



State of Wisconsin Public Service Commission of Wisconsin

Focus on Energy Evaluation

WPS Territory-wide RHEEP Pilot Results

December 21, 2010

Evaluation Contractor: Tetra Tech

Prepared by: Kimberly Bakalars and Bob Baumgartner



focus on energysm

Partnering with Wisconsin utilities



State of Wisconsin Public Service Commission of Wisconsin

Focus on Energy Evaluation

WPS Territory-wide RHEEP Pilot Results

December 21, 2010

Copyright © 2010 Tetra Tech, Inc. All Rights Reserved.

Liaison Contact: Laura Schauer
Tetra Tech, Inc.
6410 Enterprise Lane, Suite 300
Madison, WI 53719
Tel: +1 608 316 3700
Fax: +1 608 661 5181
E-mail: laura.schauer@tetratech.com

Prepared by: Kimberly Bakalars and Bob Baumgartner, Tetra Tech

Acknowledgment: Ralph Prah, Prah & Associates, contributed critical review and analysis.

This report is the property of the state of Wisconsin, Public Service Commission of Wisconsin, and was funded through the Wisconsin Focus on Energy Program.



TABLE OF CONTENTS

| | | |
|-----------------------|--|------------|
| 1. | Introduction | 1-1 |
| 1.1 | Program Overview | 1-1 |
| 1.2 | Evaluation Methodology | 1-4 |
| 1.3 | Organization of this Report | 1-8 |
| 2. | Responses to Researchable Issues | 2-1 |
| 2.1 | Two- to Three-unit Rental Market | 2-1 |
| 2.2 | Owner-occupied Eligibility | 2-1 |
| 2.3 | Possible Energy Savings | 2-1 |
| 2.4 | Barriers to Step 2 | 2-2 |
| 2.5 | Installation of Additional Equipment | 2-3 |
| 2.6 | Standout Aspects of the Program | 2-3 |
| 2.7 | Program Expansion | 2-3 |
| 2.8 | Effectiveness of Program Communications | 2-4 |
| 3. | Detailed Findings | 3-1 |
| 3.1 | Characteristics of WPS Pilot Participants | 3-1 |
| 3.2 | Program Awareness and Reasons for Participating | 3-2 |
| 3.3 | Program Interest and Eligibility | 3-3 |
| 3.4 | Experience with the Walk-through Audit | 3-3 |
| 3.5 | Home Performance Assessment | 3-6 |
| 3.6 | Satisfaction with the Program | 3-8 |
| 4. | Conclusions and Recommendations | 4-1 |
| 4.1 | Conclusions | 4-1 |
| 4.2 | Recommendations | 4-1 |
| Appendices | | |
| | APPENDIX A: Program Staff Interview Protocol | A-1 |
| | APPENDIX B: Participating Landlord Interview Protocol | B-1 |



1. INTRODUCTION

This report summarizes the results of primary data collection conducted by Tetra Tech for the Residential Housing Energy Evaluation program pilot (RHEEP) evaluation operating in the Wisconsin Public Service cities of Stevens Point, Oshkosh, and Green Bay. It follows an evaluation of the statewide ACES RHEEP pilot in April 2009.¹

1.1 PROGRAM OVERVIEW

In 2008, the Focus on Energy Apartment and Condo Efficiency Services program (ACES) and the Home Performance with ENERGY STAR® (HPWES) developed a pilot program for two- and three-unit rental buildings not currently served under ACES and underserved by HPWES, integrating program design components from the ACES Whole Building program and the HPWES program. RHEEP was designed to increase building and equipment efficiency and affect the timing of these improvements, which includes accelerating the retirement of mechanical equipment.

Initially, the pilot program targeted non-owner occupied two- or three-unit buildings, flats, duplexes, co-ops, and fraternity and sorority buildings in the Madison metropolitan and Oshkosh areas. In 2009, the program was discontinued in Oshkosh due to low response, but was expanded to River Falls and Eau Claire.

In 2010, the RHEEP pilot was expanded to include three cities served by WPS—Stevens Point, Green Bay, and Oshkosh. Although the program was previously discontinued in Oshkosh for low activity, it was added to the WPS pilot to try a new staffing process and rebate levels. Owner-occupied buildings are eligible to participate in Stevens Point, but in Oshkosh and Green Bay only tenant-occupied buildings are eligible. Program staff thought that if owners occupied the building they managed, they may be more interested in the audits and more likely to implement energy savings improvements. So far, we are only able to confirm two owner-occupied buildings have participated in Stevens Point and that the majority of the landlords participating have tenants who pay the utility bills.

The WPS pilot has been promoted through apartment association meetings and newsletters, conferences, press releases, and postcards to rental owners or managers. Contact information for the postcards has been obtained from tax assessor data for two- or three-unit building owners.

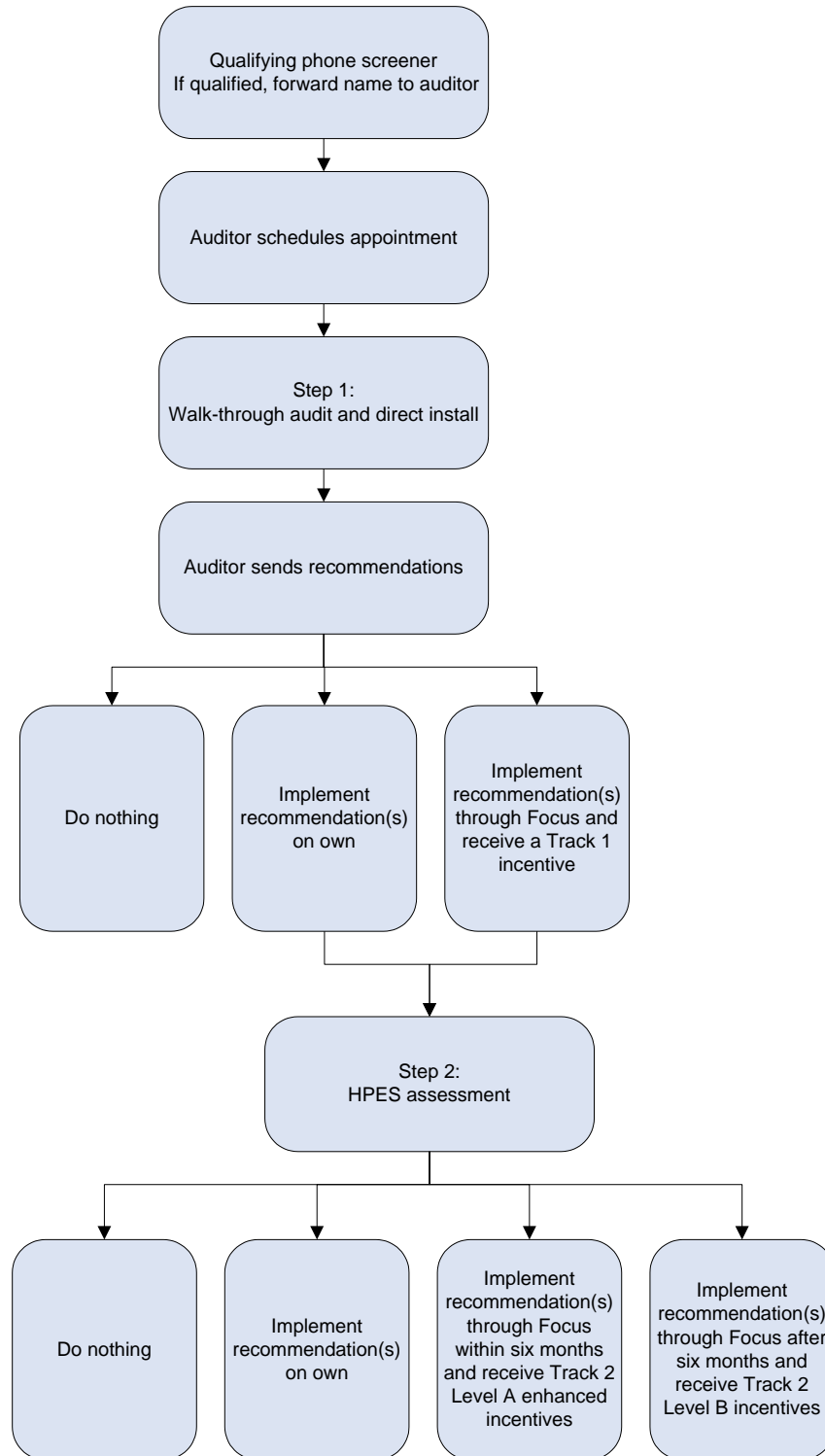
There are a few differences in the WPS pilot program compared with the initial Focus pilot in Madison. For instance, in Madison, energy advisors are independent contractors and not WECC employees, as they are in the WPS territory. In addition, although all participants are eligible for Track 1 incentives after the walk-through audit, once a home performance assessment has been done, there are two levels of Track 2 incentives in the WPS program. Level A incentives are available for completing work within six months of the home performance assessment. The Level B incentives are available once six months have passed and are the same as those available to owners and managers outside of the WPS territory.

¹ Kimberly Bakalars, Pam Rathbun, Bryan Ward, and Jeremy Kraft, PA Consulting Group. *Residential Evaluation: ACES RHEEP Pilot Results*. April 28, 2009.



Figure 1-1 graphically presents the participation process, which is discussed in more detail following the figure.

Figure 1-1. Residential Housing Energy Evaluation Program Pilot Participation Process





For the 2010 WPS RHEEP pilot, once an interested landlord completed a brief qualifying phone screener for eligibility, Focus on Energy forwarded landlord contact information to the Energy Advisor, who is an employee of WECC, for Step 1.

The first step is a no-cost walk-through audit (Track 1) that includes a direct install component. The walk-through audit is designed to accomplish the following:

- Identify potential opportunities to increase the efficiency of the unit
- Identify equipment that could be upgraded or serviced and provide incentive forms for that equipment
- Identify solutions to other building problems such as ice dams, window condensation, and drafts
- Directly install CFLs, low volume/high pressure showerheads, and faucet aerators
- Inform the landlord about other Focus offerings and incentives
- Explain the importance and additional benefits of the building assessment performed by the home performance consultant.

After the walk-through audit, landlords are provided with an audit report and a list of recommendations for which Track 1 incentives, ranging from \$2 per CFL installed to \$400 for a 90 percent or greater efficiency boiler, are available. Landlords are also provided with a RHEEP incentive application. Home performance consultants receive landlord information on a rotating basis and contact landlords to offer step 2. Savings are claimed from the direct install component of the initial audit.

The second step is to motivate the landlord to follow through with a complete home performance assessment by an independent consultant. For this step, the owner pays the standard cost of this assessment, minus a \$75 discount per unit, but can realize the following additional benefits over the walk-through audit:

- The incentive available for mechanical system and water heating improvements is increased by \$25 to \$250 over the Track 1 incentives.
- The Track 2 incentives include an additional \$300 bonus for completing three of the recommended measures in addition to air sealing.
- Track 2 Level B incentives, consistent with incentives offered in non-WPS territories, range from \$25 for an exhaust fan to \$900 sidewall cavity insulation for a building.
- In addition to the Level B incentives in the WPS territory, landlords are eligible for enhanced Level A incentives for work done within six months of the home performance assessment. These incentives range from \$50 for an exhaust fan to \$900 for sidewall cavity insulation for a building.

The goal, as in previous years, was to have both the walk-through energy advisor and the home performance consultant encourage the owner to participate in the full program that required the complete home performance assessment to obtain increased incentives (Step 2).



Since January 2010 in Stevens Point and May 2010 in Green Bay and Oshkosh, the program screened eligible properties in these WPS cities. Interested landlords called in and were screened for eligibility based on criteria such as number of units, tenant-occupied, utility, and heating type.

As of the WPS monthly report for October 2010, the savings achieved through the program has been minimal. The targets and percentage of target achieved are shown in Table 1-1. In addition to the achievement reflected in Table 1-1, at this time it is known that one individual building and the Stevens Point Housing Authority are both participating in the home performance assessment and the program is awaiting incentive applications for those projects.

Table 1-1. WPS Territory-wide Savings Data through September 2010

| | Estimated Net Savings Year to Date | Net Target Through 12/31/10 | Percentage of Net Target Achieved |
|--------|---|--|--|
| kW | 1.61 | 35 | 5% |
| kWh | 29,705 | 282,760 | 11% |
| Therms | 4,274 | 28,000 | 15% |

1.2 EVALUATION METHODOLOGY

The WPS pilot program implementation differs from the Focus pilot implementation in only two ways. In Stevens Point, owner-occupied buildings are eligible for the program, but not Green Bay or Oshkosh. There is also a variation in the incentive levels for the WPS territory, namely an additional Track 2 incentive for installing equipment within six months of the home performance assessment. With only two landlords having participated in the home performance assessment, and neither having implemented changes yet, it is difficult to determine any influence of the additional incentive at this time.

The ability to meet savings goals depends on the recruitment of landlords for a walk-through audit, moving them on to a home performance assessment, and convincing them to install energy efficient equipment. This evaluation looked at program communication and movement of landlords through the program steps. We reviewed tracking systems and differences in incentive offerings compared with the statewide pilot. In addition, we investigated barriers to home performance participation and expansion into other geographies.

The evaluation of the RHEEP program in the WPS territory addressed a number of specific researchable questions, as shown in Table 1-2.



Table 1-2. WPS RHEEP 2010 Program Researchable Issues

| Researchable Question | Activity to Support the Question |
|--|--|
| Will landlords of 2- to 3-unit rental buildings and co-ops participate in a program of this type? | <ul style="list-style-type: none"> • Implementation staff interviews • Participant surveys |
| What are the barriers to getting a home energy assessment and/or installing efficiency improvements? How effective is the \$75 reduction in the home energy assessment cost? | <ul style="list-style-type: none"> • Implementation staff interviews • Participant surveys |
| Does the eligibility of owner-occupied buildings in Stevens Point have an effect on participation? | <ul style="list-style-type: none"> • Implementation staff interviews • Review of tracking database • Participant surveys |
| Can the program achieve energy savings in this underserved market (both prescriptive and custom)? | <ul style="list-style-type: none"> • Implementation staff interviews • Participant surveys |
| What percentage of building owners who participate in the walk through audit move forward with the home energy assessment? How are the more proactive scheduling efforts affecting the proportion of landlords electing to receive a home energy assessment? | <ul style="list-style-type: none"> • Implementation staff interviews • Review of tracking database and audit form • Participant surveys |
| What percentage of participants actually install additional equipment as a result of the home energy assessment? | <ul style="list-style-type: none"> • Review of tracking database • Participant surveys |
| What are the participants' and auditors' experiences with the direct install measures? Are auditors and participants satisfied with the quality and performance of the equipment? | <ul style="list-style-type: none"> • Implementation staff interviews • Participant surveys |
| What aspects of the program work best or need improvement? | <ul style="list-style-type: none"> • Implementation staff interviews • Participant surveys |
| Can this program be expanded to other areas? | <ul style="list-style-type: none"> • Implementation staff interviews • Participant surveys • Review of tracking database |
| How effective is program communication in terms of generating interest in the program and communicating program benefits? | <ul style="list-style-type: none"> • Implementation staff interviews • Participant surveys |

To address these researchable questions, Tetra Tech staff conducted three primary evaluation tasks.

1. **Program staff interviews.** In-depth interviews were conducted with RHEEP managers and the primary field staff in the Stevens Point, Oshkosh, and Green Bay areas. These interviews were used to gain an understanding of the different marketing and delivery processes used in each area and any barriers staff face in getting participation across the two steps. The interview was structured around a topic guide, which is included as Appendix A. These interviews were conducted in October and November of 2010.



2. **Review of the tracking database.** A review of both the program tracking database and the Excel spreadsheet used by program staff to track eligible landlords was conducted to assess key information recorded for potential participants. This task was conducted in conjunction with a review of the audit form to identify the information that is gathered during the initial screening call, the information that is passed on to the auditor, and the audit information that is recorded. This review was conducted in August 2010.
3. **Participant surveys.** Participating building owners in the Stevens Point, Oshkosh, and Green Bay areas were interviewed in November 2010. These interviews covered all phases of the program: the walk-through audit, direct install equipment, the home performance assessment, and any incentives received through the program. The interview was structured around a topic guide, which is included as Appendix B.

1.2.1 Program staff interviews

Seven in-depth interviews were conducted among Home Performance with ENERGY STAR and RHEEP program managers, program staff responsible for screening landlords and processing program documentation, and with the primary field staff in the Stevens Point, Oshkosh, and Green Bay areas responsible for both the audits and assessments. The interview was structured around a topic guide (Appendix A) to ensure that key topics were covered during the conversation. We also explored issues outside of the guide when the respondent mentioned them. Feedback from program staff is included in relevant sections to inform or support each finding.

1.2.2 Program tracking database review

Tetra Tech reviewed the WPS RHEEP pilot program database, lead tracking spreadsheet, and landlord screening document used during the screening interviews with interested landlords. This was partially done in conjunction with the call to the program staff responsible for screening interested landlords and based on a spreadsheet last updated October 18, 2010. Table 1-3 provides an overview of counts from the lead tracking spreadsheet as well as Census information on units available in the WPS pilot cities.



Table 1-3. Status by City

| | Stevens Point | Green Bay | Oshkosh |
|--|-----------------|-----------|----------|
| Census data – 2 units ² | 1,905 | 9,950 | 5,355 |
| Census data – 3-4 units | 1,227 | 3,590 | 2,870 |
| Interested and eligible landlords | 17 | 22 | 5 |
| Buildings screened as eligible ³ | 56 ⁴ | 34 | 12 |
| Buildings with completed audits | 44 | 10 | 4 |
| Buildings sent to consultants | 46 | 10 | 4 |
| Buildings with full home performance assessments | 14 | 0 | 0 |
| Postcard marketing effort | June | September | July |
| First audit | 3/26/2010 | 9/8/2010 | 8/4/2010 |
| Most recent audit | 8/27/2010 | 10/5/2010 | 8/9/2010 |

Census data show that Green Bay has the most available units and Stevens Point has the fewest. Thirty-four of the buildings screened as eligible in Stevens Point belong to the Stevens Point Housing Authority and all but one of the home performance assessments in Stevens Point are for the Stevens Point Housing Authority. They are in the process of assessing all 34 of their buildings and planning to act on improvements for all of them.

1.2.3 Participant interviews

Since January 2010 in Stevens Point and May 2010 in Green Bay and Oshkosh, 44 rental property owners/managers were screened as eligible to participate in the pilot program. These 44 owners/managers represented 102 properties. As of November 1, 2010, 61 properties had received the walk-through audit. The tracking spreadsheet showed 58 buildings with completed audits. During our interviews, we found another three buildings where audits had been completed.

Tetra Tech consultants conducted qualitative, in-depth interviews with 13 landlords who had completed the walk-through audit. Two of those interviews were with the landlords who had participated in the home performance assessment, one was a single-building owner and the other was the supervisor for the Stevens Point Housing Authority.

The interview was structured around an approved topic guide (Appendix B) to ensure that key topics were covered during the conversation. Issues not covered by the guide were explored when they were mentioned by the participant.

When reviewing the contents of this report, it is important to remember that these results are qualitative in nature and are meant to explore the range of experiences, opinions, and

² Source: Census data - American Community Survey (2006–2008).

³ Counts for the purposes of this table are by building. A building may be a duplex or triplex with multiple units.

⁴ The Stevens Point Housing Authority accounts for 34 of the 56 participating buildings in Stevens Point.



behaviors of owners/managers. The responses represent their opinions and perceptions of how the program operated, which may not necessarily reflect the intent of the program. The sample size and interview structure were not designed for quantitative analysis.

1.3 ORGANIZATION OF THIS REPORT

Chapter 2 summarizes responses to the researchable issues. Chapter 3 summarizes the detailed findings of the evaluation of the pilot program as follows:

- Characteristics of WPS pilot participants
- Program awareness and reasons for participating
- Program interest and eligibility
- Experience with the walk-through audit
- Home performance assessment
- Satisfaction with the program.

Chapter 4 presents conclusions about the status of program operation and recommendations on ways to achieve program savings goals. Appendix A contains the program staff interview protocol and Appendix B contains the participating landlord interview protocol.



2. RESPONSES TO RESEARCHABLE ISSUES

Based on seven program staff interviews and 13 interviews with landlords that Tetra Tech conducted, responses are presented below to the original researchable issues.

2.1 TWO- TO THREE-UNIT RENTAL MARKET

Is there a market for a program of this type among two- or three-unit rental buildings?

It is difficult to tell at this time what the true market is for this service to two- to three-unit rental buildings. Marketing of the programs was launched this spring in Stevens Point, this summer in Oshkosh, and as recently as September in Green Bay. There have been many calls from landlords interested in the program but not as much activity as would be expected over several months. In addition, as with the last time Oshkosh was evaluated, participation there is lagging the other two cities.

Participants whom we spoke with are upgrading older buildings and are grateful for the program. Satisfaction with the program was high and the direct install equipment remains installed with no complaints from tenants.

2.2 OWNER-OCCUPIED ELIGIBILITY

Does the eligibility of owner-occupied buildings in Stevens Point have an effect on participation?

The intent of allowing owner-occupied buildings to be eligible in Stevens Point was to see if the landlords who occupied their buildings were more likely to participate in the program. It is often expected that this may be a better motivator for participation, as well as landlord payment of utility bills. To date, the owner-occupied eligibility option has not drawn as many landlords who occupy their units as expected. Only two of the Stevens Point landlords we interviewed were living in one of the units. Most of the participants interviewed reported that their tenants paid the utility bills and that they were participating to improve tenant comfort and ability to pay those bills.

2.3 POSSIBLE ENERGY SAVINGS

Can the program achieve energy savings in this underserved market (both prescriptive and custom)?

It will be very difficult for the program to achieve the targeted energy savings for the program the way it is currently operating. The landlords we spoke with owned primarily older buildings and have been interested in making improvements. Some had already started with the small, low-cost items and are planning to act on the walk-through recommendations—especially furnaces, insulation, and windows. However, while many others are looking into the home performance assessment to learn more about what they can do to save energy, they have not committed to having that assessment done and have not decided to act on any of the larger saving recommendations made at the walk-through audit.



2.4 BARRIERS TO STEP 2

What are the barriers to getting a home performance assessment and/or installing efficiency improvements?

The primary barrier at this stage is still awareness. The initial marketing efforts to notify landlords about the program have been reaching them. Those we spoke with have responded to both the apartment association postings and postcards they received.

However, once landlords are done with the walk-through audit, they are often unsure of how to proceed. Because most of them have responsibilities other than their rental units, they tend to be derailed from the process before they get to the home performance assessment. This can result in misplaced program information or just a lack of recollection regarding what was important and how to proceed. In order to improve the likelihood that landlords continue through the process, the program must be kept top-of-mind.

Many also have doubts about the need for the home performance assessment and whether or not the dollars would be better spent on the equipment recommended during the walk-through audit. They are interested in learning more about how much they can save by installing the efficient equipment. In addition to energy savings, many would benefit from a better understanding of how the incentives work together to cover some of the costs of the assessment and installation.

What percentage of landlords who participate in Step 1 move forward with Step 2? How are the more proactive scheduling efforts affecting the proportion of landlords electing to receive a home energy assessment?

So far, two of the Stevens Point landlords have moved to Step 2 and completed the home performance assessment. However, three of the four in Stevens Point who have not yet had a home performance assessment, and two of the six in Green Bay, indicated during our interviews that although they had not scheduled them yet, they would be contacting consultants to do so. It seemed during our interviews, and calls to schedule those interviews, that it did not take much to get landlords interested in the phases of the program again.

In speaking with landlords and the home performance consultants, the level of proactive contacts initiated by the consultants appears to vary by individual. In some cases, the consultants report they wait for landlords to contact them. In other cases, they report that they make a call to the landlord and if they are not able to speak with them, they leave a message and wait for the landlord to callback. There do not appear to be any guidelines for the number and frequency of contact attempts initiated by the home performance consultants. For landlords with only one or a small number of properties, it would be advisable to develop clear guidelines for home performance consultants about initiating contact and the frequency and timing of follow-up contact attempts to maximize participation in this second phase of the program.

During interviews with consultants conducting the home performance assessments, we learned about the Sustainable Green Bay rebate. In 2009, Green Bay received federal funding from the Energy Efficiency and Conservation Block Grant to complete building retrofits and green programs for residents. This award resulted in the Sustainable Green Bay program, which allows all residential homeowners to receive a \$100 rebate for completing a home energy audit and an additional \$100 rebate if at least two of the recommended



measures are completed. This program is available for two- or three-unit owner-occupied and tenant-occupied properties. The promotional materials available from the Green Bay Economic Development Department and the Sustainable Green Bay website require the energy audit to be performed by a Focus on Energy consultant. The materials also encourage participants to visit the Focus on Energy website for information on additional rebates for energy efficient improvements.

There is a natural synergy between the Sustainable Green Bay rebate program and RHEEP that could help to stimulate participation among eligible landlords in the Green Bay area. For example, when landlords complete the walk-through audit, the Sustainable Green Bay rebates can be used to help introduce the RHEEP home performance evaluation and can be described as a way to offset at least one-half of the second phase evaluation, which entitles the landlord to significantly larger incentives through the program for completing energy efficiency measures.

2.5 INSTALLATION OF ADDITIONAL EQUIPMENT

What percentage actually install additional equipment as part of Step 2?

To date, both of the landlords who moved from the walk-through audit to the home performance assessment are in the process of making improvements to their buildings based on recommendations from both phases of the program. Because of the amount of time the process takes, neither has applied for the incentives yet.

2.6 STANDOUT ASPECTS OF THE PROGRAM

What aspects of the program worked best or need improvement?

Respondents thought the best part of the program was the confirmation that they were on the right track with their planned improvements. They were also very satisfied with the quality of the direct install equipment.

A few landlords who suggested improvements mentioned better communication regarding steps through the process. They are not all aware of the next steps they should take once the walk-through audit is completed. Some are looking for more information on savings and payback potential in order to make a decision on whether or not to participate in the home performance assessment. Others mentioned that better follow-up from consultants regarding the home performance assessment would help them continue through the program.

2.7 PROGRAM EXPANSION

Can this program be expanded to other areas?

While the landlords we spoke with did not have other buildings outside the eligible territory, there was some interest in the program from landlords outside the pilot areas. According to program staff, there were landlords who were screened out because they were outside of the pilot areas. However, in order to consider expansion of the program into other areas, more time is needed for the pilot to develop the processes that have been put in place and fully understand how well they are working.



2.8 EFFECTIVENESS OF PROGRAM COMMUNICATIONS

How effective is program communication in terms of generating interest in the program and communicating program benefits?

Initial marketing of the program, over the short time it has been available, seems to be effective in peaking initial interest from landlords. Landlords have heard of the program from the current marketing efforts, but multiple waves of marketing will be required to generate the interest needed to meet the current program goals.

Ongoing communication will increase the number of landlords who proceed through the program. Landlords we spoke with mentioned the need for more program assistance to guide them through the process and provide information so they can make decisions. What will occur at each step, how to move through those steps, and who to contact are important pieces of information. They are looking for more information on where they can go for qualifying equipment, what the savings will be, and expected payback periods.



3. DETAILED FINDINGS

3.1 CHARACTERISTICS OF WPS PILOT PARTICIPANTS

Madison landlords we spoke with during the previous statewide evaluation often owned multiple buildings, but we found two extremes when we interviewed participating landlords in the WPS territory. Most landlords were responsible for only one property. However, one participant supervised rental units for the Stevens Point Housing Authority and was responsible for 34 buildings. Table 3-1 shows some key characteristics of the landlords we spoke with.

Table 3-1. Key Characteristics of Interviewed Landlords

| City | Properties Participated/Owned | Property Type | Length of Ownership | Source of Program Information |
|---------------|-------------------------------|----------------|---------------------|-------------------------------|
| Oshkosh | 2/3 | Duplex | 10 years | Postcard |
| Green Bay | 4/5 | Duplex | 40 years | Apartment association |
| Green Bay | 1/1 | Duplex | 20 years | Postcard |
| Green Bay | 1/1 | Duplex | 8 years | WPS or mailing |
| Green Bay | 2/2 | Duplex | 8 years | WPS |
| Green Bay | 1/1 | Duplex | 15 years | Flyer in the mail |
| Green Bay | 1/1 | Duplex | 15 years | Flyer in the mail |
| Stevens Point | 1/1 | Triplex | 20 years | Apartment association |
| Stevens Point | 1/1 | Triplex | 10 years | Apartment association |
| Stevens Point | 1/1 | Duplex | 4 years | State employee |
| Stevens Point | 1/1 | Duplex | 25 years | Contractor |
| Stevens Point | 1/1 | Duplex | 2 years | WPS bill or flyer |
| Stevens Point | 34/34 | Duplex/Triplex | 5 years | B4 Conference |

While the number of buildings landlords managed was consistently low except for one, the amount of time that landlords had been responsible for their buildings varied widely. Participants reported anywhere from two years to 40 years.

Most of the participating buildings were duplexes and almost all were tenant-occupied. Although owner-occupied buildings are eligible in the Stevens Point area, only a few have participated in the program at this time. The intent of allowing owner-occupied buildings to be eligible in Stevens Point was to see if the landlords who occupied their buildings were more likely to participate in the program. It is often expected that landlord occupancy, in addition to landlord payment of utility bills, may be a good motivator for participation. However, most of the participants interviewed reported that their tenants paid the utility bills and that they were participating to improve tenant comfort and their ability to pay.

Participants schedule improvements for their properties as well as make improvements to properties either as needed or when tenants vacate. Typically, larger capital improvements are scheduled, while smaller changes, such as CFLs and showerheads, are done as needed. A couple of the landlords indicated that even though they schedule improvements, the program and incentives allow them to “stay ahead of the game” and get improvements done earlier than scheduled by taking advantage of the program resources.



3.2 PROGRAM AWARENESS AND REASONS FOR PARTICIPATING

The program reached its audience in the WPS territory through a few targeted channels. Website information was posted in February for the program, followed by a newsletter to the Central WI Apartment Association in March. The program first targeted the launch in Stevens Point with an email blast to Portage County landlords. Program staff also attended a B4 Conference in the area. A postcard followed those efforts to two- or three-unit owners.

The program was launched for Oshkosh and Green Bay in May. In Oshkosh, the program was marketed to landlords using a postcard in July. In September, targeted marketing started in Green Bay with similar newsletter notification and postcards similar to those used in Stevens Point. Postcards for all cities were sent to contacts based on tax assessor data for two- or three-unit building owners.

Respondents mentioned all of these efforts as ways that they learned about the program. The most common was from the Central Wisconsin Apartment Association, as a result of outreach by RHEEP program staff. Several others mentioned the postcards or mailings. Respondents also stated that they heard about the program from Wisconsin Public Service mailers, the B4 conference, and a contractor.

In contrast to the evaluation done previously for Madison and Oshkosh, most landlords we spoke with this year were interested in the program to improve the efficiency of their buildings to benefit their tenants and not for the access to the free equipment. Most were not having any issues renting their units, but wanted to make sure it stayed that way. A few were concerned that because their tenants were on the low end of the income scale, they were having difficulty paying their utility bills.

Landlords interested in their tenants' well-being gave us the following reasons for participating in the program:

“Desire to save energy and save tenant money on bills. I am trying to stay in line with market rents since I rent to students and lower income tenants.”

“To save tenants money as I know they are struggling and make the property more marketable to prospective tenants.”

“It was time to do my share, my renters pay their own bills and I wanted to ultimately lower their bills in the end. I could also use this as a marketing tool in the future.”

“To save my renters money. They were struggling, they've had the electricity shut off once, and I wanted to find out what was causing the problems.”

Other reasons given by landlords for interest in the program were general energy-consciousness, to make the building more efficient and sustainable, to check how specific equipment was operating, the amount of incentives available, and that the direct install equipment was an incentive to take the time for the audit.



3.3 PROGRAM INTEREST AND ELIGIBILITY

Interested landlords contacted Focus to inquire about information on the program. At that time, they were screened for eligibility and additional information was gathered. Landlords were not eligible to participate in the pilot if their building was outside the designated pilot area or in a nonparticipating utility area. Landlords who occupied one of the units in the building were eligible to participate in Stevens Point, but not in Oshkosh or Green Bay.

During the screening call, information beyond eligibility criteria was collected. This information included the type of fuel used for heating, who pays the utility bills, how they heard about the program, reasons for interest in the pilot, willingness to provide access to billing data and be available to accompany the auditor, accessibility of the attic space, previous participation in any programs, and plans for improvements. This information was passed on to the auditors who contact the interested landlords to schedule a walk-through audit.

3.4 EXPERIENCE WITH THE WALK-THROUGH AUDIT

The process for the walk-through audit is the same as it is for the statewide program and consists of visual checks of all areas of the building for possible improvements, including the heating system, water heater, air leaks, venting, system maintenance, and appliances. While the auditor is on site, he also installs energy saving equipment such as CFLs, low-flow showerheads, and faucet aerators if they are not already installed. The only difference is that the auditor for the WPS territory is a WECC employee, while independent contractors do the statewide audits. A review of the tracking spreadsheets for both WPS and Statewide pilots shows very few audits in either territory are moving on to the home performance audit.

After the audit is completed, the auditor discusses the recommendations with the landlord. A one-page audit report is filled out and sent to Focus as well as the landlord. The landlord also receives information regarding Track 1 and Track 2 incentives and home performance consultant contact information.

Respondents we spoke with verified that they had the walk-through audit done at their property. The length of time for the walk-through audit averaged about an hour to an hour and a half. Most of the landlords felt the length of time the auditor took was adequate and the audit was thorough.

“I asked a lot of questions and followed the guy around. It wasn’t rushed, he answered everything I asked and spent a good amount of time looking at things.”

However, a couple of the landlords were less than satisfied with the walk through audit. One landlord in Green Bay felt that the auditor was not as knowledgeable as he could have been, specifically about insulation, and was not able to answer questions. Another landlord in Stevens Point was frustrated by the difficulty scheduling the walk through audit.

3.4.1 Reaction to recommendations

Twelve of the thirteen respondents recalled that written recommendations were provided to them after the audit. Although they knew they had been provided with recommendations, a few of the landlords could not remember the specific recommendations made after the walk-through audit.



Most of the landlords who remembered the recommendations found them easy to understand, in a simple format, and useful. For many, the recommendations served to confirm feelings they had about work that needed to be done in their buildings to make them more efficient. One landlord told us, “written recommendations were provided and they were very useful. Usually, my mentality is *‘if it ain’t broke, don’t fix it’* but I saw this as a more preventative measure. If you stay on top of things in your home, they last longer.”

3.4.2 Changes made as a result of the recommendations

While all respondents recalled receiving recommendations, most of the respondents have not yet implemented any of the recommendations. For many of them it just dropped off their radar. In fact, our calls seemed to remind some of the landlords that they had received recommendations that they still intended to act upon.

Some of the landlords say they just have not had the time to implement the changes or schedule the home performance assessment given other issues needing their attention. A few are acting on some of the small weather-stripping and maintenance recommendations. Others are waiting until they decide on whether or not they will proceed with the home performance assessment.

“After installing the CFLs, I went through the whole house after the audit and replaced the remaining incandescent bulbs with more CFLs. This was just something I wanted to do for my renters free of charge.”

“I was not considering any changes before the audit. I may now look into water heater blankets, but I’m not sure about the programmable thermostat.”

Another landlord said that although he has not looked into any improvements yet they are a consideration for the future. The house is doing well so far, so it will all depend on if it makes economic sense.

There were a couple of landlords who were interested in making improvements but did not feel that they were provided enough information after the audit. The two respondents in Stevens Point who went on to Step 2 and had a home performance assessment also have not had a chance to implement recommendations.

3.4.3 Influence of the audit recommendations

Many of the landlords had been considering some type of energy efficiency improvements to their buildings and they found that the audit gave them information they needed to move forward with improvements and gave them an unbiased perspective on what could be done. In some cases, that meant correcting for information they had heard in the past, for instance, “I had heard at one time that water heater blankets were unsafe and maybe ineffective. Now I am reconsidering installing them on my water heater.”

Another landlord had been considering a furnace that would serve both units but felt it would be hard to split the monthly utility costs. However, the audit showed there would not be that much savings as one of the units was already fairly efficient. The recommendation was to only replace the one older unit, which the landlord is planning to act on. A third landlord was planning on high efficiency mechanical equipment when existing equipment came to the end



of its life expectancy, but they would not have looked into the venting options recommended by the audit.

3.4.4 Barriers to implementing recommendations

Barriers to implementing audit recommendations are similar to what we have seen in the past. Landlords cited the cost of purchasing the equipment and having the work done, timing issues (including how and when they schedule improvements), and the need for more information on the costs and benefits before implementing the changes.

One landlord summed up the barriers well...

“Recommendations are made that only the tenant can receive benefits for but the landlord is that one that has to pay out of pocket. I care about energy efficiency, but being a landlord means that you are constantly investing into your property. You don’t get all the money back from what you invest in the house. And I do not trust my tenants to treat my investment as well as I would myself. This is something that only renters see as important and may overall save \$200 on their bills per year. But the upfront cost to me is so substantial that it is hard to take that extra step for just that amount of savings.”

The other barrier we discovered when talking with landlords was lack of awareness. Many of those who had gone through the walk-through audit were not sure how to proceed. They had either forgotten who to contact about the next steps or did not feel that they had enough information to make decisions on whether or not improvements would be cost effective.

“In terms of a follow-up, that part was not particularly clear. I’m not sure what I should have done to follow-up or what the next step was. As for the report he gave me, it still sitting in my office. It would have been good to see what to do next and how to follow-up. I don’t remember if it said it in the packet. It wasn’t something that jumped out of me in the folder they gave me. Need more directions for the ‘next steps’.”

3.4.5 Suggestions for improvements to the walk-through audit

Many of the landlords were happy with the walk-through audit. It provided them with information and confirmation that they were on the right track with their planned improvements. However, a few did not feel like they had their questions adequately answered. Those few did provide some suggestions for changes.

“Why can’t the auditors tell you in this first walk-through what is wrong so you know what to do next? I found it misleading. All he did was install the equipment. Homes are going to have a lot bigger issues than what he is knowledgeable of, so why even go through with it? We need more direction the first time around since we are on a time crunch before the winter.”

“It took so long getting the auditor to come in the first place and now we have to wait even longer to get a consultant to contact us?”



3.4.6 Experience with the direct install component

Under the direct install component of the RHEEP program, the auditor installed CFLs, low-flow showerheads, and kitchen and bath aerators during the walk-through audit. All respondents remembered the direct install equipment brought by the auditor and to the best of their knowledge believe that all equipment is still installed.

A couple of the landlords did not receive some of the equipment, typically low-flow showerheads, because they were already installed in the units. Even though one landlord already had low-flow showerheads, those were replaced as the program provided equipment worked better and was more likely to remain installed.

One landlord had concerns about the style of faucet aerator provided by the program. “The kitchen aerator causes damage to the faucet when residents pull them too hard. We incurred a few broken spouts. My recommendations would be to go with a fixed type aerator in the kitchen. It’s gotten to the point where the cost outweighs the savings with maintenance coming in and repairing the damage from these.”

3.4.7 Follow-up contact from energy advisor or consultant

The typical follow up procedure after a walk-through audit is for the program to pass on the energy advisor recommendations to the consultant, who will then call the landlord to attempt to schedule the home performance assessment. A couple of landlords are not interested in moving on with the home performance assessment and have not followed up with the consultant.

One landlord in Stevens Point indicated he received an “unbiased list of names of individuals” who would perform the home performance assessment and has received two solicited contacts from them. Another landlord would feel more comfortable working with a weatherization firm that does audits who he is more familiar with from the apartment association.

Two of the Stevens Point participants and at least three of the Green Bay participants do not believe they received any contact information or call from the consultant. This is a missed opportunity, as at least three of them indicated interest in further testing, such as the blower door and thermal imaging. In addition, a landlord recalls a message from the consultant, but expected something more professional and almost deleted it.

3.5 HOME PERFORMANCE ASSESSMENT

The level of proactive contacts initiated by the home performance consultants appears to vary by individual. The home performance consultants report they get “leads” from program staff. The “leads” are the names of landlords who have received a walk-through audit. In addition to the name and contact information for the landlord, the home performance consultants receive the walk-through audit report and documentation. Some report they receive calls from landlords regarding energy efficiency improvements who are unaware of the program and refer these landlords to the program.

After the walk-through audit is completed, the home performance consultants contact the landlord and attempt to get agreement to schedule a home performance assessment. Interviews with home performance consultants, however, indicate that there is no standard



process that is followed in attempting to contact landlords who have received a walk-through audit. In some cases, the home performance consultants report they wait for landlords to contact them. In other cases, they report that they make a call to the landlord and if they are not able to speak with them, they leave a message and wait for the landlord to callback. There do not appear to be any guidelines for the number and frequency of contact attempts initiated by the home performance consultants.

Most of the home performance assessments scheduled to date have been with the Stevens Point Housing Authority. Since the Housing Authority is clearly committed to conducting home performance assessments on a large number of properties, it is reasonable that a “custom” process was developed for working with their properties.

The home performance consultants believe that the incentive levels offered in the WPS service area should be attractive to landlords. They also feel that the information provided by the program is thorough and well tailored to landlords. However, they report that it is difficult to get agreement from the landlords to complete the home performance assessment and the second phase of the program. Home performance consultants report that landlords are generally not sufficiently aware of the entire process, including the second phase of the program. In many cases, they feel they have completed the program when they receive the walk-through audit recommendations. The charge to the landlord for conducting the home performance assessment is also reported to be a barrier to participation in the second phase of the program. With the discount of \$75 per unit provided by the program, a typical home performance assessment for a duplex will cost the landlord about \$350–\$400. The home performance consultants report that landlords are reluctant to pay the cost of the evaluation. The interviews with home performance consultants suggest that the current methods of promoting participation in the second phase are not effective in convincing landlords that the benefits of participation in home performance assessment and the second phase of the program justify the initial expenditure to schedule the evaluation.

3.5.1 Suggestions for encouraging an assessment

Only two of the landlords we spoke with had continued on to do the home performance assessment at the time of the evaluation. The rest of the landlords had either decided that moving on to the next step was not worth it for them or they were still working on scheduling the home performance assessment.

Most of those who were still considering the assessment felt they needed more information or were trying to decide if they could justify the cost of the assessment in light of the recommended improvements suggested at the walk-through audit. They are struggling with the tradeoff between gathering more information and putting the funds toward known issues.

“Make it more affordable. Show hard numbers for the savings of each measure recommended. We already know we have an outdated furnace and windows. Why spend the money on something we already know?”

“I would rather spend the \$300 from the consultant charges on the measure that he recommended initially. Doing this home performance testing is not a practical use of my money. I did not try to contact the home performance auditors because of this.”



“I would like to know how low the payback period is for each improvement. If it would pay for itself in a reasonable time, that would be good to know. Also, knowing things that would add to the value of the house.”

One landlord would like the flexibility to choose the weatherization firm he is comfortable with. Another will not be considering the assessment until an increase in energy costs makes it more economically beneficial for both him and his tenants. “Now these improvements seem more expensive than energy and payback.”

3.6 SATISFACTION WITH THE PROGRAM

Overall, participants were satisfied with the program. For the few who were less than satisfied with the program, the reasons were lack of communication, not meeting expectations on the walk-through audit, and no follow up regarding questions.

3.6.1 Perceived benefits of participation

Only a couple of the landlords do not feel as though they realized any benefits from participating in the program. The dissatisfaction is usually due to a lack of understanding regarding the purpose of the initial walk-through audit, which leads to unmet expectations.

However, most of the landlords did feel they had received benefits because of the walk-through audit. It gave them additional ideas of what to improve, confirmed they were headed in the right direction, helped their tenants save energy and reduce their bills, and gave them an advantage when marketing the units.

“It makes tenants happier and gives me piece of mind that I'm making steps toward being more energy efficient.”

“It provided ideas of what I can do that I'd never thought of.”

“A good evaluation of what we had for a building of this age. Made some improvements that helped my tenants and gave me a good roadmap for what is needed in the future. Great eye opener to see how well it had been improved but also how we could further make improvements.”

“It put me on the right track and I can now do marketing for the improvements. I feel like I'll have a more stable rental base and be able to rent out to any person of any age. In this day and age, I have to make this duplex attractive to people and able to sustain itself.”

Benefits of the home performance assessment were expressed by both of the landlords who had it done.

“They came back with pictures and photos with the report itself. It was great documentation and easy to know what to prioritize. It made it so black and white. When the home inspector was here, he found some gas leaks as well. It was expensive, but it was a safety issue that needed to be checked out.”

“It showed us the actual savings and reduction, the biggest being air loss reduction and equipment performance.”



3.6.2 Suggested program improvements

Overall, landlords were happy with the services they had received so far through the program. Focus is viewed as a great resource for landlords looking to make improvements. But as with any other service offered, participants did have suggestions on improvements that can be made. Suggestions are discussed in three categories: communication, incentives, and payback and savings.

A. COMMUNICATION

Landlords are looking for better communication from the program. Those we spoke with mostly only manage one property and have many other priorities. This causes them to lose track of what they need to focus on to proceed through all the steps of the program. They will need more program assistance to guide them through the process and provide information they need to make decisions. Part of that starts with setting up their expectations the benefits of what they will receive and at each stage of the process.

“Provide better expectations for what will be done at each step, if you want something more, here’s what it will cost, here are the options you have for audits.”

“More detailed explanations. When we got the forms and the recommendations and qualifying rebates, it wasn’t very detailed. I had to read it a number of times to figure out what tier was what. Also, it wasn’t clear where I would have to buy each piece of equipment or through a certain person. Does it need to be checked up afterwards to verify installation?”

“If I hadn’t tapped on certain people that had knowledge of this program, I wouldn’t have known it was available. I go to the Focus website sometimes and always miss the deadlines. I don’t belong to the apartment association, so I don’t see what programs are available.”

B. HIGHER INCENTIVES

Incentives were not the first program improvements mentioned by landlords, but they were mentioned. Only one or two of the landlords suggested increasing the incentives. The other comments were regarding providing incentives, suggesting a misunderstanding about what is available for incentives through the program. One landlord only remembered the auditor telling him about incentives through a low-income program for his tenants and another said, “If a measure is recommended, there should be an incentive that goes along with it.”

C. PROVIDE PAYBACK INFORMATION

In order for landlords to determine whether they should continue with the home performance assessment, they said they need more information on the incentives available and the payback for projects.

“If I paid the \$300 to get the next audit—what additional amount would I have to get to make it worthwhile. Say I would have to replace a furnace for \$3,000 or are there any inexpensive things that I can learn from that audit?”

3. Detailed Findings...



“Give me odds of significant savings at the first audit that would encourage me to do the second stage. For example, basement insulation savings amount—is it worth it to go through the second stage?”

“The home performance assessment was not clear on overall savings. A lot of people do not grasp the long term benefits.”

“When an owner can see a 15–20 percent savings per building, it’s huge. That’s a big selling factor for the program.”

“The program needs to provide more information on the savings. As a whole, people look at initial out of pocket cost and not the long-term.”



4. CONCLUSIONS AND RECOMMENDATIONS

4.1 CONCLUSIONS

There are multiple variables that influence when and how landlords make decisions about installing energy efficient equipment. There will always be a small group of landlords who will do nothing no matter what is recommended or available to them. However, a larger number of landlords are interested in saving energy and lowering utility bills, even if their tenants are responsible for payment. A few landlords view the energy efficient equipment as a benefit to them not for the direct savings, but for marketing, sales, and tenant retention.

This is a hard-to-reach market and in the initial stages of the program, the targeted marketing is reaching the intended recipients. Methods used to target landlords are those the landlords mentioned during our interviews with them. Focus is viewed as a great resource for landlords looking to make energy efficiency improvements to their buildings.

However, as we reported in the evaluation of the statewide pilot, the program will not meet the targeted savings goals without pushing landlords through this process. There is little financial benefit to them when the tenants are paying the bills. The program will need to make the changes relevant to the landlord, either by showing them a favorable payback that allows them to assist their tenants without the large financial burden, or by promoting other benefits such as tenant retention or attractiveness of the property at the time of sale.

4.2 RECOMMENDATIONS

Based on the tracking database review, in-depth interviews with program staff, and in-depth interviews with landlords, Tetra Tech has the following recommendations for the WPS Residential Housing Energy Evaluation program pilot.

4.2.1 Set up a more formal follow-up process with participating landlords.

A difficulty encountered with the pilot was moving participants from the walk-through audit to the home performance assessment. Many of the landlords we spoke with indicated they did not know what to do after they received the walk-through audit. Because they were often distracted and did not follow up immediately, they lost track of what they were suppose to do to continue the process.

Although we previously recommended that the program staff follow up with landlords a few months after the walk-through audit, based on the interviews with WPS pilot participants we would recommend follow-up contact within a few weeks unless the landlord asks otherwise. Even though the participants receive information after the audit, it is important to follow up with those participants to move them through the entire process. Most of them are interested; they just need a reminder. There is a variety of methods that can be used, such as:

- **Apartment association newsletters.** The apartment associations were mentioned as sources of program information by many of the landlords. In addition to the initial notification of the program, reminders about program steps can be posted or advertised in the newsletters.



- **Postcards.** Postcards were also effective in notifying landlords about the program. Reminders postcards can be used at various stages of the process to remind them to schedule their walk-through audit, call the consultant after the walk-through, or follow up on recommendations.
- **Phone calls.** One introductory message to landlords from a consultant has not proven to be enough to move landlords on to the next step in the process. It would be beneficial to set up some type of calling schedule, possibly in conjunction with the newsletter or postcard mailings, to remind landlords of the next steps and resolve any questions they may have. This communication should come from WECC's staff, as the home performance consultants are independent contractors.

The reminders by newsletter and postcard still leave it up to the landlord to respond. The phone call is typically the best motivator for prompting action. Timing of reminders can be determined depending on what makes sense for program goals. Providing easy access to the benefits of participation will also motivate landlords. Now they are spending more time wondering why it would be in their best interest to participate and not scheduling assessments.

4.2.2 Review tracking procedures and spreadsheet use.

While the tracking spreadsheet is a great tool for tracking eligible landlords, the cleaner it is the more useful it will be. Any inconsistencies in tracking or missing information will make the follow-up procedures mentioned above more difficult.

As we started calling, we also found there were a few landlords without audits recorded who had been through those in the spring. Following up with landlords to move them through the program process will also improve the accuracy of the tracking spreadsheet.

4.2.3 Additional materials would enhance the post walk-through packet.

Packets mailed out to landlords after the walk-through already include the one-page audit report, home performance consultant contact information, and incentive applications. However, while many landlords we spoke with were interested in further testing and information, they were still unclear about how to proceed with the program.

An option would be to include a flyer in the packet that outlines the steps through the RHEEP process. Focus has produced some great promotional materials and could develop something along the lines of a roadmap for the program. It could indicate "You Are Here" on the map and direct them where to go next; their destination being energy savings. If produced at multiple stages of the process, they could be used as reminders to landlords along the way.

In addition to providing a clear understanding of the path through the program, the packet could provide more information on the benefits of the home performance assessment to landlords. Testimonials from landlords who have been through the home performance assessment would give other landlords examples of how the process helped others.



4.2.4 Consider providing more payback information.

Landlords suggested that they need more information on the program benefits in order to determine whether the next step to the home performance assessment is warranted. Many feel they can bypass the assessment and spend that money on recommended equipment from the walk-through audit without understanding the implications of the rigorous testing and additional incentives. Materials to landlords should provide a clear outline of the benefits they would receive from taking the next step in the process.

Another option is to have the consultant work up some scenarios of savings and payback prior to calling landlords about the home performance assessment. This will provide the landlord with more information they need to make decisions regarding participation and allow for a more effective phone call with the consultant. At this time, the landlords do not fully realize the incentive options that are available to them.

4.2.5 Enhance marketing to landlords with additional benefits of participating.

There are marketing opportunities from participating in RHEEP that landlords can use to retain or attract tenants. If tenants pay the utility bills, participation in the RHEEP program increases tenant comfort and assists them with decreasing their utility bills. This was of particular interest to a few landlords who served students and other lower income tenants.

Landlords also mentioned that they feel they can leverage the installed equipment as a tool to retain current tenants or attract new tenants, as almost all in the WPS territory have mentioned doing. However, some landlords see all the benefits from the program going to tenants. Marketing materials could also mention the possible resale value to another owner when the property is up for sale.

4.2.6 Review cross-promotional opportunities.

In the Green Bay area, there is a natural synergy between the Sustainable Green Bay rebate program and RHEEP that could help to stimulate participation among eligible landlords there. For example, when landlords complete the walk-through audit, the Sustainable Green Bay rebates can be used to help introduce the home performance Evaluation and can be described as a way to offset at least one-half of the second phase evaluation, which entitles the landlord to significantly larger incentives through the program for completing energy efficiency measures. The monthly WPS Territory-wide report shows that the HPES program for residential homeowners is already planning activities to collaborate with this program.

Also, if not already doing so, consider notifying contractors already working with Focus program about the RHEEP offering. One of the landlords was referred to the program by her contractor and found it extremely useful in prioritizing the work she had done.

The rental associations are a good point of contact to let landlords know about the program and keep them updated. They have monthly meetings and speakers that come in to talk about programs. This may be a good opportunity for Focus to have a landlord who has participated in the home performance assessment talk to the group about their experience and how it benefited them.



APPENDIX A: PROGRAM STAFF INTERVIEW PROTOCOL

This qualitative in-depth interview protocol will be used to interview program managers, implementers, and auditors who provide the walk-through audits and direct installation of CFLs and water saving devices through the Rental Housing Energy Evaluation Program (RHEEP). The interviews will be conducted and analyzed by Tetra Tech consultants.

CONTACT NAME: _____

CONTACT PHONE: _____

TITLE: _____

Introduction

Hello, my name is [CONSULTANT NAME] from Tetra Tech and I'm calling in regards to the Focus on Energy Rental Housing Energy Evaluation Program (RHEEP). May I please talk with [CONTACT NAME]?

As part of our evaluation of the Rental Housing Energy Evaluation Program (RHEEP), we would like to better understand your role with the program and how the program is implemented for 2–3 unit buildings. The feedback we receive from program staff will be included in a report along with input from building owners on their program experiences.

Context and Decision Making (ALL)

C1 What is your title?

C2. What is your role in the RHEEP 2-3 unit program?

C3. Could you walk me through the program approach?

Staffing and implementation

Marketing and communication

Screening and tracking system

Walk-through audit

Home Energy Assessment

Rebates



- C4. Are there any differences in program approach based on geography? [NOTE: If not mentioned, probe about eligibility, staffing, enhanced incentive levels in WPS service area]
- C5. [Program Staff] Could you please describe to me your marketing efforts? Which ones are working the best? Which efforts are less effective?
- C6. What was the motivation behind the two tier levels of incentives (Track 1 prescriptive and Track 2 HP building shell)? How have those distinctions in track levels worked so far?
- C7. How do building owners qualify for the 2–3 unit RHEEP audit? How are they contacted once they qualified? Who is responsible for scheduling?

Walk-through Audit Recommendations (Auditors)

- A1. What activity do you see as a result of the marketing efforts? Do you know how the customers hear about the program?
- A2. About how long do the walk-through audits last? Is there any information provided to building owners ahead of time about the audit (timing, tenant disruption, what was covered)
- A3. Is there a checklist of items to cover during the walk-thru? Is that always followed?
- A4. Is there a template or standard format for providing written recommendations?
- A5. Are there priorities to the recommendations? Are there any items that are more important than others? For what percentage do you recommend a home performance assessment?
- A5a. What do you communicate to participants to encourage them to have a Home Energy Assessment? PROBE: Anything else? [NOTE: For WPS Service area, if not mentioned, ask: Do the enhanced incentives (Track 2/Level A) seem to generate interest in adopting the recommendations? What feedback do you get from building owners regarding the level of incentives offered for recommended measures?



- A6 Do you think any improvements could be made to the written recommendations? Are there any improvements that could be made to the audit form?
- A7 What is the typical communication process for getting the written recommendations back to the landlord?
- A8 What do you see as the main barriers for building owners to implementing the audit recommendations?
- A9 Did you follow up with the building owners after the recommendations? What was the nature of the follow-up?
- A11 What types of issues do you come across when performing a walk-thru audit?
- A12 What do you think of the quality of the direct install equipment?
- A13 Have you received any feedback from the building owners regarding this equipment?
(PROBE FOR SPECIFIC POSITIVE/NEGATIVE FEEDBACK)
- A14 Can you please describe in your own words what impact, if any, you think the RHEEP Program has on landlord decisions to install/receive energy efficient equipment?

Home Performance Assessment (Consultants)

- HP1 What is the process during a Home Energy Assessment?
- HP2 What are typical recommendations after a Home Energy Assessment?
- HP3 What type of information do you provide for Home Energy Assessments? (Consultant name, contact info, pricing, testing)?



HP4 Do you follow-up with building owners or landlords after they have indicated their intention to adopt some or all of the recommendations? What type of follow-up contact do you make? [Explore frequency and effectiveness]

HP5 What do you think prevents building owners from taking the next step and having the Home Energy Assessment done?

Other (ALL)

O1. What proportion of customers who inquire about the program qualify for the walk-through audit? Once they participate in the walk through audit, how many continue on with a Home Energy Assessment? How many rebates have been issued to date? (Confirm information from program tracking)

What other information do you have about the participation levels now?

| | Interest in info | Ineligible | Walk-thru audit | Home performance assessment | Track 1 incentive | Track 2 incentives |
|---------------|------------------|------------|-----------------|-----------------------------|-------------------|--------------------|
| Stevens Point | | | | | | |
| Oshkosh | | | | | | |
| Green Bay | | | | | | |

O2 Overall, what aspects of RHEEP do you think work the best?

O3. What did not happen as intended? What areas are in most need of improvement?

O4 A major goal of the program is to encourage rental managers to install recommended improvements. How could the program better encourage or enable them to do this?

O5 Another goal of the program is to encourage rental managers to have a Home Energy Assessment done. How could the program better encourage or enable them to do this?



- O6 What additional services are needed for rental managers of 2–3 unit buildings?
(PROBE to see if they think they face different types of barriers than larger rental managers)

- O7 Are there any planned changes to the program?

- O8 Is there anything you would like us to look into?

Thank and terminate



APPENDIX B: PARTICIPATING LANDLORD INTERVIEW PROTOCOL

This qualitative in-depth interview protocol will be used to interview building owners who received a walk-through audit and direct installation of CFLs and water saving devices through the Rental Housing Energy Evaluation Program (RHEEP). The interviews will be conducted and analyzed by Tetra Tech consultants.

CONTACT NAME: _____

CONTACT PHONE: _____

CITY : _____

AUDITOR: _____

Introduction

Hello, my name is [TETRA TECH CONSULTANT NAME] from Tetra Tech and I'm calling on behalf of the Focus on Energy Rental Housing Energy Evaluation Program (RHEEP). May I please talk with [CONTACT NAME]?

According to the information I have, you participated in this program for your rental building(s) at [ADDRESS(ES)] [on DATE/between the dates of DATE RANGE].

I would like to ask you some questions about your experiences with the program. This will help the program manager to determine how the program could be improved to serve rental properties like yours.

Under the RHEEP Program [ENERGY AUDITOR NAME] conducted a walk-through audit to identify potential opportunities to increase the efficiency of your equipment and your building, identify solutions to any building problems, and install CFLs and water saving measures. Is this correct? (NOTE: VERIFY DI MEASURES AND REVISE AS NEEDED)

Were you personally involved in the decision of whether or not to participate in this program? What was your role in this decision?



Was anyone else within or outside your organization involved in the decision of whether to participate in this program?

(IF SOMEONE ELSE INVOLVED) Who else was involved in the decision of whether to participate in the program at this location? How are they affiliated with this property and what was their role in the decision?

Name _____
Title _____
Phone Number _____
Probe for Role _____

(IF R WAS INVOLVED IN THE DECISION, CONTINUE; ELSE TERMINATE AND DIAL ONE OF THE DECISION MAKERS)

Context and Decision Making

C1. How many 2–3 unit rental properties do you own/manage in Wisconsin? Where are they located? Do you own/manage any rental properties with more than three units?

C2. How long have you owned/managed rental property in Wisconsin?

C3. How did you hear about RHEEP? Anywhere else?

C4. Why did you decide to participate in RHEEP? Any other reasons? [NOTE: If incentive levels are not mentioned, probe to find out if the enhanced incentive levels were a factor.]

Walk-through Audit and Low Cost/No Cost Recommendations

A1. As part of the program, [ENERGY AUDITOR NAME] conducted a walk-through audit to identify potential opportunities to increase the efficiency of your equipment and your building and identify solutions to any building problems. Is this correct? (IF NOT CORRECT, CLARIFY WHAT DID HAPPEN)

A2. About how long did the walk-through audit last? Was the length adequate? (PROBE FOR IF THE AUDIT TOOK TOO LONG)



A3. Did [ENERGY AUDITOR NAME] provide you with written recommendations for low-cost or no-cost changes you could make to increase the efficiency of your equipment and building(s), or address other building problems?

A4. How useful were these written recommendations? (PROBE: about the specificity of the information and the amount of detail.)

A5. Did the written recommendations give you more information and detail than you expected, about what you expected, or less than you expected?

A6. How could [ENERGY AUDITOR NAME] have improved the written recommendations he provided you with?

A7. Do you recall what changes [ENERGY AUDITOR NAME] recommended?

A9. Did you implement any of these recommendations?

A10. (IF IMPLEMENTED) What did you implement and when did you do this? (IF MORE THAN 1 PROPERTY) At which property(s)?

A11. (IF IMPLEMENTED) Did you implement [ACTION] through a Focus on Energy program? If so, what program?

A12. (IF IMPLEMENTED) Had you considered implementing [ACTION] before you talked with [CONTRACTOR NAME]? (PROBE TO UNDERSTAND WHAT THEY HAD BEEN CONSIDERING DOING AND FOR HOW LONG THEY HAD BEEN CONSIDERING IT.)

A13. (IF IMPLEMENTED) Were [ENERGY AUDITOR'S] recommendations very, somewhat or not at all influential in your decision to implement [ACTION]? Why do you say that?



A14. Do you recall whether [ENERGY AUDITOR NAME] or anyone else from RHEEP followed up with you after you received the recommendations? (IF YES) PROBE TO UNDERSTAND NATURE AND TIMING OF THE FOLLOW-UP

A15. (IF NO AND DID NOT IMPLEMENT) Would you have been more likely to implement the recommendations if someone had followed up with you? Why or why not?

A16. (NOT IMPLEMENTED AT ALL PROPERTIES) Why haven't you implemented any of the recommendations? (PROBE TO UNDERSTAND EVERYTHING THAT IS HOLDING THEM BACK. ALSO PROBE TO SEE IF THEY FELT THE RECOMMENDATIONS WERE CREDIBLE, FEASIBLE, ETC.)

A17. (NOT IMPLEMENTED AT ALL PROPERTIES) Do you plan to follow through with any recommendations? If so, what do you hope to do and when do you think this might happen?

Direct Install Measures

DI1. According to the program records, you received [quantity] [measures] at your property/properties during the initial walk-through audit through RHEEP. (PROBE TO GET CORRECT INFORMATION IF NEEDED)

DI2. As far as you know, are these measures still installed?
IF NOT, WHY NOT? What replaced the removed energy efficient equipment?

DI3. Have you received any feedback from your tenants on this equipment? (PROBE FOR SPECIFIC POSITIVE/NEGATIVE FEEDBACK)

Home Performance Assessment

HP1. Did [ENERGY AUDITOR NAME] recommend that you have a Home Energy Assessment done for this building?

HP2. Do you recall what [ENERGY AUDITOR NAME] said were the benefits of having a Home Energy Assessment? PROBE: Anything else?



HP3. Did [ENERGY AUDITOR NAME] provide you with names of any Home Energy Assessment consultants that you could contact?

HP4. (IF PROVIDED WITH NAMES) Did you attempt to contact a Home Energy Assessment consultant?

HP5. (IF NOT CONTACTED HOME ENERGY ASSESSMENT CONSULTANT) Have you considered having a Home Energy Assessment done?

HP6. Why do/don't you want to have a Home Energy Assessment done? (PROBE SPECIFICALLY TO UNDERSTAND WHETHER THEY FELT THE INITIAL AUDIT REPORT CONTAINED ALL THE INFORMATION THEY NEEDED AND/OR WHETHER THE COST OF THE ASSESSMENT WAS A BARRIER, AND ANY OTHER BARRIERS)

Incentivized Measures (Furnaces, boilers, hot water heater, and insulation) from database)

M1. According to the program records, this property also received an incentive for [measures] through RHEEP. (PROBE TO GET CORRECT INFORMATION IF NEEDED)

M2. As far as you know, is this equipment still installed? (IF NOT, WHY NOT?)

M3. Have you received any feedback from your tenants on this equipment? (PROBE FOR SPECIFIC POSITIVE/NEGATIVE FEEDBACK)

Other

O1. What benefits, if any, have you realized at this property as a result of participating in RHEEP?

O2. How could the program be improved to better meet your needs?

O3. (IF NOT INSTALLED ALL RECOMMENDATIONS) A major goal of the program is to encourage rental managers to install recommended improvements. How could the program have better encouraged or enabled you to do this?



O4. Another goal of the program is to encourage rental managers to have a home performance assessment at their rental property. How could the program have better encouraged or enabled you to do this?

O5. Would you consider participating or have you already participated in RHEEP at other 2–3 unit rental buildings? (PROBE FOR WHAT WAS DONE AND WHEN IT WAS DONE)

O6. Have you recommended the program to others?

O7. What type of program do you think is needed for rental managers of 2–3 unit buildings? Is there a specific feature that you think would benefit managers of 2-3 unit buildings that is not currently offered? (PROBE TO SEE IF THEY THINK THEY FACE DIFFERENT TYPES OF BARRIERS THAN LARGER RENTAL MANAGERS)

O8. When do you typically make improvements to your rental property? (PROBE TO SEE IF WAIT UNTIL UNIT IS VACANT, MAKE THEM AS NEEDED, HAVE SOME TYPE OF PLANNING HORIZON IN YEARS, ETC.)

O9. What is your job title?

Thank and terminate