact the proposed requirements state there must be at least 3 active participating contractors and consultants which would clearly indicate that this model is not being considered. This does not open the program up and in fact continues the reliance on this third party model that is an unnatural market intervener and is not needed to accomplish the objectives that are sought effectively.

P3 – Proposed Guidelines for a Home Performance with ENERGY STAR® Comprehensive Home Assessment
Comments Requested

The proposed requirements enhance the contractor's and consultants understanding of the homes energy use, health and safety and building durability without overburdening the contractor/consultant. However, it should be noted that each situation is unique and the reason the contractor/consultant is in the home is to solve a problem the consumer has or believes they have. It is not intended to be a research project. With that said a CHA implies comprehensiveness that this approach does not necessarily have in some areas and it leads a consumer into a false sense of security. There needs to be some information provided to the consumer that that says what the CHA is and is not and what should and should not be taken from this assessment.

A real world example I can point to is a case in NY this past year. This did not involve any CHA to my knowledge or program activity, but it points out why we need to think about what we are doing, how we are doing it and what we are saying. It involves a situation where some power vents were installed on some hot water boilers for side wall venting. They were incorrectly wired and did not function properly. This was not because they did not remove contaminants when they were operational but because their sequence of operations was incorrect and they failed to operate as a result. Had a person performing a CHA as it is understood today, done a review chances are good that they would have given the systems an ok for draft and spillage, but since electrical and sequence of operations is not part of the scope they look at they would never have picked up on the electrical wiring problem. Now unfortunately, someone died in this case and several other homes in the complex were found incorrectly wired and corrected. Had someone done a CHA in those homes and passed these systems the headlines would be awfully negative and the lawsuits would be flying because wiring and controls is not part of the scope yet vents were looked at and ok. The point is we have to be careful not to paint a picture of something that this is not. We also want to make it a tool to differentiate. This really involves some carefully crafted language and openness with the consumer public saying here is what we do and do not do. Anything less than that would be misleading and potentially negligent on those who are putting out the information for the consumer to rely on.

The question asked about effort is one that comes with a premium price tag. Customers should pay a premium for these services not get them for free or deep discounts. If they do not want to pay then do they really want the information or the job done right? Selling a CHA is not difficult if the contractor and consultant explain why the process is needed as it relates to the solution the customer is seeking. Another element of

this comment involves the business systems. There needs to be much more emphasis on the business side qualifications and training as this is an area where many smaller companies and even larger ones are weak and need assistance. Technical training is important but without a sound business operation the most technical person will fail.

The marketplace should take care of the speed of performance innovations. There are ways to get the information more quickly and accurately. However, we should not try to stipulate what has to be done or not done or used to get it. As for the comment about taking too long, that is a function of experience and knowing what to look for and how to ascertain the information. Customers expectations must be managed from the initial call through the follow up and beyond. This again goes into good business practices and training. Many think you need to get in and get out, but the reality is a conscientious consumer would much rather you spend a couple hours and they pay you to do it right then for someone with a clipboard or a business card to come in spend 5 or 10 minutes and do it wrong. It needs to be looked at as a consultation just like you might have with any other professional. The days of free, meaning worthless and estimate, meaning guess (free estimates) in contracting are behind us. Everyone's time is valuable and if customers are serious about getting things done they will pay upfront or get what they paid for at the end.

The Comprehensive Home Assessment is a term that starts to differentiate from everyone doing energy audits. Energy audits are not comprehensive and this discussion was held with the BPI/RESNET audit proposal from last year. It will take time to create market awareness of the CHA but that is what we need to do if we want people to understand that it is in fact something different. Again, watch the expectations and consumer perception.

The requirements for a specific order of operations on most items are onerous. There are a few steps that need to be sequential but many are able to be done at the contractors/consultants discretion however they feel most comfortable. Also, some contractors and consultants may choose to perform the CHA in using a two visit process where they do analysis and data gathering in between, others may want a single visit process where they get things up front and there are other models that could be used. What everyone needs to do is to work from a uniform standard. The CHA must have the following items and utility bill analysis may be needed or may not. For example if the contractor is there for certain health and safety improvements but is not their for any major energy consuming system improvements do they need to collect utility data? There needs to be some stipulations as to when certain tests and data collection are gathered. Let's not collect data just to collect data. Let's not sell the customer something that they do not need. Let's also remember we are there to provide solutions to the customer not to collect data for programs and such.

Radon testing should be an optional service that can be offered. In fact many services in the CHA should be "optional" service that companies can offer. What I mean by that is they will need to do certain minimum things to be involved but they should have to disclose on a standard form available to consumers what testing and services they can and can not offer internal with their own staff or using third parties this should include the follow up services as well such as Insulation, Air Sealing, HVAC, Windows, etc. This could even include a disclosure section about the QA piece. In this way customers can choose based on the contractors/consultants abilities to perform or not perform work. Not all companies will want to incur the liability associated with doing some things. However, it should be part of the CHA standard and let the consumer decide who they want to go with.

All HVAC requirements should come from the ANSI-ACCA Standard at this point as it is a nationally accepted standard. There are additional requirements for HVAC testing that many of the analysts will not be qualified to do and in fact will be prohibited from doing based on authorities having jurisdiction. There is also the liability issue. This is an area where expertise from the industry needs to be brought in to provide HPWES with proper guidance on what can and can not be done.

If there are choices in test methods that meet the requirements then that should be allowed. The debates about testing ducts has been ongoing for years and while we may want to nail down a preferred method none of them are so accurate or repeatable that we should choose one over another at this time.

Again with air flow, debate continues. Advances in instrumentation allow the airflow determinations to be made accurately using other technologies beside the duct blaster. It should also be noted that we are trying to get numbers +/- in many cases that are incrementally small and insignificant. That is not to say systems should not be tested. Let's focus on getting the tests done and then we can focus more on how much accuracy can we get from them. I suspect that if there is more emphasis on the readings more accurate instrumentation and methods will occur by the marketplace. Look at how the CO instrumentation continues to improve.

P4 – Proposed Home Performance with ENERGY STAR® Certificate of Completion
<u>Comments Requested</u>

Certificates are a great idea to give something more tangible. However we should not make this into a certificate sales program which it could become. Consumers are buying solutions to their problems not ratings and certificates. Care needs to be taken to set a standard for what must be included but let's not create false expectations by the certificate. Be clear in what it means and does not mean. The information should be reported in systematic manner for ease in comparison by consumers. That would be valuable in the marketplace.

<u>ADDITIONAL GENERAL COMMENTS ABOUT HPWES DIRECTION</u>

After reviewing the proposed changes there are three overarching comments to share with Energy Star and the public as it relates to these efforts.

In order for HPWES to become mainstream on a truly national basis the efforts must be broadened outside of the typical model where a state, utility or similar program effort is the primary method used for ensuring the consistent delivery of quality services by the contractors and consultants. There are too many accounts around the country where the quality is not consistent. However, there are some other ways HPWES can be delivered that can ensure the level of consistent quality desired and might in fact overshadow this stigma developing and result in change for the better. These ideas have not yet been attempted or given an opportunity as the focus has been on the sponsor focused delivery model. It would be extremely valuable to the mainstream marketplace for Energy Star to allow some options to be tried outside that environment working in conjunction with manufacturers, trade associations, distributors and even with contractors meeting certain requirements. BPI was scheduled to try some different QA model pilot efforts throughout the third year of the grant which is nearing its completion. If any of these pilots occurred it would be useful to hear the results. If they were not conducted Energy Star should afford some other organizations the opportunity to try some of these concepts out as they warrant consideration. One model is to have contractors provide their own system of Quality Assurance provided it meets certain ANSI or similar standards such as those set by Air Conditioning Contractors of America (ACCA) for HVAC Quality Installation or other groups that choose to have their standards put through that consensus development process. This might include the BPI Standards. Another model mentioned could be to explore using a manufacturer where the oversight might come through their top dealer network and using their field service managers.

Second, significant effort needs to be put into workforce development at all levels of the contracting industry as well as in the educational system needed to train and support the activities of the industries. These efforts need to be broad as there is a shortage of people entering the building and trades industry. It is also important to note that despite nearly three decades of effort by the building science community to create a new industry,

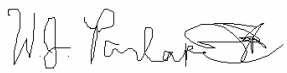
what is actually occurring in the marketplace is a positioning where it is an "us vs. them" situation of the "trades" vs. "the building science guys". Not all contractors and trades people are doing their work poorly and incorrectly and there are still those who seem stuck on that idea in the community. In fact there are those in the contracting business, who are quite successful that could teach everyone some great things if there was more of a two way street and a mutual respect. This is very unfortunate because there are countless contractors, organizations and important stakeholders who could be more involved if they were not treated so poorly. While this is not something that Energy Star is going to be able to change, it is a barrier to participation that needs to be overcome and there is a need to find new ways to work together with other groups as well. It should also be pointed out that trying to create this buzz about a new industry is ill conceived when most of the work gets done by the existing building trades and the remodelers not a new industry. Everyone is competing for the same human resources and needs to work together so why not simply work to add the skills to the other trades rather than trying to reinvent the wheel.

Third and most importantly, extreme care needs to be taken so as to not create a false sense of security for consumers having improvements made in their homes. There are efforts underway across this country where candidates who sometimes have limited or no skills in the building and trades industry are being put through a couple weeks of schooling, there are efforts to subsidize their purchase of tools and equipment, training, credentialing and turning them out onto the consumer public and indicating that they are qualified. The question is how qualified are they really? Certainly some are fully qualified, but that is the exception more than the rule and as we expand the base it will become even more challenging. The problem is the typical consumer hears whole house, qualified, certified, accredited, quality assurance, CHA, etc., etc. and thinks that these people and entities they are calling on can deliver everything they need. Certainly some are prepared to do so but there are a lot who are not and others who are not totally committed and simply riding the free advertising wave. There really needs to be a better job done at explaining to the public what these people can and can not do. Some type of disclosure form would go a long ways to addressing the company and individuals they employ capabilities to deliver services. In this way the consumer can decide what they are buying. The issue here is let's not lead the consumer into a false sense of security and let's truly raise the bar by making people demonstrate their ability through experience in the industry before they can capitalize on the efforts of the HPWES marketing platform.

In closing we need to remember consumers and contractors, not programs are the end users of these HPWES services. The decisions made upstream of these two key groups have a major impact downstream on what gets actually done and delivered in the field. These groups input and interests should always be given the highest priority in terms of design, development and delivery of the next version of this or any other program efforts impacting them. Especially, since their buy in and support is critical to success.

I thank you for the opportunity to provide these comments. If you have any questions, please contact me at 518-527-2699, via email wjp3@bpconsulting.org or via fax at 1-866-892-5374.

Respectfully,



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