



Providing Oberlin With Efficiency Responsibly

Creating a community of comfortable, affordable, and healthy homes

**POWER Proposal for RECs Allocation
May 16, 2016**

This proposal draws heavily on information provided by Oberlin Project Director and POWER Board member Sean Hayes and the experience of Energy Advocate Greg Jones.

In preparing this proposal we have looked back at the range of proposals that were shared with the Oberlin City Council at the March 21, 2016 Working Session. We are gratified to find that roughly half of the proposals either make direct reference to the work POWER is currently doing in the community or describe weatherization and efficiency programs much like what POWER does.

Lowering Oberlin Residents' Energy Bills and Improving Homes - Our Proposal

REC dollars would pay the cost of residential home energy audits in Oberlin. Those home energy audits cost \$50 and are a \$500 value/home. The energy audit delivers an itemized list of improvements, known as "Energy Conservation Measures" (ECM), the estimated cost per improvement, Columbia Gas incentive (instant rebate) per improvement, and estimated annual savings per improvement, along with simple payback calculations and savings to investment ratios for each improvement.

REC dollars would then be available in the form of an instant rebate at the completion of qualified ECMs. These dollars would operate in a fashion similar to Oberlin's current "Super Rebate Program" for energy efficient appliances, but coupled with Columbia Gas's "Home Performance Solutions" program instead of EfficiencySmart.

100% of the remaining ECM costs (after Columbia Gas instant rebates) would be paid with REC dollars. That cost per home is estimated at approximately \$1,200.



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Program Costs:

Item	Cost/Unit	Units	Subtotal
Home Energy Audit	\$50/audit	1500 homes	\$75,000
(Balance) Home Weatherization	\$1,200/home	900 homes	\$1,080,000
Additional Administrative Cost (Annual)	\$25/hour + 35% benefits	2 FTE	\$140,400
Total (5-Year Program)			\$1,857,000
Annual Cost			\$371,400

Program Savings:

Annual natural gas savings (CCF): 297,000 (330/home x 900 homes)

Investment Cost (5-year program): \$1,857,000

Estimated Useful Life (years): 25

Net Present Value (NPV) Projected Savings: \$3,572,993

Investment Cost (high): \$1,857,000

Savings to Investment Ratio: 1.92 (not including Columbia Gas investment or increased home value)

Annual Carbon Emissions Reduction: 1,578 MT¹ or about 3% of Oberlin's current GHG emissions

Additionally, approximately \$1,035,000 of Columbia Gas investment and \$675,000 of home energy audit value would be delivered to Oberlin residents. If included, these numbers bring the NPV to a projected \$5,283,000. Furthermore, weatherization should be expected to yield additional electricity savings not necessarily detailed in Columbia Gas's programs (presumably all natural gas account holders in Oberlin are also served by OMLPS). Electricity savings from reduced HVAC fan, pump, and air conditioning run time is expected but is not detailed in this projection. Beyond lower electricity usage costs, these electricity reductions would reduce summer peak loads, benefitting the utility and all ratepayers.

Administrative and Additional Staffing Needs



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If POWER is given the opportunity to expand its work in Oberlin using RECs dollars in the ways described above, we will obviously incur additional expenses for direct staffing and for other

administrative services. The tables above provide an estimate of what these costs MAY be and more precise calculations can be provided in the future.

Thank you for your consideration of this proposed investment in the future comfort, affordability, and efficiency of Oberlin's homes.

David Snyder
For the Board of POWER