

Mad River Valley

Property Assessed Clean Energy Program

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Our Mission

- Researching PACE programs nationwide.
- Attending PACE public events.
- Developing a survey of homeowners.
- Investigating the MRV housing stock.
- Identifying barriers and offering recommendations.
- Developing case studies.

What is PACE?

Under the administration of **Efficiency Vermont**, Property Assessed Clean Energy program enables municipalities to create and secure financing for a PACE program if they choose, and to lend this money to their residents for energy efficiency and renewable energy projects. (Currently 13 towns in Vermont have opt to become PACE districts, including Waitsfield.)







For Potential Participants:

A new way to finance your home energy improvements






Three main criteria:



- Owner occupied residential building with 1~4 housing units
 - Get up to \$30,000 or 15% of your property value, whichever is less.
 - Remaining Mortgage+PACE Assessment < 90% of the property value
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Key Offerings:

- Zero down payment, paid back over 20 yrs.
 - The home assessment is paid via an extra line item on the property tax
 - If you sell your house before payoff, the rest of the payment would be paid by the next owner.
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For towns ...

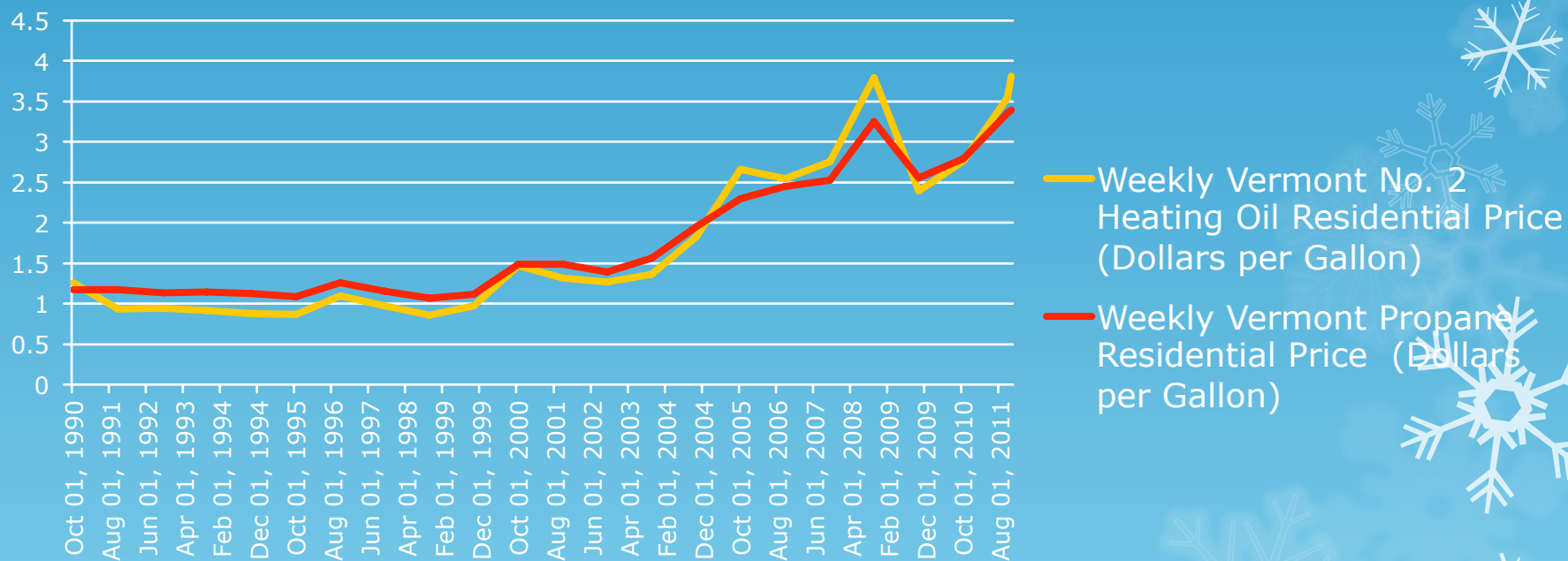
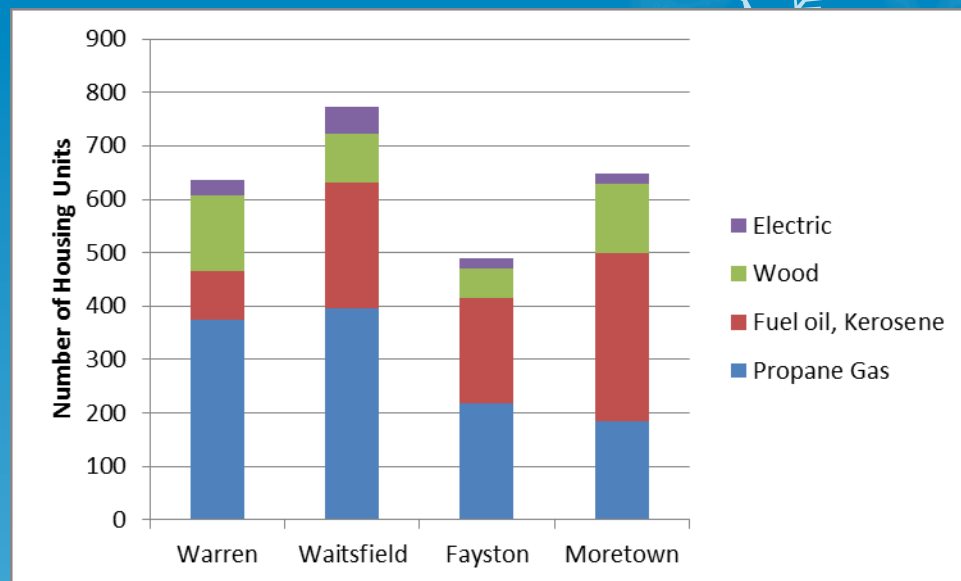
A Typical House in MRV



- Built in the mid-70's
- Property Value \$200K-\$300K
- Owner occupied or second home (Warren and Fayston have more 2nd homes)
- Burn heating oil or propane

For towns ...

Fuel Cost



For towns ...

Driving Demand

- COMMUNITY AMBASSADORS
- CLEAR AND SIMPLE PROCESS
- CLEVER MARKETING
- CONTRACTORS
- COMPETITION



For towns ...

The Survey: Our objectives

- Who participates?
- What are their motivations?
- Enough information provided?
- Do they trust PACE?
- Is it easy?
- Concerns about cost?



The Energy Audit

Joshua Schwartz's house in Waitsfield.





Case Studies

- Creating 2 case studies based on typical MRV homes.
- Highlighting barriers faced by homeowners
- Explaining advantages of PACE compared to other financing programs
- Clear and user-friendly format



Case Studies

PACE

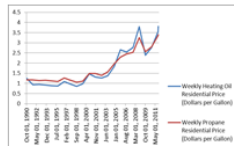
A NEW WAY TO FINANCE ENERGY IMPROVEMENTS IN THE MAD RIVER VALLEY

What is PACE?

Property Assessed Clean Energy, or PACE, allows property owners to benefit from energy savings immediately while spreading the cost of improvements over a number of years. PACE is a voluntary program. Costs are a lien on property tax bills, which is tied to the property itself, not the property owner.

Energy usage in the Mad River Valley and future forecasts:

The main fuels used in the Mad River Valley are oil and propane. Electricity and wood are also used, but to a lesser extent. The figures below show the Valley's fuel consumption by fuel type and over time.



This graph shows how energy prices have been rising for the past decade, and projections show that they will continue to rise. It is becoming crucial for Vermonters to adopt energy efficiency measures in their homes for their own financial security, as well as for the environmental concerns surrounding energy production.

Barriers to making energy improvements?

According to a report by the Vermont Law School, the main reasons why people resist making energy efficiency improvements are:

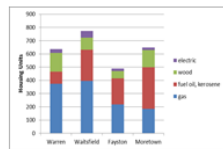
- Concerned about taking on more debt
- Don't believe they will end up saving more over time
- Payback periods that are longer than the time they believe they will be living in the home
- Worried that they will be unable to cover the costs of an efficiency upgrade



Is PACE a solution?

Yes! PACE financing can make it easier and more appealing for homeowners to invest in energy improvements. They can finance the upgrades today and pay for them over time. Since the assessment stays with the house, PACE can appeal to homeowners who don't expect to remain in the property for the duration of repayment.

For more information visit www.pacenow.org



PACE

A NEW WAY TO PAY FOR ENERGY IMPROVEMENTS IN THE MAD RIVER VALLEY

Scenario I

One typical home in the MRV was built in the 1970s, is worth around \$250,000, and uses mostly heating oil for its energy needs. It has three bedrooms and two bathrooms. The owners of this property have a low credit score, but have always made all of their mortgage payments. They have been waiting to make energy improvements on their home for years, but they have not been able to obtain a loan to pay for them.

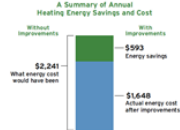


Can PACE finance energy improvements for this home?

Yes! As long as the property owners have made all of their mortgage payments, they can qualify to opt into PACE financing and make the improvements they need.

Likely energy improvements to be made on the home:

Whole house insulation, blower-door directed air sealing, repair of misdirected dryer vent, which was leaking fumes into the home.



Scenario II

Another typical home in the MRV is worth \$350,000, was built in the 1980s, and consumes mostly propane for its heating needs. It is used as a second home for the property owners with four bedrooms and two bathrooms. The homeowners have been thinking about making energy improvements, but they haven't done so because they plan on purchasing a different house in a few years.

Can PACE finance energy improvements in this home?

Yes! Since these homeowners want to sell their property before the debt and repayments, PACE will allow them to pass on the payments to the next homeowners.

Likely energy improvements to be made on the home:

Air sealing throughout home, blown-in insulation, boiler replacement.



For more information visit www.pacenow.org

Official Launch Date: March 2012

More Information:

- Visit www.encyvermont.com and follow the links to pace
- Or go to: <http://pacevermont.wikispaces.com>
- Or talk to your Energy Coordinator:
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