

The Growing EE Workforce Infrastructure



April 13, 2010

Presented by: Massachusetts Program Administrators

Agenda

- ❑ Overview of Workforce Infrastructure Expansion
- ❑ Drill down into Residential
- ❑ Drill down into Commercial
- ❑ Drill down into Low Income
- ❑ Next steps

EE Programs are Supporting Economic Growth

- ❑ Tripling of EE program spending from 2008 to 2010
- ❑ EE creates local jobs
- ❑ Expands existing contractors
 - 233% increase in NSTAR, NGRID Weatherization Contractors
 - 50% increase in workforce
- ❑ Introduces new contractors

“Massachusetts is one of the nation’s leaders in the creation of green energy jobs.” Kevin Doyle, Chronicle, April 2010

Expansion Supported By Competitive Procurement Process

- ❑ Competitive bid
- ❑ Active recruitment of bidders
- ❑ RFPs for State and PA specific
- ❑ Example: 6 EM&V RFPs; Bidder list of more than 65

Expanded Support Through Outreach And Training

□ C&I

- Trade-ally open house
- Sales training
- CHP workshop
- High Performance Lighting
- Advanced Building Seminars
- MAEEP technical training (DOE, ASHRAE instructors)

□ Residential

- Weatherization training
- Mass Green – offered through Community Colleges (in development)
- Cool Smart
- High-efficiency heating equipment

Residential Workforce Review


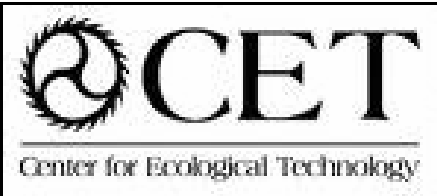

- Residential Retrofit Market
 - Gas Weatherization Contractor Network
 - RCS Program
- Heating & Cooling Contractor Network
 - Over 350 HVAC Contractors participating in CoolSmart program
 - Over 1300 Heating Contractors participating in GasNetworks program

RCS and Weatherization Review




- ❑ RCS Maintains Lead Vendors
 - ❑ Call Center / Intake Screening
 - ❑ Customer Education
 - ❑ Provide Home Energy Assessments
 - ❑ Assure Quality Control
 - ❑ Track Implementation by Measure
 - ❑ Monthly Reporting/Billing to PA
 - ❑ Analyze and Provide Ad hoc Reports
 - ❑ Quarterly DOER Reporting
 - ❑ Provide Ongoing Customer Support

- ❑ Weatherization combination of Lead Vendor and Open Market



RCS and Gas Weatherization Program Overview

| Program Administrator | Lead Vendor | Subcontractor Information |
|---|--|----------------------------------|
|  <p>Western Massachusetts Electric The Northeast Utilities System</p> |  <p>CET Center for Ecological Technology</p> | 18 Weatherization Subcontractors |
|  <p>berkshire gas</p> | | |



RCS and Gas Weatherization Program Overview

| Program Administrator | Lead Vendor | Subcontractor Information |
|---|---|----------------------------------|
|  <p>Bay State Gas A NiSource Company</p> |  | 21 Weatherization Subcontractors |
|  <p>New England Gas Company</p> | | |




RCS Program Overview

| Program Administrator | Lead Vendor | Subcontractor Information |
|--|--|---|
|  |  | <p>2 Subcontractors (Electrical and HVAC)</p> <p>Customers may Choose, with Pre-Approval, to have Eligible Weatherization Work Identified through Home Energy Assessment to be Performed by Growing Base of Qualified Contractors</p> |



RCS and Gas Weatherization Program Overview

| Program Administrator | Lead Vendor | Subcontractor Information |
|--|---|--------------------------------------|
|  |  | Weatherization Work Performed by EEI |

RCS Program Overview

| Program Administrator | Lead Vendor | Subcontractor Information |
|---|---|--|
|  |  | 26 Weatherization Subcontractors |
|  <p>The power of action.</p> | | 14 Electrical Subcontractors RFP Process Underway for Independent Audit Providers |

Gas Weatherization Program Overview

| Program Administrator | Lead Vendor | Subcontractor Information |
|---|---|--|
|  <p>Gas Weatherization</p> | <p>Traditionally no lead vendor as was an "Open Market" rebate program (no audit required).</p> <p>CSG is currently Lead Vendor for NSTAR & National Grid Gas audit delivery.</p> | <p>>100 Independent Weatherization Contractors Participated in the 2009 Weatherization Program</p> |
|  <p>Gas Weatherization</p> | | <p>Contractors continuing to transition to the New Program Guidelines that Require an Audit Prior to Weatherization Implementation (effective March, 2010)</p> |

Common Lead Vendor Requirements for Weatherization Subcontractors

| Requirement | Explanation |
|-----------------------------------|---|
| ✓ Capacity Requirement | <ul style="list-style-type: none"> ❑ Ensures Timely Implementation ❑ Allows Steady Work for Subcontractors |
| ✓ Background Checks | <ul style="list-style-type: none"> ❑ PA/Vendor Requirement |
| ✓ Proof of Licenses | <ul style="list-style-type: none"> ❑ Home Improvement Contractor ❑ Insulation and/or Construction Supervisor ❑ EPA Lead Certificate (Effective April 22, 2010) ❑ Weatherization Bootcamp Completion |
| ✓ Proctoring Proof of Competency | <ul style="list-style-type: none"> ❑ Demonstrates Hands on Competency |
| ✓ Agreement to Terms & Conditions | <ul style="list-style-type: none"> ❑ Vendor/PA Determined |
| ✓ Interview | <ul style="list-style-type: none"> ❑ Requirement Determined by Vendor |
| ✓ Invoicing Agreements | <ul style="list-style-type: none"> ❑ Align with Vendor Procurement Policies |
| ✓ Proof of Proper Insurance | <ul style="list-style-type: none"> ❑ General Liability ❑ Auto Liability ❑ Workers Compensation |

FAQ - How to become a NSTAR/NGRID gas residential weatherization contractor?





- ❑ Submit Contractor Participation Agreement
- ❑ Hold appropriate MA contractor licenses
- ❑ Meet Insurance Requirement (Liability, Auto, and Workman's Comp)
- ❑ Successfully complete Advanced Air Sealing and/or Advanced Insulation training (a.k.a. Weatherization Boot camps training - started in June, 2009)
- ❑ Follow program guidelines (audit requirement, Rebate Submission Guidelines, etc)
- ❑ Like all P/A approved weatherization sub-contractors – be amenable to QI/QC inspections

Commercial Workforce Review




□ Market Participants

- Energy Savings Performance Contractors – Support large projects
- Direct install Contractors – Serve small C&I and municipal market
 - Implemented through PAs
 - Offer gas and electric on integrated basis
- Expeditors – Support development of EE work – Small C&I
- Specialty Technology Installers – Serve C&I with installation services
- Open Market
 - For gas and electric markets
 - Market Participants include: Customers, engineering firms, energy consultants, HVAC contractors, electricians, plumbers, weatherization contractors, design firms, architectural firms, builders, city and town representatives

Direct Install Subcontractor Summary

| Program Administrator | Subcontractor Information |
|---|--|
|  | 6 Vendors – Small C&I 6 Vendors – Municipal |
|  | 3 Vendors – Small C&I |
|  | 7 Vendors – Small C&I |
|  | 2 Vendors - Small C&I 1 Vendor - Municipal |

Specialty Contractor Overview

| Program Administrator | Subcontractor Information |
|---|--|
|  | 1 Supplier – Preferred Technology Pricing 6 Vendors – Technical Assistance |
|  | 1 Supplier – Preferred Technology Pricing 13 Vendors – Project Expeditor 25 Vendors – Technical Assistance |
|  | 2 Vendors – Technical Assistance |

Low Income Workforce Review

- ❑ Well established program in place to train and employee contractors (See Pathways..)
- ❑ Supporting rapid expansion of workforce
- ❑ Rapid expansion in 2 years
 - Doubled Number of contractors: 55 – 97
 - Doubled auditors 56 to 95
 - Doubled weatherization employees: 97 – 250
- ❑ Contractors mainly small business, many start-ups, and women and minority owned business

Low Income Workforce Review

- ❑ All qualified contractors receive work
- ❑ Boot camps for training in place
- ❑ 100% QC on Work
- ❑ Labor rates at Davis-Bacon or higher
- ❑ RFI conducted every 2 years
 - Includes specification for measures
 - Establishes uniform prices
- ❑ For major projects, which includes all heating system replacements and major repairs, at least three project-specific bids are solicited

Workforce Expansion – Next Steps

- ❑ All indications point to a significant increase in number of contractors engaged in EE
- ❑ PAs engaged in robust outreach to encourage current and new participants
- ❑ We will continually review, learn and adapt these processes