

ENERGY UPGRADE CALIFORNIA in Los Angeles County

THE FLEX PATH PROGRAM

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The Challenge in California

The Statewide Goals

Energy consumption in existing homes is to be reduced by 20% by 2015 and... **40% by 2020** through universal demand for highly efficient homes and products.*

*California Long Term Energy Efficiency Strategic Plan (CPUC)



The Challenge in California

A Real Challenge!

- Of the 11.5 million residential units served by investor owned utilities (IOUs), about 5 million meet whole-house upgrade program eligibility requirements
- Requires more than 5,000 contractors statewide, averaging 10 projects a month for 8 years...Lots of new jobs
- And many more for the other 6.5 million homes



Overview: Basic and Advanced Upgrade Packages

Basic Path Upgrade

(Prescriptive Bundle of Measures)

- Air sealing
- Attic insulation
- HVAC duct sealing
- Insulate water heater pipes
- Thermostatic shower valve
- Low-flow shower head
- Combustion safety test and installation of a CO detector

Advanced Path Upgrade

(Modeled Approach)

ALL Basic Measures PLUS any of the following:

- Wall insulation
- Floor insulation
- Heating and Cooling equipment
- High performance dual-pane windows
- Domestic Hot Water Heaters
- and more.....

The Issue of Scale

Need: A New Basic Path

- DOE investment in a strong sustainable infrastructure
- Driving homeowners to IOU programs that are still evolving
- The failed Basic Path was to provide most of the EUC projects
- Advanced Path is a modeled, whole house approach...not for everyone
- Result: A program that most ratepayers cannot afford

Moving from \$2 CFLs to a \$15,000 whole house upgrade is too big a step for most homeowners!



One Solution: The Flex Path Pilot Program

A New Option in Los Angeles County

- Designed to replace the Basic Path option
- Launched January 16, 2012
- Extensive menu of building shell and mechanical improvement measures with prescriptive point values
 - Includes all of Basic and Advanced Path measures
- \$1,500 homeowner incentive
- Administered by Los Angeles County, including application processing, QA/QC and incentive processing



One Solution: The Flex Path Pilot Program

Flex Path Requirements

- Two or more Qualifying Measures totaling 100+ points
- Pre-retrofit conditions and post-retrofit conditions apply
- Test-in/ Test-out for some measures/ Combustion Safety Test
- Single family detached home in LA County
- EUC Participating Contractor

NOT Required...

- No EnergyPro Modeling
- No Job Reporting Template (JRT): Uses a simple online Application Form and Project Completion Form
- No Pre-Installation inspections: Follows Home Performance with ENERGY STAR post-installation inspection guidelines



Flex Path Simplicity and Success

Program Successes

- Met goal of 500 projects in *four months*
- Surpassed LA County Advanced and Basic Path applications
- 46 contractors active in Flex Path
- Projects focused on building shell and mechanical upgrades that lead to a whole house energy retrofit
- Penetration of middle-income homeowner market = volume



Flex Path in Perspective

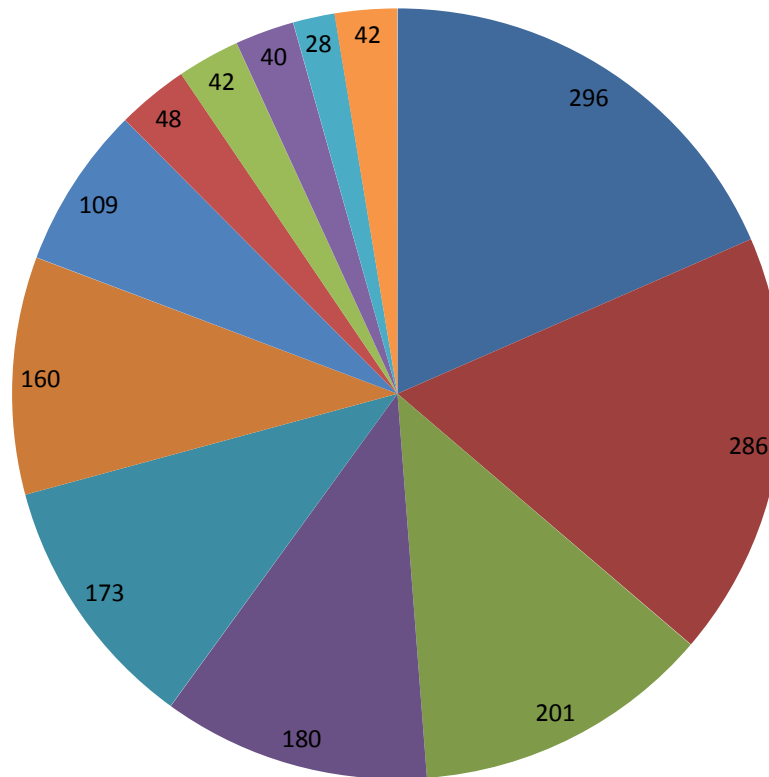
Breakdown of EUC Projects in LA County Thru July 1, 2012

Retrofit Project Type	Percent of Total LA County Projects	Number of LA County Projects	Average Savings	Average Cost	Rebate Amount
Advanced Path	42%	551	27%	\$12,882	\$5,110
Flex Path	57%	744	16%	\$5,173	\$1,500
Basic Path	1%	17	10%	\$4,198	\$2,000



Flex Path Retrofits

Frequency of Installed Measures Through July 6, 2012



- Duct insulation & sealing OR Duct replacement (95 points)
- ENERGY STAR or Energy Aware programmable thermostat (5 points)
- Attic insulation & sealing (45 points)
- Pipe wrap for domestic hot water heating (5 points)
- Replace existing furnace with new ENERGY STAR furnace (90 points)
- Replace existing central AC with new central AC (90 points)
- Crawlspace insulation (55 points)
- Low-flow showerhead with thermostatic shut-off valve & faucet aerators (5 points)
- ENERGY STAR lighting fixtures (5 points)
- Wall insulation (90 points)
- Attic radiant barrier (50 points)
- Other



A Stronger Future for EUC

- **Continue Advanced Path program** for homes where a full assessment and energy modeling approach is preferred
- **Add a flexible, simpler approach** that targets middle-income homeowners and engages more contractors
 - ✓ *Increased homeowner participation and project volume*
 - ✓ *Rapid expansion of the home performance industry, creating more jobs*
 - ✓ *Much faster progress toward State goals.*

