

**Better Buildings Neighborhood Program October 2011 Workshop  
Summary of Revenue Streams from Breakout Sessions (11/20/11)**

**Customer-based Revenue Streams**

General Considerations:

- Consumer fees will often be bundled into contractor's charge rather than charged explicitly, so there is a strong link between customer-based and contractor-based fees. Customer-based fees can create a competitive disadvantage for program contractors vs. non-program contractors.
- Because of the small size of individual residential projects, program should think about revenue streams from aggregations of consumers (e.g., communities, employers, rental property owners, etc.).

Potential Revenue Streams:

- *Financing or escrow fees.* Programs can charge a spread on interest rates to cover administrative costs or a fee for escrow services between customers and contractors.
- *Fees for "residential ESCO" services.* Programs can charge fees for services to coordinate and streamline services from multiple contractors (similar to a general contractor) and/or act as an independent project consultant.
- *Bidding fees.* Programs can take a fee for managing the bidding process between customers and contractors.
- *Fees for comprehensive home assessment.* Programs can charge a fee for an overall assessment of homes beyond energy efficiency, such as a health home review, analysis of water saving opportunities, etc.
- *Fees for bulk purchasing services.* Programs can take a percent cut of the savings from bulk purchasing programs for consumers.
- *Community or company program implementation fees.* Programs can charge communities (e.g., neighborhood associations) to bring program to them through neighborhood sweeps, competitions, or other strategies. Similarly, programs can charge employers for services to employees or customers.
- *Revenues from other energy/carbon markets.* Programs can aggregate customer energy savings and generate revenue from renewable portfolio program white tags and/or carbon offsets from projects.
- *Program facilitation fee.* For commercial projects, for example, programs can charge a fee to facilitate participation in the Better Buildings Challenge.
- Other
  - Fees for acting as concierge or "owner's agent" for commercial project energy performance contracts.
  - Fees for teaching energy efficiency classes.