

EAQAC Minutes

October 5, 2011

Present: Paul Bubbosh, Melitta Carter, Bernie Bloom, Stephen Shaw, Jim McDonnell, Sam Raker, Sam Biondo, Ken Cantor, Jody Foster, Tim Whitehouse, Aaron Cutler, Eric Coffman

Absent: Steve Gibb, Ed Barbour

September minutes were approved.

Two new members, Tim Whitehouse and Aaron Cutler introduced themselves.

Continuing Issues:

The letter drafted by Bernie Bloom requesting a meeting with Bob Hoyt concerning indoor air quality was refined, ready to be sent. It was agreed that the meeting should be with Bob Hoyt alone, and not a group meeting with other interested parties, such as DPS.

DEP Update:

- The 43 projects to be funded by the Commercial and Multi-Family Rebate Program include many types of upgrades. 18 of the projects are multi-family condos. Case studies will be published later.
- 171 projects have so far been approved under the Residential Rebate Program. Eric asked EAQAC members for their help to market the program through neighborhood listservs and associations. Eric will send EAQAC the standard marketing piece to use. 68% of applicants had heard of the program from their contractors and auditors. So far the feedback suggests that the audit is very important, with auditors suggesting aspects which homeowners had not previously considered.
- Building Operators Training: BOMI has been selected to carry out the training, with the first course taking place in November in Wheaton Mall. The full set of courses will cost about \$5000. Participants will be given a 50% subsidy, but they may combine this with other incentives. Approximately 15% of building energy consumption is due to day to day adjustments with a \$12,000 potential saving from energy efficient operating. Funding is available to subsidize the training of 80-100 operators.
- "My Green Montgomery" will be presented to EAQAC in November.

Discussion Items:

Jody Foster gave a presentation summarizing a Resources for the Future Seminar on "Can Creative Financing Programs Close the Energy Efficiency Gap?" held on October 5. Speakers

were from RFF and from the Institute for Market Transformation, the Institute for Building Efficiency at Johnson Controls, and CITI. RFF hosted the seminar to coincide with its release of a report "Assessing the Energy-Efficiency Information Gap: Survey of Home Energy Auditors" (attached report above). Speakers in general agreed that adoption of EE by residential and commercial building owners has been grossly inadequate. This problem was characterized as a "market failure" in that EE programs are economical and thus reasonably should be adopted on a wide scale but aren't. The speakers identified several causes of the market failure, including (1) institutional investors want standardization in loan processes and EE programs are not yet in any way standardized; (2) EE is not adequately evaluated in home appraisals, so there is no transparency or information for purchasers/sellers about the value of the investment, and thus it is not recapturable in sales, which inhibits residential adoptions; and (3) the costs of energy in home are not adequately recognized. Speakers said that adoption of regulatory changes to figure energy costs into mortgage loan formulas would help, citing the SAVE Act. The SAVE (Sensible Accounting to Value Energy) Act, would change current mortgage underwriting and home appraisal practices to require federal loan agencies to assess the expected energy costs for mortgage loan applicants. Currently, only the VA Dept. takes cost of energy into account in evaluating debt to income of loan applicants, even though, as cited by one speaker, energy makes up 45% of annual non-mortgage home ownership costs, compared to 37% property tax, and 16% insurance.

Jim McDonnell gave a slide presentation overview of Combined Heat and Power (CHP), also known as cogeneration, which are systems that simultaneously or sequentially generate electricity and utilize the thermal energy that would normally be wasted. Jim described the many consumer, societal and environmental benefits as well as some of the drawbacks. Jim also pointed out the types of applications for CHP that could be implemented in Montgomery County. Suggestions were given with respect to promoting county and statewide development of CHP.

Action Items:

1. Letter to Bob Hoyt to be finalized and sent.
2. Eric to forward promotional material for Residential Rebate Program.
3. All members to disseminate information from (2).
4. Jodie to forward results from a survey on home audits.