



## Establishing a High Performance, High Standards Retrofit Industry

Establishing a high-performance, high-standards retrofit industry is essential to enhancing the confidence of both the consumer and financial markets. Existing proposed legislation includes some measures to ensure a transparent, high-quality market, but more is needed.

### Our Recommendations

**Link federal financial support for state and local energy efficiency efforts including technical assistance and other retrofit incentives to: high standards for workforce training and certification, contractor accreditation, and job quality; measurement, monitoring and verification of retrofit performance data; and access to utility usage data.**

Creating a sustainable national market for energy efficiency, and standing up a high-quality industry to serve this market, will require a policy architecture that is developed deliberately, with high standards and built-in access to good data established at the outset. ACESA goes further than ACELA in these regards, but whatever legislation emerges from the Senate floor or House-Senate conference should be stronger still.

### Standards for Auditing, Performance, and Verification

Congress should task the appropriate agencies with:

- Developing a uniform set of national standards for training, certifying, and licensing workers and contractors, relying when possible on existing national organizations.
- Adopting a national energy audit standard for existing homes, tailored to accommodate different market needs, based on existing home energy audit standards.
- Developing new nationally standardized tools and protocols for measurement and verification of energy, carbon dioxide, and cost savings from large-scale building retrofit programs.
- Providing grants, training, and guidance to increase the skill level of building code and energy efficiency assistance, inspection, and enforcement personnel for retrofit and building project certification.

### Standards for Workforce Training and Career Development

Congress and the Administration should:

- Promote collaborative workforce development systems in which community-based training providers encourage “pathways out of poverty” by focusing on promotion, outreach, recruitment and basic job skills, especially through pre-apprenticeship programs, to create a pipeline to formal placement in registered, jointly administered apprenticeships. Promote labor-management training programs to foster career ladders for incumbent workers in the retrofit industry, including allocating carbon allowances to fund the Green Jobs Act of 2007.
- Integrate the training and performance standards of the newly emerging residential retrofit market into those of the Weatherization Assistance Program to ensure that workers trained in weatherization are hired for expanding labor market opportunities. Tie the use of federal weatherization and retrofit funds to local hire provisions, Community Retrofit Workforce



Agreements, job site standards, prevailing wage, and utilization of workers from jointly administered apprenticeship and labor-management programs.

- Avoid workforce development efforts that train workers without a reasonable expectation that employment positions will be available, both during and at the conclusion of training.
- Provide universities, colleges, and community colleges with resources to expand their engineering offerings to address installing, operating, and maintaining energy efficiency technologies as well as measuring and verifying energy savings.

## Standards in Proposed Legislation

**American Clean Energy and Security Act (ACES):** ACES establishes the Retrofit for Energy and Environmental Performance program, or REEP, to support efficiency improvements in residential and commercial buildings. REEP provides states with funds for direct subsidies, energy audits, technical assistance, and workforce training. All retrofit work benefiting from REEP support must adhere to high standards. Residential Energy Services Network (RESNet) certification or Building Performance Institute (BPI) certification is required for building auditors, inspectors, and raters—or an equivalent certification system as determined by the EPA Administrator—and retrofit contractors must be BPI-certified or licensed by the states. This strategy of tying access to federal funding to high standards is essential to developing a quality national retrofit industry capable of satisfying customers and achieving verifiable energy savings.

ACES contains several significant provisions for energy efficiency retrofits originally put forth by Rep. Ed Perlmutter (D-CO) in H.R. 2336, the Green Resources for Energy Efficient Neighborhoods Act that include a requirement for residential and non-residential buildings owned by the Department of Housing and Urban Development to comply with energy-efficiency standards, including those set forth by ASHRAE, the American Society of Heating, Refrigerating and Air-Conditioning Engineers and the 2009 International Energy Conservation Code, which are the two principal recognized standards for commercial and residential building efficiency.

**American Clean Energy Leadership Act (ACELA):** In its current form, ACELA includes a program similar to the REEP program in the ACES bill called State Energy Efficiency Retrofit (SEER) Program. Savings resulting from SEER funded projects must be documented using approved whole-house simulation software, or through a test-in/test-out process—audits before and after the retrofit—HERS Index measurement. For quality-control purposes, at least through year one, 15 percent of performance-based retrofits are subject to third-party verification. Contractors must achieve a level of certification determined by the EPA administrator in consultation with the Secretary of Energy.

Section 281 attempts to bolster building data gathering by improving the Residential and Commercial Energy Consumption Surveys, and improve information on comparative energy use. Among other things, Section 282 directs the Secretary of Energy, within 2 years of enactment, to promulgate uniform rules for documenting building energy savings and avoided greenhouse gas emissions from retrofits programs.

For more information, please contact Kurt Shickman, 202-778-3557.