

ROCKY MOUNTAIN POWER ENERGY STAR NEW HOMES PROGRAM

PROGRAM DESIGN

Program Description

Program design for the Rocky Mountain Power ENERGY STAR New Homes program began in early 2004, with a launch date set for January 2005 in the Rocky Mountain Power service territory. Ecos Consulting, a Portland based company with a strong commitment to preserving and enhancing the global environment was awarded the 5 year contract with PacifiCorp to conduct this program in two of the clients markets; Central Washington under the Pacific Power name and in Utah under the Rocky Mountain Power name (formerly Utah Power).

While both of the programs are critical to Ecos Consulting and PacifiCorp, the majority of comments in this discussion will focus on the successes that have been realized in the Utah market.

Not unlike other ENERGY STAR New Homes programs Rocky Mountain Power set out to transform the building industry throughout the state of Utah. From the largest production builder – a local company – to national home builders, to the individual home owner. Utah has seen an overall new home construction increase of about 25% over the past few years with new home permits now approaching 22,000 per year.

Program Research, Design and Findings

Ecos Consulting contracted with Ecotope in Seattle WA, to help model the PacifiCorp program. The Northwest's model of a prescriptive path for is used for ENERGY STAR homes in Washington. However Utah's homes are certified through H.E.R.S. raters and performance based testing. It is important to note that the Utah market is quite different from the Northwest in several aspects of home construction but particularly in the area of HVAC installation and equipment. Duct design and products used during installation is quite different in Utah versus what was modeled in the Northwest. This finding has resulted in the need to provide extensive ongoing training to the HVAC trade allies.

During the design and early implementation phases of the program it was also learned that the program would quickly outgrow the existing H.E.R.S. rater community. Within just a few months efforts were in place to bring additional raters into the market to keep up with the demand of homes that needed to be certified.

Program Selection and Implementation

It was decided jointly by Ecos Consulting and PacifiCorp to make the Rocky Mountain Power program a cash incentive program with the rebate going to the home builder. Due to the hiring of additional staff members and some changes in management at Ecos, the current program management team was not part of the program design and therefore does not know what other options were discussed prior to accepting the current program.

In addition to the cash incentives the management team has offered (and continues to offer) ongoing trade ally training ranging from sales agent training to HVAC and insulation training in order to provide an added value to the builder.

Program Goals

An aggressive goal structure was put into place in an attempt to jump-start the Utah market and quickly bring it in line with other New Homes programs.

Year	# of Homes	Cum # of Homes
Year 1	362	362
Year 2	1,780	2,142
Year 3	2,329	4,471
Year 4	2,874	7,345
Year 5	3,146	10,491

The resulting impact of this program will bring the savings of 17,361,000 kWh to the client over the 5 year period.

Though Utah's market is growing, the numbers above show that it is still a relatively small market for ENERGY STAR New Homes which in-turn indicates that there is a lot of potential for future programs.

Initial Observations

At a glance the Utah market seemed quite similar to other housing markets. However as the program developed, it quickly became apparent that some of the building practices were quite different or perhaps just behind the curve of other markets. In the area of HVAC alone this market is in need of vast modifications – not only to how ducts are installed, but in what material to use and how to size equipment. It has been discovered that Utah is not alone in the area of needed improvements, but more extensive research of the market prior to program launch may have impacted how the program was rolled out.

The program has been well received by builders in Utah. Early pioneers of ENERGY STAR New Homes and long time ENERGY STAR partners in Utah helped prepare the way for a successful start. The program management team's positive attitude toward the benefits of ENERGY STAR aided them in selling the program to Utah's top builders. By showing added value to the builder the account managers can easily explain the benefits and help form the builder's opinion towards energy efficient measures in their building practices.

Certainly there are areas that can be improved on. The Rocky Mountain Power team has shifted some of the focus from training the builders to educating the public. Cooperative marketing efforts continue to be important to the builders, but in addition there is a concerted effort being made to bring awareness to the consumer.

ROCKY MOUNTAIN POWER BUILDER SEMINARS

Key Objectives of a Builder Seminar – 2007 Program Preview Seminar

With the Thermal Bypass Checklist being introduced into the market in 2006 there were several questions on the minds of the builders as to what it would take to conform to the new standard. During the summer of 2006, the Rocky Mountain Power ENERGY STAR New Homes program identified the need to disseminate as much information as possible to as many builders as possible in as short as time as possible. With this in mind the program management team blitzed the builder community with an invitation to attend a 2007 Program Preview seminar to present new information about the ENERGY STAR New Homes program and answer questions that they might have.

Steps Taken to Organize an Event

The success that the team has enjoyed in Utah can primarily be attributed to communication with the builders and respect for their time. Below is a bare bones example of the steps necessary to host a successful event (details will change based on the specifics of your event – size, location, guest speakers etc.);

- Plan the event several weeks in advance (months in advance if it is a large event)
- Secure a location
- Offer something that the builder wants
- Communicate
 - Email blast 5 weeks in advance
 - Fax 3 weeks in advance
 - Post card 2 weeks in advance
 - 2nd email blast 3 days before event(This pattern of communication has been successfully used for a variety of different meetings and events associated with the program.)
- Feed those who attend (some will do anything for a free meal!)
- Tell them how long they will be there and then stick to it
- Plan the event around something that may draw the builders in
 - Another event
 - A prominent guest speaker
 - New incentives
 - etc
- Keep it short and to the point
- Add value to what they already offer as a home builder

Planning For an Event

How much time should be allocated to preparing is very event specific. A simple answer might be ‘as much time as you can afford to allocate.’ A successful event in September of 2006 in Utah was pulled together on a fairly tight budget with only the time and resources of the management team – no third party event planners. The majority of the steps above were followed and the outcome was phenomenal.

Attracting Attendees

Offering the home builders a reason to come to an event is critical. Offering multiple reasons is almost a guarantee for success. In the case of the 2007 Program Preview seminar in Utah, three or four compelling reasons were given to entice attendees;

1. Free Free Free - there was no charge for attending the 3 hour event
2. Continuing Education Credits were made available
3. Information about the 2007 New Homes program was presented (this equated to incentives dollars)
4. Free lunch
5. Nationally known guest speaker – Sam Rashkin of the EPA’s ENERGY STAR New Homes program

These simple guidelines were implemented at the ground level. Detailed follow through contributed to a very successful meeting that left the builders with a solid understanding of the new program plus an enthusiasm to carry them into 2007.