

Update On RESNET Quality Assurance of the Rating Industry, Next Steps to Higher Performance

September 24, 2014
St Louis, MO



Setting the Standards for
Home Energy Efficiency

Why Changes in RESNET Quality Assurance Process?

It's Code of Course

- Energy Rating Index in 2015 IECC – Need to Step Up Game
- Need Separate Quality Assurance Oversight from Rating Companies (Perception of fox guarding hen house)
- Inconsistency of Quality Assurance Oversight in Field – National Production Builders Discovered Inconsistency

Steps Taken to Ensure Greater Consistency

- ❑ HERS Index Score Consistency Task Force
 - Home Builders
 - ❑ Jacob Atalla, KB Home
 - ❑ Jim Petersen, Pulte Group
 - ❑ Dean Potter, K. Hovnanian Homes
 - Rating Software Tool Developers
 - ❑ Philip Fairey, Florida Solar Energy Center
 - ❑ Rob Salcido, Architectural Energy Corporation
 - Rating Providers
 - ❑ Dave Bell, Environments for Living
 - ❑ Brett Dillon, IBS Advisors
- ❑ Started work in July of 2013
- ❑ Recommendations presented to RESNET Board on October 22, 2013

HERS Index Score Consistency Task Force Recommendations

- Task Force Recommendations Focused On:
 - Enhanced Quality Assurance of Ratings
 - Independence of Quality Assurance Designees
 - Percentage of Rated Homes by a Rater that Must be Quality Reviewed Annually
 - Clearer and Consistent Information and Training from RESNET to Quality Assurance Designees
 - Home Energy Rating Software Program Improvements to Ensure Greater Consistency of HERS Index Scores
- Based on recommendations, on October 21, 2013, RESNET Board Adopted a set of policies on how to establish greater consistency in home energy ratings.

Board Policy on Consistency

- Policies Adopted by the RESNET Board:
 - RESNET certified Quality Assurance Designees must in the future:
 - Serve as agents of RESNET
 - Have neither a financial interest nor an employee/ employer relationship with the entity performing the rating
 - That the RESNET quality assurance standards maintain the current requirement of annual quality assurance review of raters consisting of 1% field reviews and 10% building file reviews with provisions through modification to the standard to add additional oversight of HERS Raters when errors are found in these reviews.

Board Policy on Consistency

- Policies Adopted by the RESNET Board:
 - RESNET incorporate changes to rating software standards that would include:
 - Establish limits on input variables for whole-house ventilations systems and other in the RESNET Standards
 - Determine bounds checks that can be incorporated into software to limit or warn users when input values are beyond reasonable limits
 - Enhance rating software tools to enable Quality Assurance Designee flags to be set for internal inconsistencies that should be checked prior to entering a building file into RESNET registry
 - Modify RESNET registry XML schema to include reporting of the Quality Assurance Designee flags to RESNET staff

RESNET Quality Improvement Task Force

- Rating Provider Representatives
 - Galo LeBron, Energy Inspectors, Nevada
 - Greg Thomas, Performance Systems Development, NY
- Quality Assurance Designee Representatives
 - Sean Shanley, Earth Craft Virginia, Virginia
 - Matt Sharpe, Vermont Investment Corporation, Vermont
- Rating Company Representatives
 - Bob Eipert, Bremen Energy Auditors, Kentucky
 - Jerry Fenchel, Fox Energy Services, Texas
- Homebuilder Representatives
 - CR Herro, Meritage Homes, Arizona
 - Dean Potter, K Hovnanian Homes, New Jersey

Quality Improvement Working Group – Software Fixes

- Co-Chairmen
 - Philip Fairey, Florida Solar Energy Center
 - Dave Roberts, National Renewable Energy Laboratory

- Members
 - Brett Dillon, IBS Advisors
 - Joel Gilbert, Apogee
 - Mark Jansen, Energy Efficient Homes Midwest
 - Cy Kilbourn, Ekotrope
 - Rob Salcido, Architectural Energy Corporation

Quality Improvement Task Force - Software Fixes Recommendations

- ❑ Establish limits on input variables for whole-house ventilations systems in the RESNET Standards Recommendation
- ❑ Determine bounds checks that can be incorporated into software to limit or warn users when input values are beyond reasonable limits
- ❑ Enhance rating software tools to enable QAD flags to be set for internal inconsistencies that should be checked prior to entering a building file into RESNET registry
- ❑ Modify RESNET registry XML schema to include reporting of QAD flags

Quality Improvement Working Group – Quality Assurance

- Co-Chairmen
 - Randy Melvin – Winchester Homes
 - Daran Wastchak – DR Wastchak

- Members
 - Robert Broad – Pulte Homes
 - Steve Byers – EnergyLogic
 - Michael Hodgson – Consol/CHEERS
 - Jennifer Owens – US Green Building Council
 - Jonathan Passe – US Environmental Protection Agency
 - Steve Saunders – TexEnergy

Options Proposed by Quality Improvement Working Group – Quality Assurance

Option 1 –RESNET does 100% of QA with RESNET Staff.

QA is carried out by a trained and qualified staff of RESNET employees.

Options Proposed by Quality Improvement Working Group – Quality Assurance

Option 2 – RESNET to create a pool of QA Contractors to execute RESNET QA Program.

Only individuals at the companies who are approved by RESNET are allowed to provide QA services. The pool of QA Contractors will be limited but appropriate in number to meet the requirements of this Option. QA Contractors will not be allowed to perform ratings in the geographic areas, to be defined by RESNET, that they are delivering QA services. RESNET will:

1. Establish a rigorous process of vetting, approving, and validating Contractors;
2. Establish uniform QA processes that Contractors are responsible for and ensure comprehensive training of the QA Contractors;
3. Oversee the entire QA process, tell the contractors where to go and when, and pay the contractors directly;
4. Retain oversight of the work done by the QA Contractors and the freedom to terminate contractors with poor performance;
5. RESNET will work to implement measures that address non-disclosure and conflicts of interest between QA contractors and those receiving quality assurance.

Options Proposed by Quality Improvement Working Group – Quality Assurance

Option 3 – RESNET contracts with a pool of third-party regional QA Contractors to perform QA of Raters.

The pool of QA Contractors will be limited but appropriate in number to meet the requirements of this Option, fully responsible for overseeing and carrying out the entire QA process, and not be allowed to perform ratings in the region(s) that they are awarded a contract. RESNET will:

1. Establish a rigorous process of vetting, approving, and validating Contractors;
2. Establish uniform QA processes that Contractors are responsible for and ensure comprehensive training of the QA Contractors;
3. Establish Regions of the country and allow third-party contractors to respond to an RFP to provide QA services in one or more Regions. Contractor selection to be based on “best value” and not solely on lowest price. Selected contractors would be awarded contracts for 2-3 years and the RFP process would be repeated again at the end of each contract period;
4. Retain oversight of the work done by the QA Contractors;
5. RESNET will work to implement measures that address non-disclosure and conflicts of interest between QA contractors and those receiving quality assurance.

Process for adopting QA Options

- Input from RESNET Community on options
- Quality Assurance Working Group-QA considered input and developed options
- Options went out for industry comment period
- Industry comments to be considered and options finalized
- Options sent to Taskforce for final recommendation to Board
- Fall Board Meeting (November 3-4) – Board to consider all options, and recommendation from Taskforce, and choose one option
- Implementation of Changes – 2015 -2017
 - Amendments to RESNET Standards
 - RESNET Staff and budget modifications

California Here We Come

RESNET[®]

RESIDENTIAL ENERGY SERVICES NETWORK

**2015
Conference**

San Diego, CA
February 16-18



RESNET
RESIDENTIAL ENERGY SERVICES NETWORK

24, 2014