

## rayjon energy

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### Final Comments on Proposed 2020 HP Benefits

Ray Sheenan and Jonathan Wolf of Rayjon Energy, an Ocean County Energy Efficiency Consulting Partnership, working together with BPI Goldstar Contractors Alek Air Management, Inc. of Feasterville, PA and Energy Services Group, a Delaware based supplier of air-sealing and insulation services to our NJ communities, are pleased to offer a few last-minute comments on behalf of our constituents and partners to the proposed Fiscal year 2020 New Jersey Clean Energy Program changes.

We deeply appreciate the response we've seen from the NJBPU and NJCE to our June comments and we believe that the changes that have since been announced are of significant value, especially the new Home Performance 0.99% loan facility and the increase in rebates on super-efficient low-temp heat pumps through what has been COOLAdvantage. The fact is these are the only units we install in our communities because of the enormous savings they generate in all-electric homes.

Of greatest significance to our constituents, we are especially grateful to the Board for their once again making loans available to our Co-op communities through EFS. They represent some 50% of our 9000+ homes. And these are the people most in need of assistance. Thank you.

**Below are the essential Program changes/improvements we'd like to again recommend.**

#### 1. "LMI" Qualification

We hear that the Board may be struggling with the definition of eligible LMI households. In our view we already have an excellent definition that has been developed and offered by the State of New Jersey in the New Jersey Home Energy Assistance (HEA) and Universal Service Fund (USF) Programs for years now. Need we really look further? This identifies people – seniors – people on fixed incomes who are struggling to survive on these fixed incomes.

What's upsetting to us is that many of the folks eligible are not aware of these programs, or they have not applied because they are perhaps in some way embarrassed to apply. We have actually driven seniors in our communities to Manchester Social Services, yet they did not follow up with scheduled meetings. This is a real issue that needs to be addressed with better education.

#### 2. Identifying Target "Zones" or Communities – We believe Savings should come First

To be truthful I am not comfortable with the "UEZ" solution as the initial target for an additional \$1000 in Home Performance grants. This is Jonathan speaking now. My gut says that this could be an excuse for unscrupulous contractors to raise prices by \$1000. I'm sorry. What does a "UEZ" designation have to do with energy savings?

We should be focusing first on communities and zones **where there is the greatest opportunity to save energy**. That's what this Program is all about! For example, communities where there are older

all-electric homes built in the 70s and 80's over dirt crawlspace and that are poorly insulated. This is precisely our market, and as we noted in our earlier submission we save these homes **40 to 50%** on their energy use through the Program. In Manchester Township alone there are 9,000+ all-electric homes. If we could retrofit all of them we can conservatively save 50 Million kWhrs a year through the Program. There must surely be other communities in the State where there could be similar savings.

***Perhaps we should consider creating yet another Tier – say 35% TES earns a \$5000 rebate?***

**Or perhaps we should identify communities sharing the same profile.** 55+ communities built in the 70's and 80's over dirt crawlspaces without access to natural gas that rely on electric baseboard heat. We urge the Board to carve out some of these characteristics as worthy of additional financial *and educational* support. But we still believe that TES is the best measure for benefits.

### **3. Marketing Support**

It's education, education, education. To repeat what we submitted earlier:

**We would particularly welcome this support in terms of AV presentations on the whole range of Home Performance elements and benefits that we could deliver to our communities. We need effective tools to reach out to seniors and all people that just don't understand or believe in the energy saving, health and comfort possibilities of energy efficiency retrofits.**

***Let's do this – with a knock your socks off presentation about the many elements of the HPwES Program that people can relate to – and get it out there. The biggest obstacle to our and the Program's success in communities like ours is the lack of understanding about and belief in the many energy efficiency, health and safety and comfort benefits the Program truly offers.***

### **4. Incentives for combining energy efficiency with renewable solar in a single project.**

We went into some detail on this subject in our earlier submission. **More than 350 homes in our communities have installed solar with no regard for their inefficiencies.** We referenced the home of John and Patricia Maines at 88 Chelsea Drive in Crestwood Village 7 who had installed an 11kW Solar System with a Power Purchase Agreement - paying about \$125/month with an escalation clause of 2.7% for 20 years. Their home was using a total of **18,366** kWhrs when we met them.

We put them through the HPwES Program including air sealing, insulation and two very efficient mini-split systems. Their 12 months usage dropped to **7047** kWhrs, a whopping 61.6% savings! And today they're paying nearly \$50 more a month for their PPA than they'd be paying for their electricity alone. And that amount is increasing every year. A 5-6k solar system for this home would have been just fine after they'd gone through the Home Performance Program. But they had no idea.

Most people think that solar energy makes their homes more energy efficient. Not true. So again we need education that leads to correct **knowledge** and understanding of our industry. We also need to stop the spread of **mis-information** and the misrepresentation of savings solar companies too often present. All people, but especially the seniors in our communities deserve that.

But Education may not be enough. Let's offer homes that combine Home Performance with renewable solar special incentives that will wake them up to the terrible mistake they're making by putting solar panels on inefficient homes. The facts are stated there on the NJCE web site – but who sees it?

In closing, Rayjon and our Partners know that with marketing and educational support and proper incentives for the savings we've proven we can create for our more than 20,000+ residents and 9000+ poorly insulated all-electric homes, then we can meet or even exceed the vision of 50,000,000 kWhrs savings, quality of life and environmental benefits that our mentor Dick Riseling startled us with in 2014.

We offer our advice, services, and participation in this process and a commitment to make this happen for our constituents and all those living in energy inefficient homes in our State. And we truly thank our Governor, the Board and our hard-working dedicated associates at New Jersey Clean Energy for their support.

Respectfully submitted,

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**The creation & dissemination of complete, clear information that leads to knowledge and understanding of the benefits of energy efficiency and renewables by all homeowners in our state is crucial to our success.**