

SESSION 7C

FINANCING: PANACEA OR PLACEBO?

Moderator: Annika Todd, Lawrence Berkeley National Lab

PAPERS:

Process and Market Evaluation of a Program that Integrates Green Legislation Components into a Residential Energy-Efficiency Program

Rohit Vaidya, NMR Group
Carley Murray, NYSERDA
Perry Grossman, NMR Group

Coast-to-Coast: An Update on On-Bill Financing Program Strategies

Katherine Johnson, Johnson Consulting Group
Phil Degens, Energy Trust of Oregon
Lucia Nixon, Efficiency Maine Trust
Antje Flanders, Opinion Dynamics Corporation
Philippe Dunsky, Dunsky Energy Consulting

Riding the Financing Wave: Integrating Financing with Traditional DSM Programming

Karin Corfee, Navigant Consulting, Inc.
Jane Pater Salmon, Navigant Consulting, Inc.
Brad Rogers, Navigant Consulting, Inc.
Floyd Keneipp, Navigant Consulting, Inc.

SESSION SUMMARY:

This session will discuss key issues surrounding implementation and evaluation of energy efficiency programs that incorporate financing strategies. Presenters will provide lessons learned and insights gained from results and findings from several studies. The session will begin with two presentations that discuss results from process evaluations for several financing programs, and will end with a proposal framework for fitting financing into traditional demand side management processes.

First, Rohit Vaidya will present key findings from an integrated process evaluation and market characterization of green economy activities associated with the HPwES and GJGNY programs in New York. The key findings are based on information from primary and secondary data sources including program documents, in-depth interviews with program staff and implementation contractors, and surveys with program participants, non-participants, and HPwES contractors. He will present findings and insights into key issues surrounding financing strategies, such as:

- What are the primary motivations for homeowners to improve home energy efficiency?
- Do financing programs eliminate the budget barrier to installing energy-efficiency measures?
- Do contractors effectively market financing programs?
- Why do homeowners decide *not* to take advantage of incentives or financing?

Second, Katherine Johnson will present successful practices and lessons learned from financing programs across the country. The findings are based on two separate process evaluation activities completed in 2012: a literature review and in-depth interviews regarding successful practices for

Efficiency Maine Trust's PowerSaver Program, and a comprehensive process evaluation conducted for Clean Energy Works of Oregon. She will present lessons learned about key issues and barriers to developing financing programs, including:

- Dealing with the complexities of developing financing programs (e.g., legal issues, the variety of market actors and stakeholders, and information flow issues);
- Choosing metrics to accurately measure program success;
- Determining the role of contractors; and
- Understanding the primary motivation for homeowners to make energy efficiency improvements.

Third, Karin Corfee will propose a simple framework to help regulators, utilities, and evaluators fit financing into traditional demand side management processes, focusing primarily on California investor-owned utilities. She will present insights into dealing with specific challenges related to implementing financing programs, including:

- Forecasting the incremental effects of financing on market potential;
- Correctly attributing energy savings and evaluating the impact of financing programs; and
- Assessing the risks associated with financing programs.