

Farrell, Lauren (EEA)

From: Paul Murphy [pmurphy@enesystems.com]
Sent: Wednesday, May 15, 2013 2:38 PM
To: Farrell, Lauren (EEA)
Subject: Energy Policy Review Commission - May 1, 2013
Attachments: EEI Resp Case Study Unutil 051513.pdf

Dear Lauren,

My name is Paul Murphy, I am the Director of Operations for Energy Efficient Investments, Inc. It has come to our attention that Tom Regh from Progressive Energy, without consent or prior knowledge, presented information at your last public meeting held on May 1, 2013 that reflected negatively on our company. We take exception to his comments and have prepared the attached response.

We would appreciate an opportunity to present a response to your commission in defense of statements/judgments made by Tom Regh and posted on your website.

Please let me know if we could be added to your next meetings agenda. Feel free to contact me directly if you have any questions. My Cell Phone is (781) 710-1666.

Thank You,

Paul Murphy, CEM
Director of Operations
Energy Efficient Investments, Inc.
(781) 710-1666



From: Paul Murphy
Director of Operations
Energy Efficient Investments, Inc.

To: Barbara Kates-Garnick, Undersecretary of Energy
Massachusetts Executive Office of Energy and Environmental Affairs
100 Cambridge Street, Suite 900
Boston, MA 02114

Date: May 15, 2013

CC: Ed Dwyer, Chris Roy – Home Energy Specialists, EEI

Subject: Energy Efficiency Concerns prepared by Tom Regh, Progressive Energy LLC,
Dated May 1, 2013

As a general statement of concern, Energy Efficient Investments has worked extremely hard to build a strong reputation of customer care and satisfaction. Since 2007 we have been a reliable and trustworthy Home Performance Contractor (HPC) for Unitil in the Mass Saves Program. We have an excellent track record and will rigorously defend our company name and employees against slander or deformation.

Progressive Energy Services, LLC (also a Home Performance Contractor) has made false statements and has made one sided public comments to the suitability of our product without regard to the facts. Progressive Energy Services has promulgated furthered this prosecution by presenting this inaccurate and unsubstantiated portrayal of Energy Efficient Investments to the Energy Policy Commission and on their website for public viewing. We are appalled at the lack of substantiation and judgment Progressive Energy LLC has displayed in this regard.

This report unjustly places judgments and positions EEI in a negative light based on one audit report that was unknowingly obtained without the consent of EEI by Progressive Energy and its employ Mr. Tom Regh, who in our opinion did not have the professional integrity or professional courtesy to engage EEI to substantiate his claims prior to his public report to the Energy Policy Review Commission.

We have addressed each bulleted item on Mr. Regh's report. We also wish to be forwarded any meeting minutes, recordings or video of the public meeting.



Case Study UN-MA 1913 Customer

- Homeowner in Townsend, MA arranged MassSave home energy assessment through Unitil.
- Performed by Energy Efficiency Investments, a NH based company.

EEI Reply: Auditor: Chris Roy, BPI

- Report dated February 28, 2013
- Job number UN-MA-1913
- Blower door test was performed.

EEI Reply: In order to establish a baseline for potential energy savings Unitil requires all Home Energy Assessment have a blower door test performed by a BPI Certified Analyst if conditions allow. This data is used in the predation of the TREAT Energy Model also required by Unitil.

Mr. Regh Issues:

- \$10,485.06 total recommendations, with utility rebate of \$3,631.27.

EEI Reply: Customer requested a complete assessment that would reveal short falls of the original buildings construction dated 1993. According to Chris Roy, it was explained to the. Customer that installing wall insulation into walls that already have some insulation is not very beneficial. It was also explained to the. Customer that we would prepare the scope of work in a manner that he would be able to select the measures that he felt would provide the best benefit.

Mr. Regh Issues:

- Whole house assessment listed at \$1,103.27 with 100% rebate!! No mention of blower door test results in report.

EEI Reply: Under our agreement with Unitil, EEI is paid \$215 per completed home energy assessment plus additional funding for installed measures this initial assessment includes; a full home inspection, Blower Door Test,(if conditions allow) as technically allowed, CAZ Test for combustion appliances followed by a completed TREAT Energy Model and contract identifying the scope of the work to the Customer . In the case of this Customer, the EEI Auditor completed all of the above and sent a contract to the customer based on the Improvement package that was modeled. Chris later followed up with a revised contract as requested by the Home Owner..

For this project we were paid \$335.00, \$215.00 for the completed audit and \$20/light bulb. There were no out of pocket expenses paid by the customer upon completion of the assessment.

The average Home Owner does not know or understand what a Blower Door Test does or what the results refer to, therefore the requirement to provide Blower Door Numbers were removed to reduce customer confusion.



In the case of this Customer, Chris took the time to fully explain how and why the blower door was used and how the numbers are calculated. Blower door numbers are used to develop the building energy model in the utility approved TREAT Model Software. Pre and post blower door numbers are sent to Unitil following the completion of the work. We use the blower door as a guide to make sure we are not over tightening the building envelope, which could potentially create health hazards.

Mr. Regh Issue:

- Bulbs were not installed during the assessment.

EEI Reply: To the best of Chris's recollection the Home Owner already had a few CFL bulbs in use but still wanted the new CFL's to install where he wanted to. We realize this is not in keeping with policy however Home Owners typically complain for not receiving CFL's even when they don't want them installed where the Auditor recommends they be installed .

This is not typical of how Chris operates but the Customer insisted he would install the bulbs at his discretion.

Mr. Regh Issue

- Rebate structure and per square foot prices not explained in report.

EEI Reply: Rebate and price structure along with financing programs were discussed during the audit and through additional phone calls with the Home Owner. EEI works off standard pricing per measure as negotiated and agreed upon by one or more of the collective Program Administrators. As required, customers are guided to the appropriate program services, including targeted energy efficiency information, advanced diagnostics, and qualified and applicable rebates and incentives and paybacks on any remaining project costs. The information is provided measure by measure in the contract with the square foot numbers should the customer want the per square foot price.

Mr. Regh's issue:

- Attic insulation proposed to R65 and R50; payback period 21 years.
Does program provide rebates for R values greater than R38?

EEI Reply: The amount of insulation to be added is in accordance with the program. Measures and paybacks are combined as an improvement package to provide a comprehensive overall benefit to the Home Owner. EEI is committed to achieving maximum program success and deeper energy savings where opportunity exists.

With the Exterior Walls removed "stand alone" from the total improvement package as recommended by Chris Roy the pre-rebate payback on all remaining measures is 10 years, and post rebate is approximately 6.7 years. Where most Home Owners plan to live in their existing homes for the next 10-15 years this would prove to be a good investment.



It is unfair for Progressive Energy to take a single line item and pass judgments based on one measure without first giving the rest of the information to his audience.

Mr. Regh's issue:

- Exterior walls already contain fiberglass insulation, confirmed by test hole, yet \$3,569 work proposed with payback period of 37 years!!

EEI Reply: As stated above this was specifically requested by the homeowner and at the time of the audit he was told it would not be beneficial or cost effective as a "stand alone" measure improvement. However the home owner wanted to see the cost for the work to be performed.

Again, we provide a menu "Improvement Package" of measures for the customers to select from. Home Owners tend to ask for a lot of measures that they have no intention of installing. We try to help our customers make informed decisions and try to guide them in the right direction.

The fact that Progressive Energy chooses to pass judgment on EEI on this measure without any knowledge of the conversations we have had with the Home Owner is presumptuous. It is obvious Progressive Energy has very little field experience.

Mr. Regh Issue:

- Contractor demanding full payment concurrent with contract acceptance; max 30% deposit allowed by MA law.

EEI Reply: First of all we don't demand anything and we do not charge deposits. The Home Energy Solutions initiative is a completely optional program that many, many Home Owners have received the benefits from.

As a matter of business practice EEI at one time collected up to 50% of the customer co-payments. EEI has on a case-by-case basis provided for an option for (never demanded) full co-payments since a number of projects we have been unable to collect the balance of payment from some Home Owners. In fact, 17 projects in 2012 and 2011 were completed and the Home Owners did not pay the balance of the Co-Payment. This amounts to close to an \$8,000 loss to EEI.

Mr. Regh Issue:

- Contract does not specify that permit will be secured for insulation work; required by MA law.

EEI Reply: EEI pulls permits on every weatherization project we do in Massachusetts. We only do so once we have received a completed contract from the Home Owner. Permits are applied for on an individual basis using the signed contract as Property Ownership/Authorized Agent.

Mr. Regh Issue:

- Contractor will charge additional fees if lead paint present?



EEI Reply: Standard contract language, and yes we are required to properly handle homes with lead paint issues. It is absurd to think the contractor would be responsible to remediate a lead paint issue at no additional cost.

Mr. Regh Issue:

- Contract does not specify number of hours of air sealing to be performed.

EEI Reply: Per program rules, Air sealing is provided at no cost to the customer. We are not required to specify the number of hours as every project is unique and hours and effort will vary. We are required to provide pre and post blower door numbers to ensure sufficient reduction in infiltration has been achieved.

Mr. Regh Issue:

- Offer expires 10 days after receipt.

EEI Reply: With the consent of Unital “a soft expiration” language was added as a call to action to encourage home owners to move ahead with the work in a timely fashion. This is not a “hard” deadline that is imposed, but merely an effort to provide motivation to act. EEI Contracts are valid through a minimum of 90 days with interaction such as customer phone calls by the auditor and postcard reminders.

Home Performance Contractors and Program Administrators do not benefit from completing audits only and not realizing the savings achieved from the installed measures. We work very hard with explanations to the customer of the benefits of weatherization, and follow-up phone calls. Funding is based on a first come-first served throughout the year. Therefore it is important that if a Home Owner wants to move forward that they would benefit to do so in a timely fashion. If not we would like to offer the funds to the next customer in line willing to move forward with the installation of energy efficiency measures.

Mr. Regh Issue:

- Customer was very dissatisfied with the experience, and does not plan to perform any improvements!!

EEI Reply: Auditor did not receive any negative feedback from the Home Owner at the time of the audit or during the several follow-up phone calls or e-mails.

EEI does not know what the relationship is between the Customer and Progressive Energy Services and or Mr. Tom Regh. EEI is interested in the motivation for Progressive Energy Services seemingly “cherry picking” one project out of the hundreds that we have completed successfully and without complaint over the course of many years serving in the Home Energy Solutions Program.



Conclusion

Since 2009 EEI has performed over 700 Residential Audits. We have an excellent track record and have a very long list of satisfied customers. It is unfortunate that the Home Owner was unsatisfied with our service or the program offered. We will make it a point to reach out to him and see if anything can be done to resolve his concerns.

I would hope the Energy Policy Review Commission would extend the opportunity to EEI to present our opinions to the commission.

Sincerely

*Paul Murphy, CEM
Director of Operations
Energy Efficient Investments, Inc.*
