



North Carolina Energy Efficiency Alliance

Summit Wrap-Up and Summary

Dear Attendee,

Thank you so much for taking time out of your busy schedule to be a part of our inaugural North Carolina Energy Efficiency Alliance Summit. We know that your time is very precious and that setting aside a day to discuss energy efficiency can be difficult. As we mentioned at the event, it is important that we use the valuable information you shared to help better understand the needs of your profession and to create action items for us all. We realize that the hurdles we all face in the energy efficient housing market cannot be overcome by any one of our industries alone. However, if we jointly address the obstacles that were identified at the Summit, we can work together to break down market barriers and stimulate consumer demand for energy efficient new homes. Below you will find a summary of the day's events with action items for the North Carolina Energy Efficiency Alliance as well as for each of your respective professions. We intend to work daily towards the action created for the NCEEA and hope that you will seek to do the same, both individually and within your professions.

Thanks again for attending, for sharing and for being a leader in the industry. Please feel free to contact us for any reason.

Sincerely,

Chuck Perry

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Homebuilders

The focus of the Summit was stakeholder communication and collaboration. Thus, the need to pass information between stakeholder groups is of the utmost importance. A sample flow might be Home Energy Rater > Builder> Real Estate Agent/Appraiser> Lender. If this flow is disrupted, each group should be able to competently ask for documentation on the energy efficient measures of the home. The Builder should also strive to be knowledgeable about utility incentives, which can help to offset their costs and the consumer's operational costs. The group also determined that the availability of performance data would be beneficial to the Builder in many ways. Below are some specific action items that came from the summit for both the homebuilding profession as well as for the NCEEA.

Homebuilder Action:

- Pass along information provided to you by your Home Energy Rater.
 - If documentation is not provided from the Home Energy Rater, ask for it.
- Continue the flow of documentation (Pass on energy efficiency documentation from Home Energy Raters to Real Estate Agent, Appraiser, and Lender.)
- Ask for a local Appraiser who also understands energy-efficiency. There is no law against requesting a competent Appraiser or contacting the Appraiser directly if circumstances allow.
- Place resources/documentation on the energy efficient features of your home into the Appraiser's hands as an addendum to the contract and/or display these documents in the home for all to see.
- Work with your local HBA to develop "fast-track" or cheaper permitting for ENERGY STAR Homes through the permitting office.
- Work with the local Board of Realtors in your area to determine what should be added to the MLS input sheet. (HERS score, program certifications, utility incentives, green features).
- Pursue partnerships between the local Board of Realtors and the local Homebuilder Associations in order to have a larger voice to address these issues.
- Petition the NC Licensing Board for General Contractors to provide a mandatory continuing education program for Homebuilders related to energy efficiency and best practices.
- Seek quantifiable savings data from individual homes to share with potential buyers.
- Be able to explain and list the value of the energy-efficient upgrades that you have made to your home.
- Be able to offer performance data about the energy-efficient upgrades of the home.
- Actively market the energy-efficiency of the homes you build.

NCEEA Action to Support the Homebuilder Community:

- Promote energy efficiency information moving from stakeholder to stakeholder.
- Produce energy savings statistics and quantification of ENERGY STAR new homes compared with code-built homes as they relate to sales price and days on the market.
- Strive to raise consumer awareness and education in order to create market demand for energy efficient homes.
- Perform a targeted marketing campaign to encourage the purchase of new ENERGY STAR homes.
- Continue to offer "no cost" Builder trainings across the state on energy efficiency, building science and ENERGY STAR V3
 - Presentations for purchasing and production managers, production staff, sub-contractors, and/or sales team.
- Continue to offer "no cost" Realtor trainings across the state.
- Keep an up-to-date database on our website with incentives that will help offset costs associated with energy efficiency.
- Continue to develop a list of energy efficient mortgage lending incentives and offerings to share with home buyers.
- Maintain a website as a source for the latest in NC energy efficiency happenings, trainings, events, building details, and a database of professionals.



Home Energy Raters

The focus of the Summit was stakeholder communication and collaboration. Thus, the initiation and the passing of information from the Home Energy Raters to the builder, to the utility provider and all other stakeholders is of utmost importance. A sample flow might be Home Energy Rater > Builder> Real Estate Agent/ Appraiser> Lender. If this flow is disrupted, each group should be able to competently ask for documentation on energy efficiency and energy efficient measures. The Home Energy Rater should strive to serve as a wealth of knowledge on energy efficiency for homes. Below are some specific action items that came from the Summit:

Home Energy Rater Action Items

- Initiate Flow of Documentation (home specific info such as HERS score, program certificate, appraisal addendum) Home Energy Rater> Builder> real estate agent/ appraiser> home owner.
- Provide “house specific” information to the builder that is easy to understand.
- Market energy efficiency. Social media is a free tool. Work with other groups to market affordably.
- RESNET is the Home Energy Raters governing board of sorts. Thus, we should collectively petition RESNET to market to builders.
- Develop a state association of Home Energy Raters. There is power in numbers, and having an organized body of Raters will give you a stronger voice.
- Sell yourself as a certified energy-efficiency specialist. You save owners money, and therefore you are worth the money they are spending!
- Quantify savings as a tool for Builders, even if it is a sample or contains disclaimers. This gives them an idea of how spending the extra money makes their homes more marketable and valuable.
- Develop one HERS database to be able to access HERS scores on previously-rated homes. This would be helpful in addition to having the HERS on the MLS and on public tax records.
- Take ENERGY STAR materials to permitting offices and work with them to be distributing these materials at the time of permit application.

NCEEA Actions to Support the Home Energy Rater Community:

- Produce energy savings statistics and quantification of NC ENERGY STAR new homes compared with code-built homes in terms of their differences in sales price and days on the market.
- Strive to raise consumer awareness and education in order to create market demand for energy efficient homes and home energy ratings.
- Perform a targeted marketing campaign to encourage the purchase of new ENERGY STAR homes.
- Continue to offer trainings on energy efficiency to Homebuilders and Realtors.
 - Promote information moving from stakeholder to stakeholder.
 - Host trainings with Home Energy Raters to educate their Builders, subcontractors, or their sales staff.
- Continue to develop a database on our website with incentives that may help offset costs associated with energy efficiency.
- Strive to assist the Home Energy Raters of North Carolina to develop a trade association.
- Maintain a website to be a source for the latest in NC energy efficiency happenings, trainings, events, building details, and a database of professionals.
- Work statewide to add ENERGY STAR qualification and the HERS score to all MLS Input sheets.
- Continue to offer our Rater incentive payment for all homes that qualify.



Real-Estate Brokers

The focus of the Summit was stakeholder communication and collaboration. Thus the need to pass information between stakeholder groups and to the consumer is of the utmost importance. A sample flow might be Home Energy Rater > Builder> Real Estate Broker/Appraiser> Lender. If this flow is disrupted, each group should be knowledgeable enough to ask for documentation on the energy efficient measures of the home. The Real Estate Broker should strive to be knowledgeable about a home's energy efficient features, its performance offerings and incentives that the home buyer qualifies for. The goal is to not leave money on the table and to sell the ENERGY STAR features of a home.

Action Items for the Real-Estate Broker

- Work with your local real estate board to have the HERS index, ENERGY STAR qualification, and energy efficient/green features listed on the MLS. It is important to have a "green MLS" with HERS rating info in all 50+ MLS regions.
- Diligently verify that accurate data is input onto the MLS.
 - Develop quality control practices for data input. (Programming mechanisms to increase the quality control of inputs).
 - Upload ENERGY STAR certificates to the MLS.
 - Develop a checks-and-balances system to help Brokers load information on the input sheet. For example, the ENERGY STAR box could not be checked without providing the HERS score.
- Assist in educating home buyers by becoming knowledgeable about the benefits and savings of ENERGY STAR homes.
- Help continue the flow of a home's energy efficiency documentation to Lenders, Appraisers and homebuyers.
- Contact the Builder or their Home Energy Rater and request documentation if you did not receive any.
- Market energy efficiency and set yourself apart by becoming an EcoBroker, NAR Green Designee or another green Realtor certification. At minimum, gain a working knowledge about the energy efficient products you sell.
- Develop energy efficient specific sales tools.
- Ask the builder or Home Energy Rater for home savings quantification. Pass this on to the lender and the consumer.
- Seek on-site trainings (pre-drywall and finished home) at homes you sell to better understand what goes into building an ENERGY STAR home. (Many of the measures that go into energy efficient construction are not visible once the house is completed.)
- Seek continuing education credits for energy efficiency education.
- Pursue partnerships between the local Board of Realtors and the local Homebuilder Association.
- Support the HERS on tax records.

NCEEA Action Items to Support the Real Estate Community:

- Continue to produce and share energy savings statistics and quantification of ENERGY STAR new homes compared with code-built homes in terms of their differences in sales price and days on the market.
- Strive to raise consumer awareness and education in order to create market demand for energy efficient homes and home energy ratings.
- Perform a targeted marketing campaign to encourage the purchase of new ENERGY STAR homes.
- Continue to offer "no cost" trainings on energy efficiency to Realtors.
 - Promote information moving from stakeholder to stakeholder.
 - Offer trainings for local Boards of Realtors or other groups across the state on energy-efficient home features and sales tools.
 - Host onsite Agent trainings to highlight unseen energy efficiency construction details.
- Continue to develop a database on our website with incentives that can help offset costs associated with energy efficiency.
- Develop a You Tube presence with testimonials on buying new ENERGY STAR homes.
- Work with the NC Board of Realtors and local MLS areas to list the HERS index, program certifications, and efficiency upgrades.
- Work with ENERGY STAR (EPA) to help Realtors become ENERGY STAR partners.
- Maintain a website to be a source for the latest in NC energy efficiency happenings, trainings, events, building details, and a database of professionals.



Appraisers

The focus of the Summit was stakeholder communication and collaboration. Thus, the need to pass information between stakeholder groups is of the utmost importance. A sample flow might be Home Energy Rater > Builder> Real Estate Agent/ Appraiser> Lender. If this flow is disrupted, each group should be able to competently ask for documentation on the energy efficient measures of the home. In an effort to help support the drive toward more efficient housing, Appraisers should strive to understand the energy efficient features of the homes they are appraising.

Appraiser Action Items:

- Obtain education on energy efficient construction.
- Learn about the various certification offerings available in the marketplace - ENERGY STAR, Healthy-Built Homes, NAHB Green, LEED for Homes, etc.
- Identify a champion from the appraisal community to help create a process to assist Appraisers in determining and assigning value to energy efficient upgrades in a home.
- Help continue the flow of information between stakeholders.
 - Request documentation of energy-efficient features from the Builder if none was provided.
- Support HERS on the MLS and on the tax record.
- Educate other stakeholders about the appraisal process to help increase understanding about how and where value can be assigned.
- Seek continuing education opportunities with a focus on energy efficient construction, costs and savings.
- When using the “cost approach” be sure to assign value to the ENERGY STAR qualification or other green building measures that were implemented.
- Apply a home’s “operational cost saving” to the value of a home on both the cost and market approach. For example, the average ENERGY STAR homes save \$40 a month, \$480 a year or \$14,400 over 30 years.
- Communicate with Real Estate Brokers or Lenders for additional information on the home you are appraising.
- Develop consistent national standards for appraisals through the NC Board of Appraisers.
- Work with building science experts to create an energy-efficiency value standard to become a standard part of an appraisal.
- Provide explanation of adjustment along with the submitted appraisal.
- Require education for AMCs for proper Appraiser assignment.

NCEEA Action Items to Support the Appraisal Community:

- Continue to produce and share energy savings statistics and quantification of ENERGY STAR new homes compared with code-built homes in terms of their differences in sales price and days on the market.
- Strive to raise consumer awareness and education in order to create market demand for ENERGY STAR qualified homes, which will in turn create more opportunities for appraisers.
- Implement a direct-to-consumer marketing campaign to encourage consumers to buy ENERGY STAR qualified homes. If they buy, valuation will occur naturally.
- Offer trainings on energy-efficiency
 - Promote information moving from stakeholder to stakeholder.
 - Offer trainings for local Appraisal Boards on energy-efficiency cost and savings associated with ENERGY STAR qualified homes.
- Work to become a CE provider for the appraisal industry.
- Maintain a website to serve as a source for the latest in NC energy efficiency happenings, trainings, events, building details, and a database of professionals.
- Continue to promote the HERS on the MLS and on tax records as evidence that a new home is ENERGY STAR qualified.



Lenders

The focus of the Summit was stakeholder communication and collaboration. Thus, the need to pass information between stakeholder groups is of the utmost importance. A sample flow might be Home Energy Rater > Builder> Real Estate Agent/ Appraiser> Lender. If this flow is disrupted each group should be able to competently ask for documentation on the energy efficient measures of the home. It was suggested that lending institutions should strive to create and promote energy efficient mortgage products and incentives. Additionally, these offerings should be available and understood by all mortgage representatives. Below are some additional action items that came from the Summit:

Lender Action Item:

- Continue the flow of energy efficient documentation by asking for this information if it is not supplied by the appraiser or consumer.
- Share with the NCEEA the energy efficient loan programs and incentives you offer so that we may host them on our website.
 - This list will be available on our website for consumers to find your products.
- Strive to incentivize energy efficient home purchases
 - Modification of debt-to-income ratio for buyers of certified homes
 - Closing cost discounts
 - HERS score incentive (if you score 60 or less you qualify for discounts, e.g.)
 - Construction loan rate reduction for Builders who build ENERGY STAR homes
- Utilize the ENERGY STAR brand to promote mortgage products that you offer in your branches and on your websites.
- Market your energy efficiency offerings.
- Reach out to governing bodies in order to develop energy efficiency incentives.
- Require continuing education for Lenders and their underwriters on energy efficiency.
- Strive to use competent and informed appraisers and require documentation of competence.
- Create a process that incentivizes brokers and loan officers to sell energy efficient or green loans.

NCEEA Action Items to Support the Lending Community:

- Continue to produce and share energy savings statistics and quantification of ENERGY STAR new homes compared with code-built homes in terms of their differences in sales price and days on the market.
- Provide evidence that ENERGY STAR qualified homes have reduced operational cost and therefore could qualify for a larger loan.
- Strive to raise consumer awareness and education in order to create market demand for energy-efficient homes, which will in turn create more opportunities for lenders who have energy efficient offerings.
- Implement a direct-to-consumer marketing campaign to encourage consumers to buy ENERGY STAR qualified homes and ask for energy efficient loans.
- Maintain a website to be a source for the latest in NC energy efficiency happenings, lending products and incentives that relate to energy efficiency, and a database of professional Lenders who provide these offerings.
- Provide the necessary materials to assist policy makers in making appropriate changes to mortgage lending practices in NC.
- Collaborate with Lenders to develop Lender-specific training materials for energy efficiency.



Utility Providers

The focus of the Summit was stakeholder communication and collaboration. Thus the need to pass information between stakeholder groups is of the utmost importance. A sample flow might be Home Energy Rater > Builder > Real Estate Agent/ Appraiser > Lender. If this flow is disrupted each group should be able to competently ask for documentation about the energy efficient measures of the home. Utilities can support this flow of information by working with Home Energy Raters, Homebuilders and consumers to keep them abreast of incentives that are available in their providership. It was suggested that Utility Providers strive to continue their energy efficient offerings in the marketplace, market those incentives and be a direct-to-consumer educational advocate to encourage reduced consumer usage. Below are some additional action items that came from the Summit:

Utility Provider Action Items:

- Continue consumer education through trainings, marketing, mailers, TV ads or radio ads on energy-efficiency.
- Continue to subsidize continuing education opportunities for realtors and appraisers.
- Market energy efficiency.
- Continue to provide incentives to both Builders and homebuyers for energy efficiency measures.
- Utility incentive ideas that were mentioned:
 - Reduced rates for reduced usage.
 - Tiered incentive program (more efficient, better discounts).
 - Apples-to-apples incentives (if it costs \$800 give back \$800).
 - Rebates for year 1-5 usage reduction based on lifestyle change.
 - Rent or lease solar thermal hot water and solar PV installations.
- Provide builders with ENERGY STAR materials at the time of temporary power in order to generate interest from non-ENERGY STAR builders.
- Provide performance data on ENERGY STAR qualified homes that do not breach privacy law (generic data).
- Overcome privacy issues in order to report energy use data which is useful in promoting energy efficiency. (Give usage data based on grouping of “like homes” vs. one particular home, e.g.).
- Continue and/or generate additional homeowner education campaigns on ways to save energy. (Social marketing and behavioral economics to influence citizens.)
- Collaborate on a standardized message for energy efficiency across the state. It was also mentioned that a statewide incentive standard would be helpful.

NCEEA Action Items to Support the Utilities:

- Continue to produce energy savings statistics to support and add to those produced by Utility Providers.
- Strive to raise consumer awareness and education on energy efficiency.
- Continue to develop a database of statewide utility incentives that are offered.
- Continue to partner with Utility Providers to provide education to Homebuilders and consumers about energy efficiency and incentives that are offered.
- Develop a targeted marketing campaign to encourage the purchase of new ENERGY STAR homes that will include educating the consumer about utility incentives and energy savings.
- Use our social media outreach and blog as a method of sharing Utility Provider incentives with our followers.
- Maintain a website to serve as a source for the latest in NC energy efficiency happenings, trainings, events, building details, and a database of professionals.



Partners & Allies Action Items

The following are action items for Allied Organizations and Energy Efficiency Partners that were developed from the summit. We look forward to working together with these organizations in an effort to support all the stakeholders in the construction industry and to influence consumer awareness and demand. The focus of the Summit was stakeholder communication and collaboration. Thus, we hope that our Partners and Allies can help to be voice of communication and collaboration that encourages all stakeholders toward the goal of increasing the demand for energy efficient new homes in NC.

Partners & Allies Action Items:

- Strive to raise consumer awareness and education.
- Consider targeted, direct-to-consumer marketing campaigns to stimulate demand for energy-efficient homes.
- Help to produce energy savings statistics in your research efforts.
- Consider stakeholder trainings and educational events.
 - Promote information moving from stakeholder to stakeholder.
 - Host joint training events with various stakeholder groups.
- Provide links on your website to energy efficiency resources such as www.ncenergystar.org and other sites that promote statewide incentives such as www.dsireusa.org.
- Work with Real Estate Agents to develop appropriate sales tools, and provide onsite Realtor training to help them understand and communicate the importance of energy-efficient construction details.
- Develop a social media campaign and a YouTube presence.
 - YouTube testimonials on energy efficient homes and construction techniques.
 - How-to, fun energy efficiency videos, etc.
- Promote the Greening of the MLS by adding certifications, HERS scores, and green building products/practices.
- Encourage state government officials and governmental affairs organizations to incentivize energy efficient construction by providing them with testimonials, data and statistics.
- Continue to develop a clear and cohesive message across all stakeholder groups.



North Carolina Energy Efficiency Alliance Action Items

The following are action items for the NCEEA that were specifically mentioned or developed from the summit. We will strive to accomplish these action items successfully in an effort to support all the stakeholders of the construction industry and to influence consumer awareness and demand. The focus of the Summit was stakeholder communication and collaboration. Thus, the need to pass information between stakeholder groups is of the utmost importance. We hope to be voice of communication and collaboration as well as the bridge that helps to bring all stakeholders together for the goal of increasing the demand for energy efficient new homes in NC.

NCEEA Action Items:

- Continue to develop a clear and cohesive message across all stakeholder groups.
- Strive to raise consumer awareness and education.
- Implement a direct-to-consumer marketing campaign to encourage consumers to buy ENERGY STAR qualified homes.
- Continue stakeholder trainings.
 - Promote information moving from stakeholder to stakeholder.
 - Host joint training events with stakeholder groups.
- Continue to develop our website presence to be a source for the latest in North Carolina's energy efficiency happenings, trainings, events, and professionals database.
- Continue to develop and update a database of resources and incentives on our website. We will also provide links to other sites that promote statewide incentives such as www.dsireusa.org.
- Develop social media campaign and a YouTube presence
 - YouTube testimonials on energy efficient homes and construction techniques.
 - Fun, how-to videos on energy efficiency, etc.
- Strive to assist the Home Energy Raters of our state in creating a sustainable state trade association.
- Work with Real Estate Agents to develop appropriate sales tools, and provide onsite Realtor training to help them understand energy-efficient construction details and be able to communicate them to the homebuyer.
- Continue to promote the Greening of the MLS by adding certifications, HERS scores, and green building products/practices.
- Work with ENERGY STAR to help Realtors become ENERGY STAR Partners.
- Collaborate with Lenders to develop Lender-specific training materials.
- Encourage state government officials or other governmental affairs organizations by providing them with information that promotes energy efficient construction.
- Continue to drive customers to existing utility information/incentives.
- Continue to develop a database of energy efficient mortgage loans and incentives that Lenders offer.
- Continue to produce energy savings statistics.
- Provide data and quantification on consumer demand for energy efficiency.
 - Lender research on default rates of ENERGY STAR homes.
 - Quantification project on NC ENERGY STAR/ NC code-built homes.
- Continue our grassroots consumer campaign (home shows, tabling, events at building suppliers, etc.).
- Develop our organizational scope/ sustainability plan.

