

# REC On-bill Tariff Stakeholder Meeting

August 26, 2021

## Main Session Chat Questions and Dialogue

Name	Questions/Comments	Responses Shared
Stephen Bickle	<p>REC’s analysis sound like it is right no target, looking for those who can most benefit from the program . We would recommend that as an output of this process REC rank customers by probable need, and likelihood of having a no-cost upgrade. We assume that REC is looking at individual household electricity consumption data to identify high users whose usage is both very high and very weather dependent (i.e. not baseload) with high usage for square foot and in low-income census blocks.</p> <p>If REC wants to maximize uptake and minimize marketing costs it should make the program an OPT OUT rather than an OPT IN program design. The difference is OPT-IN typically produces single digit response with a maximum of around 15%. OPT Out produces 90% and higher participation.</p> <p>OPOWER’s home energy reports are the best known example of OPT Out in the energy space. Everyone got a report. They were given the option of opting out, but most didn’t.</p>	<p><b>Peter Muhoro:</b> Stephen: Thank you for your comments and we are ensuring that we provide a solution that can be beneficial to all the members. We will take your thoughts into consideration.</p>
Rory McIlmoil	<p>Remaining questions (should they have answers at this time): (1) how will the program be funded? Are you planning to use any USDA programs (e.g. Rural Energy Savings Program)? (2) What will the cost recovery term be? 10 years? 15 years? (3) What interest rate, if any, will be charged?</p>	<p><b>Peter Muhoro:</b> Rory: To address your questions - 1) We are looking at the RESP program to fund this as it has the best benefit for members and 2) our initial thoughts on cost recovery is 10 years but we are still evaluating that and 3) our solution will look at how we cover program costs and have a very minimal cost to the members</p>

Richard Walker	I do not see roof leaks or damages on the ineligible list?	
Amy Gray	So if our home uses propane-fired furnace, we are not eligible	<b>Peter Muhoro:</b> For questions on why it is only all-electric, this is what the law prescribes at this point. Our hope is that as we launch this, legislators will amend the law to make it reduction in “energy” and not just “electric”
Andrea Miller	I have a propane fireplace but everything else is electric. Would my home NOT qualify?	
Richard Walker	How are contactors selected?	<b>Tammy Agard:</b> Program related contractor training will be provided by EEtility, but we won't be training the actual trades. I other words, we wont be training how to seal a duct system or how to properly install insulation...
Rory McIlmoil	PAYS should actually be ideal for HELPING folks get off a payment plan	
Adaora Ifebigh	Any options in case people do not have a smartphone or ability to access an app? For EEtility's purposes	
Frank Moseley	What size home (square footage) was the home that had the \$600 power bill that was reduced to \$400? Are those the homes that will get priority?	
Rory McIlmoil	You could actually adjust the payment plan agreement to get that debt paid off faster using the remaining 20% savings from the PAYS retrofits.  get people back on track and also saving money from then on	
Karen Greenaway	Yes, opening it up to homeowners who use other types of fuel for energy generation would be very helpful.	
Emily Piontek	Will you be seeking that change in the 2022 GA?	
Chris Meyer	Program design should allow for electrification of space and water heating - help save your clients money! There are lawyers that can help you get around bad legal interpretation that it isn't possible	
Karen Campblin	Is there a deadline to receive feedback on the program design and should it be sent to Joyce B?	

<p>Stephen Bickel</p>	<p>Opt out for this program would complement this marketing with direct outreach to homes based on their need/opportunity priority rank. Residents would get a call and letter with their rank and a time and date for the scheduled on-site assessment and a request for confirmation that that day and time is good and an option to reschedule if the auto assigned date and time are not good. So the default state is that the customer gets an assessment and requires no initiation from the customer, since the customers in most need will typically have many other pressing priorities and will very rarely reach out proactively no matter how good the marketing.</p> <p>The program design overall looks very sound and reflective of current best practices.</p>	
<p>Andrea Miller</p>	<p>What is the target number of homes in the 1st year (2022?)</p>	<p><b>Peter Muhoro:</b> We are still evaluating how many homes we can do in the first year</p>
<p>EJ Scott</p>	<p>What are you doing to ensure diversity and inclusion? Particularly in the contractor outreach.</p>	<p><b>Peter Muhoro:</b> EJ, our contractor application ensures that DEI is addressed and we are reaching out to all our communities to make sure we can get many contractors to be aware and apply to be in the program. If you have other avenues we can reach out to contractors, please let us know <a href="mailto:energyefficiencyprogram@myrec.coop">energyefficiencyprogram@myrec.coop</a></p>
<p>Judy Lamana</p>	<p>I heard two things that give me pause: (1) the target annual OBT goal is only 200-300 homes a year. That is too low a goal. Even going to several streets in my town for a similar program, I found 20 homes that were energy-audited as a result and upgraded if qualified.</p> <p>I also heard that REC is not taking advantage of zero percent federal financing. That is also a concern and suggest that REC is thinking small.</p>	<p><b>Rory McIlmoil:</b> 200-300 homes is actually a good goal for the first few years, to get the program going, makes necessary changes, etc. It's standard practice for PAYS programs implemented by other co-ops. After that, scaling up is definitely necessary.</p> <p><b>Peter Muhoro:</b> Judy, we are already RUS borrowers as a cooperative and will be applying to the Rural Energy Saving Program for this program to take advantage of the zero percent funds.</p>

		<b>Rory McIlmoil:</b> And Judy, Peter did respond to my question above about whether they were exploring the 0% financing through the Rural Energy Savings Program.
Andrea Miller	There is a townhouse community near me where people talk about \$500/month electric bills - 80 townhomes in that community alone.	
Judy Lamana	What can you tell me to indicate that you are really behind a program that has impact on energy usage and energy bills? I know you are focused on all electric homes, but certainly software can sort out mixed fuel households.	
Karen Campblin	Will there be a local hire requirement?	
Stephen Bickel	It would be great to see REC be more ambitious in its ramp up. For example aiming for 1% of homes in the first year which would be over 1000.	
Judy Lamana	If you don't "go big," you risk setting up a big program for a trivial result.	
Dana Wiggins	For those ineligible, will specific reasons for not being eligible be given in writing? for those who are on payment plans, will they be directed to other help?	