

Spring 2024 Forum

May 6th, Henrico County

Event Program

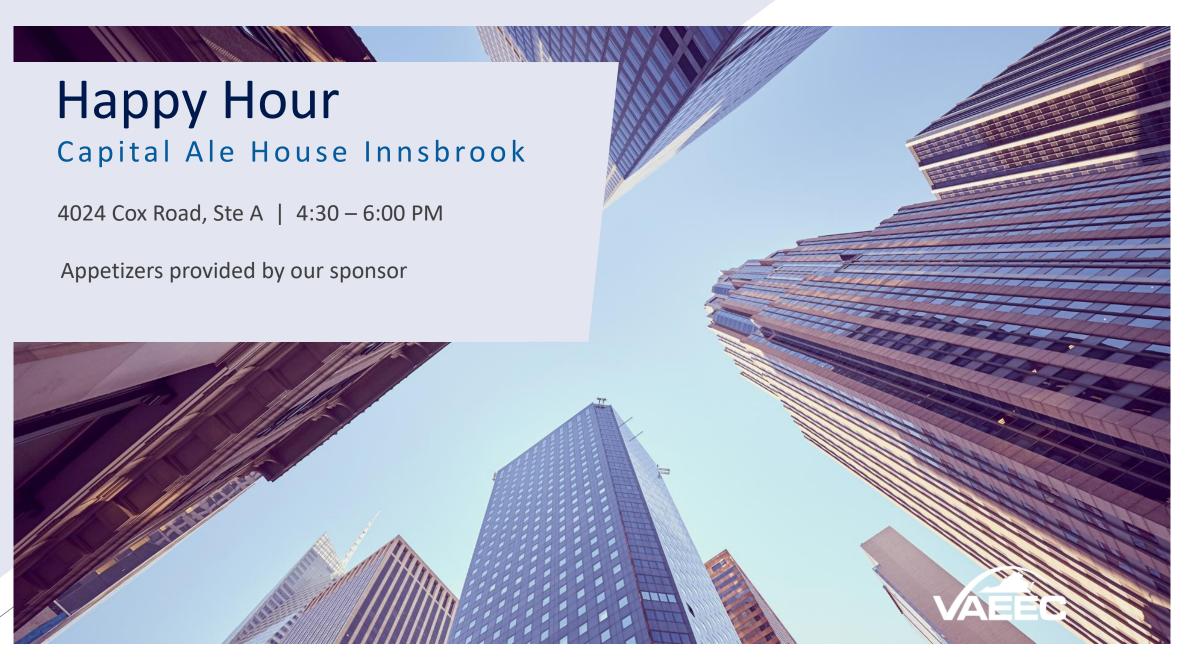
Scan the QR code found on the back of your name badge or visit vaeec.org/events/program/ to access the event agenda, Board candidates, speaker bios, sponsor features, and more.



Agenda

12:00 - 1:00 PM	REGISTRATION & NETWORKING Head shots available for current members; Sign-up required	
1:00 - 1:10 PM	WELCOME & OPENING REMARKS	
1:10 - 1:30 PM	KEYNOTE ADDRESS	
1:30 - 2:05 PM	BUSINESS MEETING & MEMBER UPDATES	
2:05 - 2:40 PM	NETWORKING BREAK	
2:40 - 3:55 PM	PLENARY SESSION	
3:55 - 4:00 PM	CLOSING REMARKS	
4:30 - 6:00 PM	OFF-SITE HAPPY HOUR Capital Ale House Innsbrook; Appetizers provided	





Thank You, Sponsors

LEADER







ADVOCATE



SUPPORTER









Business Meeting Agenda

- Organization Updates
- Audience Polling
- Board Member Re-Election
- Board Member Election

Top 2023 VAEEC Accomplishments

- Won a Grant to Launch our Energy Efficiency Workforce Initiative
- Initiated a New Strategic Plan
- \$386M for Low-Income Communities from RGGI Funding
- 4. Hired an Administrative Assistant
- 5. Influenced Dominion's DSM Final Order
- Safeguarded Energy Efficiency Policy
- 7. New Energy Efficiency Resources
- 8. Statewide C-PACE Program
- 9. VAEEC Events
- 10. Attended 10 Partner Events



WON A GRANT TO LAUNCH OUR ENERGY
EFFICIENCY WORKFORCE INITIATIVE
We was a warded finding to launch our by

We were awarded funding to launch our holistic workforce development program to establish a direct pathway for energy efficiency career training and placement that will meet the needs of employers.

LAUNCHED NEW STRATEGIC PLAN

Working with our committees and Board of Director we finalized and launched our current, three-year strategic plan that will guide the organization and or work.

2

\$384M FOR LOW-INCOME COMMUNITIES

Since joining the Regional Greenhouse Gas Initiative in 2021, 3115M went to making existing homes more energy efficient and \$231M went to new construction and rehabilitation.

HIRED AN ADMINISTRATIVE ASSISTANT

We welcomed Shenita Williams, our new adminstrative assistant, to the team.

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INFLUENCED DOMINION'S DSM FINAL ORDER

The VAEEC had a direct hand in driving stronger utility programs. The SCC took three recommendations from our testimony and legitimized the stakeholder process

SAFEGUARDED ENERGY EFFICIENCY POLICY

We created resources to show the importance of RGGI and to educate decision-makers, submitted public comments on RGGI and the USBC, participated in the Dominion DSM hearing, and were quoted in articles featuring energy efficiency.

6

NEW ENERGY EFFICIENCY RESOURCES

We created three new web pages for the VAEEC website; an EECBG Toolkit and federal funding tracker; RGGI case studies, videos, fact sheets, da' tables, and maps; case studies on successful EE projects and programs throughout Virginia.

STATEWIDE C-PACE PROGRAM

Working alongside Virginia Energy and the Virginia PACE Authority, we saw ten localities join the statewide C-PACE orogram. 8

AEEC EVENTS

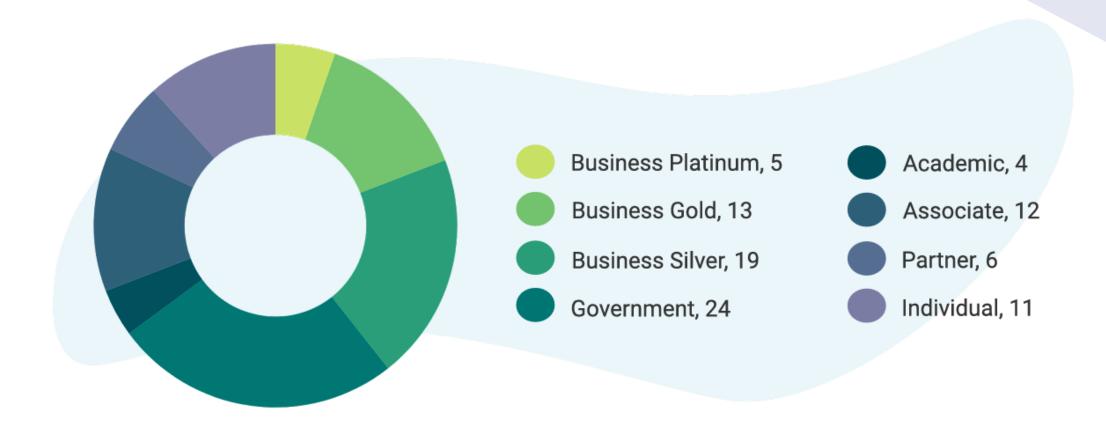
VAEEC staff hosted two webinars and biannual forums and one awards ceremony, summer workshop, and lunch-and-learn; co-hosted the Virginia Clean Energy Summit; launched our new Energizing Efficiency Campaign.

ATTENDED TEN PARTNER EVENTS

VAEEC staff attended a variety of events to diversify our network of partners and to increas

10

2023 Membership Overview



Engagement Opportunities

2024 Membership Survey

Please help our organization grow and meet our diversity goals by filling out our annual Membership Survey.





Audience Polling

- Join the poll by visiting slido.com with #1989033
- Please select your **top two** choices from the provided list
- Spring 2024 Forum | Present mode (sli.do)



Business Meeting

Board Member Seeking Re-Election

Michael Hubbard, Dominion Energy: 3rd term



One vote per member organization.

Business Meeting

Candidates Seeking Election

- Raye Elliot, FLIPP Inc.
- Meghan McMillen, Community Housing Partners
- Nam Nguyen, Virginia Tech



One vote per member organization.

Engagement Opportunities

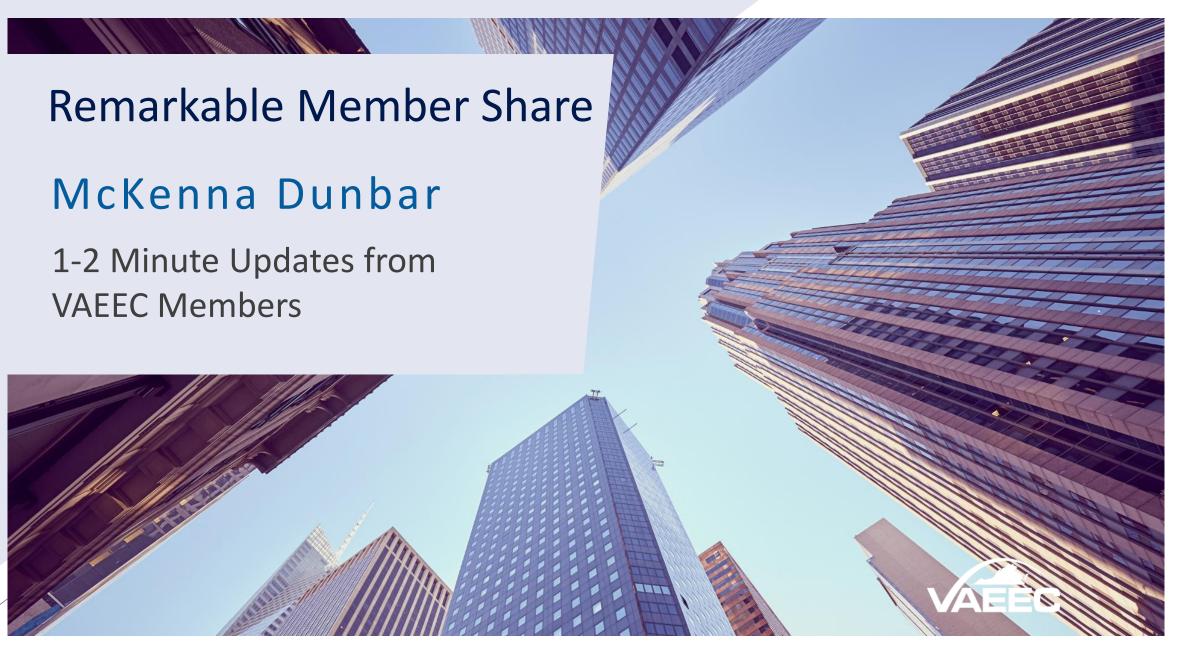
Join an advisory committee!

EDUCATION & EVENTS

MEMBERSHIP

POLICY & PROGRAMS

TECHNOLOGY

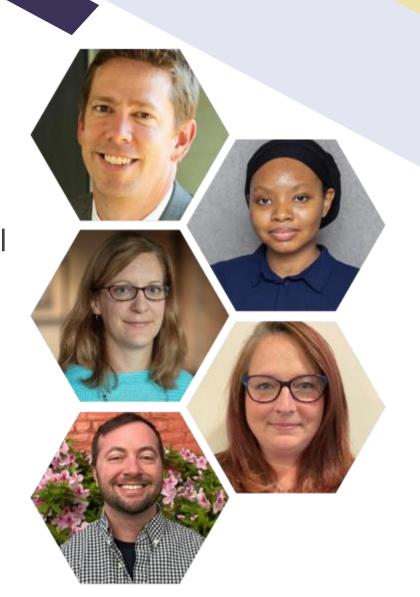






Plenary Session

- Will Cleveland, Lighthouse Policy & Law
- Hadja Doumbouya, Virginia Energy
- Chelsea Harnish, Virginia Energy Efficiency Council
- Meghan McMillen, Community Housing Partners
- Sean Shanley, Viridiant



VAEEC POLICY UPDATES

2024 General Assembly

- High Performance Buildings Act
 - HB151 (Helmer)/SB245 (McPike)
 - Passed on party line vote
 - Governor's office has no issues
- SAVE Act
 - HB746 (Webert)/SB565 (Deeds)
 - Huge bipartisan support in the House
 - Establishes a single cost-effectiveness test using the National Standards Practice Manual guidelines
- Energy Efficiency Day
 - HJ6 designates October 4 as Virginia EE Day

VAEEC POLICY UPDATES

RGGI- Budget

- General Assembly budget directs the state to rejoin RGGI
- Two budget amendments raiding funds from HIEE
 - Down payment assistance pilot program we were able to edit language to require new construction meet
 ENERGYSTAR or Earthcraft standards
 - Mobile home purchasing program takes \$5M from HIEE and has nothing to do with EE

C-PACE

- Up to 15 localities in <u>statewide program</u>
 - Chesterfield County and City of Winchester recently joined
- Two projects closed at the end of 2023
 - o One in Prince William, one in Petersburg

POLICY UPDATES

SCC Updates

- New Commissioners
 - GA unanimously approved Kelsey Bagot and Samuel Towell as SCC commissioners
- Energy efficiency targets <u>case</u>
 - Will set the next three year tranche of targets for the VCEA EERS
 - VAEEC will work with UVA law center to file comments
 - ApCO filed an extension on the proceeding, so important dates:
 - Utility comments due 6/12
 - Public comments due 9/16
 - SCC response to request for hearing is 10/16

POLICY UPDATES

SCC Updates

- Dominion DSM Filing
 - VAEEC is working with UVA law center as a respondent
 - Public comments are due 5/14
- ApCO DSM Filing
 - Proposed a school EE toolkit program administered by National Energy Foundation
 - VAEEC is writing a letter of support for this program
 - Public comments due 5/14

POLICY UPDATES

Building Codes

- BHCD submitted a NOIRA for consideration to reduce the building code by 25% in line with EO 19.
 - Wanted to reopen the 2021 update and slash by 25% arbitrarily.
 - All regulations not required by statute would be considered
 - DHCD Board rejected
- New proposal voted on by BHCD to incorporate process of removing regulations in the 2024 code process
- New 2024 code review process will kick off this summer





HOME ENERGY REBATE PROGRAMS VAEEC BUSINESS MEETING POLL



FEDERAL FUNDING FOR ENERGY EFFICIENCY PROGRAMS

Overview

Hadja Doumbouya

Home Energy Rebate Programs Manager Hadja.Doumbouya@energy.virginia.gov



NEWFUNDING AVAILABLE TO CE En er gy

Federal Program	New State Program	Total Amount	Status
Energy Efficiency Revolving Loan Fund Capitalization Grant	Financing for residential and commercial energy efficiency audits and retrofits.	\$11.4 Million	Anticipated launch early 2025
Energy Efficiency and Conservation Block Grant Program	Statewide marketing, education and outreach for consumers and contractors around available incentives for energy improvements.	\$2.6 Million	Anticipated launch fall 2024
Home Energy Efficiency Contractor Training Grants (TREC)	Grants for residential energy contractor training.	\$3.4 Million	Anticipated launch late 2024
Energy Auditor Training Program	Grants for residential energy auditor training.	\$2 Million (Competitive)	Application due June 2024

NEWFUNDING AVAILABLE TO CE En er gy

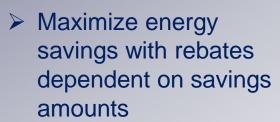
Federal Program	Description	Total Amount	Status
Comprehensive Home Efficiency Rebates (HOMES)	Up to \$8K/household for technology-neutral energy retrofits.	\$94.5 Million	Anticipated launch Spring 2025
Home Electrification and Appliance Rebates (HEAR)	Up to \$14K/household for electrification projects, available at point of sale. Limited to households with up to 150% area median income.	\$94 Million	Anticipated launch Spring 2025

Webpage with latest information:

https://www.energy.virginia.gov/energy-efficiency/Inflation-Reduction-Act.shtml

OVERVIEW









HEAR Program

Incentivize electrification by providing point-of-sale product rebates





- Immediate benefits for low-income households and disadvantaged communities (likely ~50K households)
- Long-term market transformation (3.2M households in VA)

HOME EFFICIENCY REBATES (HOMES)



Eligibility

IRA does not restrict eligibility by income

Single-family homes and multifamily buildings are eligible

New construction projects not eligible



Rebate Details

Up to \$8,000 or 80% of project cost per household

Rebate amount depends on energy savings calculation approach, energy savings amount, and income level

Up to **\$200** installer bonus for each retrofit in an underserved community

HOME ELECTRIFICATION AND APPLIANCE REBATES (HEAR)

Appliance Rebates

Appliance	Rebate Amount (up to)
Heat Pump Water Heater	\$1,750
Heat Pump (for space heating and cooling)	\$8,000
Electric wiring	\$2,500
Insulation, air sealing and ventilation	\$1,600
Electric stove, cooktop, range or oven	\$840
Heat pump clothes dryer	\$840
Maximum Rebate	\$14,000

QUALIFIED PROJECTS ARE:

- Replacement of a nonelectric appliance
- > First-time purchase with respect to that appliance
- > For single or multi-family households

Rebate limitations by project cost

Income	Rebate Cap
>80-150% AMI	50% of project costs
<80% AMI	100% of project costs

Installer bonus up to **\$500** for entities completing projects in disadvantaged communities

KEY REQUIREMENTS

At least 40% of benefits must be realized in disadvantaged communities

At least 40% of funding to low-income households

At least 10% of funding to low-income multi-family buildings

Identify conditions that constitute unacceptable risk of raising utility bills

Establish approved contractor network

Projects supported by a HOMES rebate must receive a third-party certificate

EFFICIENCY FUNDING

PLANNING ACTIVITIES UNDERWAY

Engagements:

Intergovernmental/ Stakeholder/Partner Analysis:

Program Landscape and Market Conditions

Market
Opportunities and
Risk Assessment

HOME ENERGY REBATE PROGRAMS MARKET ASSESSMENT: TAKEAWAYS

- Building Stock Segmentation
 - About 55% of all households in VA use Electricity as heating fuel
 - Single-family households account for 80% of the housing stock in VA
 - About 67% households own the home they live in
- Switching from electric resistance or oil heating to heat pumps can reduce bills, resulting in high savings and improved indoor air quality (for oil)
- Program integration can help lower upfront costs but is accompanied with increase administrative complexity
- Achieving low-income multifamily target may require programmatic interventions e.g., targeted outreach, leveraging categorical eligibility

HOME ENERGY REBATE PROGRAMS INPUT NOW – AND LATER

HOW CAN THE HOME ENERGY
REBATE PROGRAMS
INTEGRATE WITH EXISTING
PROGRAMS?



FEDERAL FUNDING FOR ENERGY EFFICIENCY **PROGRAMS**

Back-up

Follow us!













HOME ENERGY REBATE PROGRAMS PROGRAM OBJECTIVES

- Provide consumers with a streamlined experience to access all available federal, state, local, and utility incentives as well as financing, as necessary and appropriate;
- > Serve households in Virginia's single-family and multi-family residential buildings and across its geographic regions (including rural communities and disadvantaged communities);
- Support households in realizing near-term benefits from rebates, especially for households with highest needs (e.g., most energy burdened), while spurring long-term transformation across the entire residential market;
- Complement existing programs by directing rebates to households eligible to be served by other programs (e.g., HEAR plus the Weatherization Assistance Program (WAP)) as well as by serving households that are underserved by existing energy assistance programs (e.g., moderate-income households);
- Anticipate interactions with new and emerging programs or tax credits related to behind-the-meter solar, battery energy storage systems, and/or electric vehicle charging infrastructure;

HOME ENERGY REBATE PROGRAMS PROGRAM OBJECTIVES - CONT.

- Optimize between providing consumers and building energy contractors with optionality (e.g., modeled and measured HOMES savings pathways) while keeping program design simple enough to motivate participation;
- Lay the groundwork for the deployment of virtual power plants in Virginia to support grid reliability and energy affordability;
- Create opportunity for both small and large building energy contractors while specifically expanding opportunity for small, woman- and minority-owned businesses and those based in rural and disadvantaged communities; and
- Minimize requirements for consumers and building energy contractors while protecting consumers (e.g., by ensuring adequate access to data to make informed decisions) and ensuring responsible stewardship of public funds.

HOMEBURGYREATES

MILESTONES TO DATE

August 2022: IRA signed into law May 2023: VA applied for early admin funding August 2023: DOE issued Program Guidance October 2023:

DOE
approved
early VA
admin funding

November 2023: Hadja joins Virginia Energy!

Feb: Secured Planning Consultant

Apr:
Issued RFP for
Implementation
Partner

HOME BY REBATE PROGRAMS

HOME EFFICIENCY REBATES (HOMES)

Energy Savings	Single Family	Single Family (Low Income)	Multi-Family	Multi-Family (Low Income)
20-34% modeled	Lesser of \$2,000 or 50% of project costs	Lesser of \$4,000 or 80% of project costs	\$2,000 per dwelling unit, maximum \$200,000 per building	Lesser of \$4,000 per dwelling unit or 80% of project costs
35% or more modeled	Lesser of \$4,000 or 50% of project costs	Lesser of \$8,000 or 80% of project costs	\$4,000 per dwelling unit, maximum \$400,000 per building	Lesser of \$8,000 per dwelling unit or 80% of project costs
15% or more measured	Payment rate is equal to \$2,000 for a 20% reduction in energy use for average home in the state. Up to 50% of project cost =\$2K/(0.2 * 30,000kWhe)* =0.33/kWh	Payment rate is equal to \$4,000 for a 20% reduction of energy use for average home in the state. Up to 80% of project cost =\$4K/(0.2 * 30,000kWhe) =0.66/kWh	Payment rate is equal to \$2,000 for a 20% reduction of energy use per dwelling unit for the average multifamily building in the state Up to 50% of project cost	Payment rate is equal to \$4,000 for a 20% reduction of energy use per dwelling unit for the average multifamily building in the state Up to 80% of project cost

^{*}National average annual energy usage



Building Code Policy Update



Since 2006, Viridiant has promoted sustainable construction across Virginia, providing technical expertise and verification for more than 35,000 green-built homes.

Our staff have provided regular technical training to code officials and the construction industry and have participated actively in the code update process since 2010. In 2017-18, we led Virginia's participation in DOE's landmark "Field Study" of energy code compliance.



Agenda

- Current status of Virginia's Building Energy Codes
- Governor's Regulatory Reduction Mandate
- Federal Funding SCEP and RECI

Current status of Virginia's Building Energy Codes

2021 USBC adopted by Housing Board and approved by Governor

- Based on 2021 editions of "model" codes published by the International Code Council (ICC)
- "Effective" January 18, 2024, enforced January 18, 2025



2021 Virginia Building and Fire Code Related Regulations



2021 Virginia Construction



2021 Virginia Residential Code



2021 Virginia Statewide Fire Prevention Code



2021 Virginia Existing Building Code



ire 2021 Virginia Energy
Conservation Code



2021 Virginia Property Maintenance Code



2021 Virginia Fuel Gas Code



2021 Virginia Mechanical



2021 Virginia Plumbing

Current status of Virginia's Building Energy Codes

Residential energy changes of note:

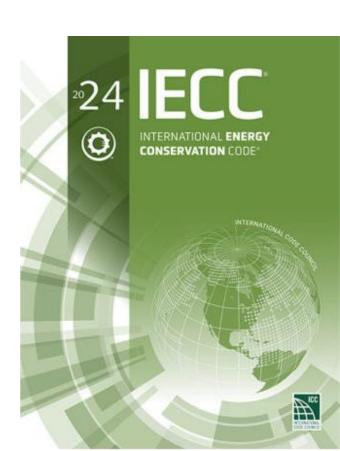
- Multiple climate zones: localities from Danville to VA Beach now zone 3A
- R-60 attic insulation for rest of state
- Commissioning of mechanical ventilation systems
- Ductwork in conditioned space tested at not more than 8% leakage (outside conditioned space remains at 4%)
- "Additional Efficiency Package Option"

Current status of Virginia's Building Energy Codes

 Next code update cycle – to adopt the 2024 code – likely to begin Q4 of 2024

Two-year process to adopt 2024 USBC in late 2026

www.dhcd.virginia.gov/codes



VA Regulatory Actions

- Governor Youngkin's Executive Directive Number One (2022) & Executive Order 19:
 - State agencies shall "reduce by at least 25 percent the numbers of regulations not mandated by federal or state statute."
- January 2024 potential for reopening 2021 Code in order to reduce regulations
 - Board of Housing and Community Development voted not to, but to instead seek to reduce regulations in the 2024 edition
 - DHCD staff are analyzing the changes from the 2018 to 2021 editions and anticipate that the recently adopted changes will satisfy the regulation reduction requirement.

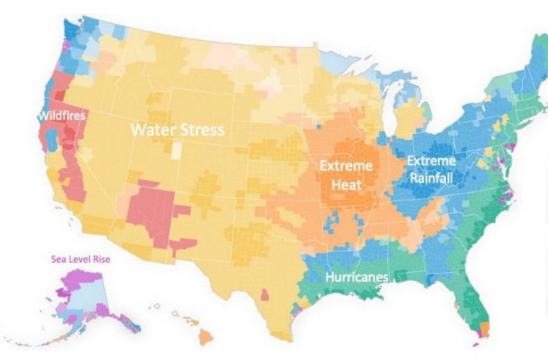
SCEP IRA funding

- \$1B available
 - \$330M to adopt 2021 IECC and ASHRAE 90.1 2019
 - \$670M to adopt codes that meet or exceed the net zero provisions of 2021
 IECC
- Funding available through 9/30/2029
- For states and local governments with authority to adopt building energy codes



RECI funding

- Residential and Efficient Codes Implementation
 - Goal: resilient energy codes can help building occupants absorb, adapt, and recover from adverse events
- 2nd round announced March 4, 2024
 - \$90M to support energy code adoption, training, and technical assistance
 - 20-40 awards anticipated
 - 1st round of \$90M last year had 27 awardees



DHCD Pursuing Federal Grants

"Virginia BuildCodeEd": Assistance for the Adoption of the Latest and Zero Building Energy Codes

- Project goal: train and certify 1350 additional energy code professionals (building officials, inspectors, plans examiners) in the Commonwealth
- Implementation period: 3 years
- Project team:
 - Virginia Dept. of Housing & Community Development (DHCD)
 - International Code Council (ICC)
 - Viridiant
 - American Society of Heating, Refrigeration, & Air-Conditioning Engineers (ASHRAE)

DHCD Pursuing Federal Grants

Virginia BuildCodeEd: Background

- Local building offices lack funds for optional training in energy.
- DOE residential field studies have demonstrated that adequate training is one of the keys to effective implementation.
 - After training and education in 7 states, annual energy costs due to varying levels of code compliance decreased by an average of about 45 percent.
 - Of the 7 states studied, only Pennsylvania required code official certification in energy.
 - Pennsylvania's score improvement after the training was among the smallest observed (5.9 percent), implying that, due to its training requirements,
 Pennsylvania was among the best at capturing codes' theoretical savings.

DHCD Pursuing Federal Grants

Consumer Code Tool

Project goal: provide a central source for consumers to find code requirements and best practices for common energy efficiency upgrades

Mount Rodgers Planning District Commission

Project goal: pilot program to utilize the Virginia Planning District Commission structure to provide energy code enforcement support to the 8 smaller counties, cities, and towns within it

Thanks!

Sean Shanley, Interim Executive Director sean.shanley@viridiant.org





Weatherization Funding

Meghan McMillen – Director of Weatherization – Community Housing Partners
AECP – Board President

Current Federal Funding Breakdown

	DOE 22	WRF 22	DOE 23	WRF 23	LI 23	BIL (50% Released Amounts)
Grant Period	7/1/22-6/30/23 Funds carried over. Amendment through 6/30/24	7/1/22-6/30/23 Funds carried over. Amendment through 6/30/24	7/1/23-6/30/24	7/1/23-6/30/24	9/1/23-9/30/24	7/1/22-6/30/27
Funds allocated to Sub-grantees	\$3,915,021.00	\$272,646.00	\$4,123,646.00	\$550,290.00	\$14,757,214.50	\$26,095,399.43
Funds invoiced by Sub-grantees	\$3,858,872.31	\$78,240.32	\$1,760,780.02	\$0.00	\$8,022,597.46	\$6,237,117.33
Percentage spent of sub-grantee portion of the grant	98.57%	28.70%	42.70%	0.00%	54.36%	23.90%
Amount remaining to be spent	\$56,148.69	\$194,405.68	\$2,362,865.98	\$550,290.00	\$6,734,617.04	\$19,858,282.10
Total Number of Jobs Invoiced	674	26	168	0	391	426
H/S percentage invoiced (Based on current PO Total allocated)	10.69%	N/A	4.01%	N/A	5.03%	2.15%
Current ACPU	\$4,746.46	\$2,864.19	\$8,875.03	\$0.00	\$19,371.74	\$12,395.40

Utility Funding

	APCo VA LISF	APCo VA LIMF	Washington Gas	Columbia Gas	Harrisonburg Electric
Grant Period	01/01/2024 -	01/01/2024 -	05/01/2024 -	01/01/2024 -	01/01/2024 -
	12/31/2024	12/31/2025	04/30/2025	12/31/2025	12/31/2025
Target Spend	\$2,560,302.91	\$3,464,159.48	\$2,268,632.39	\$1,343,103.15	\$30,000.00
Actual YTD Spend	\$1,122,472.13	\$250,620.00	\$0.00	\$46,290.00	\$1,600.00
Target Production	457	2730	400	250	50
Actual YTD Production	145	32	0	27	2
Target Savings	1,418,066 kWh	3,093,616 kWh	31,955 Therms	5,899 Therms	N/A
Actual YTD Savings	447,500 kWh	36,442 kWh	0	1,116 Therms	N/A

Other utility funding for the state includes ODEC and Dominion Energy.

Weatherization Deferral Repair Program

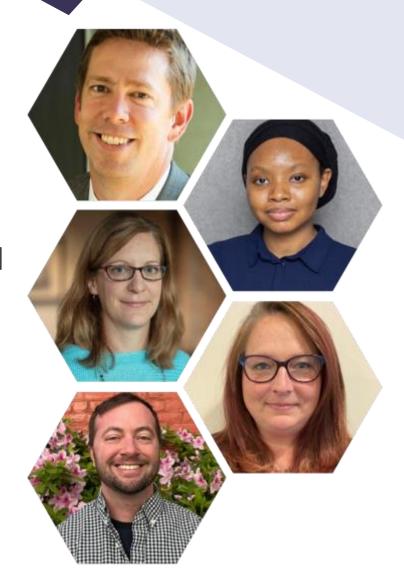
- Total funds allocated to WDR: \$45,170,160
- Of the allocated funds, obligated via agreement across three program years: \$27,699,002
- Spent: **\$8,086,533.13**
- Total single family homes: 637
- Total multifamily units served: 709
- Total homes served: 1,346

Current Weatherization State of Affairs

- IRA The weatherization network is anticipating being able to take advantage of this funding, although the how's are still being discussed.
- WX Program Guidance Agencies are working thru guidance and program notices. Braiding funds in the audit, WDR, Multifamily are items that have seen the most change over the past year.
- The Virginia Weatherization Network has organized two groups that meet regularly and communicate with DHCD about any concerns or issues:
 - Technical Advisory Group (TAG)
 - Weatherization Administrative Group (WAG)

Plenary Session

- Will Cleveland, Lighthouse Policy & Law
 - wcleveland@lighthousepl.com
- Hadja Doumbouya, Virginia Energy
 - hadja.doumbouya@energy.virginia.gov
- Chelsea Harnish, Virginia Energy Efficiency Council
 - Chelsea@vaeec.org
- Meghan McMillen, Community Housing Partners
 - mmcmillen@chpc2.org
- Sean Shanley, Viridiant
 - sean.shanley@viridiant.org





Spring 2024 Forum

May 6th, Henrico County

VAEEC Spring 2024 Forum

Thank You, Sponsors

LEADER







ADVOCATE



SUPPORTER

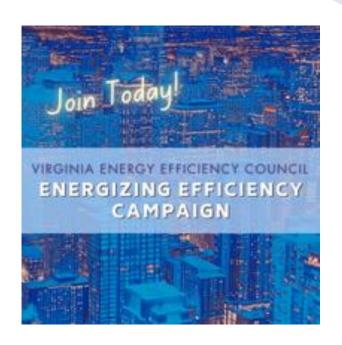




It's Time to Be Recognized.

Join the Energizing Efficiency Campaign

- Every submission receives the following:
 - Spotlight on the VAEEC website
 - Featured post on VAEEC social media
 - Publicity in monthly e-newsletters
 - Acknowledgement at the EE Forum
 - Automatically nominated for the Virginia EE Leadership Awards



Share your story by July 15th. Submission is *free* and you do *not* have to be a member to participate.

VAEEC Spring 2024 Forum

Save the Date

