SCOPE OF WORK - NESEG

1. Project Overview

Over the course of the campaign, NESE plans to perform approximately 1,750 Home Energy Solutions energy assessments (HESs) in New Haven, with a specific emphasis on residents residing in the City's qualified census tracts.

Historically, 20-percent of market rate energy assessments have resulted in a weatherization installation, and 60-percent of income-eligible HESs performed result in an installation. NESE expects to install 200 market rate insulation jobs and 400 Home Energy Solutions Income Eligible (HES-IE) insulation jobs.

Additionally, data suggests about 5% of market rate residents who have an energy assessment have a heat pump installed, while about 4% upgrade to a heat pump hot water heater. On the income eligible side, about 15% of residents upgrade to a heat pump and about 4% to a heat pump hot water heater.

Given previous adoption rates, NESE expects to install 53 heat pumps and 42 heat pump hot water heaters to market-rate residents. It also projects installing 105 heat pumps, and 28 heat pump hot water heaters for income-eligible residents. NESE will also complete electrical panel upgrades and remove barriers to energy efficiency improvements such as mold, asbestos, and knob and tube wiring to support the above efficiency and electrification measures.

NESE plans to apply Energize CT incentives, Inflation Reduction Act (IRA) funding, and the City of New Haven's budget to encourage residents to decarbonize their homes, with the qualification that the utility budget and IRA allocations have not been finalized yet and are subject to change, and may result in changes to incentive levels detailed below that are funded through the City of New Haven.

There will be a ramp-up period, commencing with the official launch of the program and associated marketing, followed by a scheduling period for home energy solutions, and concluding with the weatherization and electrification work.

2. Scope of Work

NESE has seven teams of energy auditors, six installation trucks, and multiple customer intake processes that can be used to schedule assessments during the campaign, including a call center, a field marketing team, and an online scheduler. NESE currently has eight call center employees, one of whom is fluent in Spanish. NESE also employs four call center staff members who are dedicated to customer insulation and HVAC follow-up.

Marketing Channels

NESE has a dedicated marketing team that includes direct mail, field marketing, canvassing, partnerships, and digital. NESE will employ a diversified marketing strategy to encourage home energy solutions, weatherization upgrades, and high efficiency HVAC installations. The following is a projected breakdown of a multi-channel marketing campaign that will enable the proposers to meet set targets.

Marketing Strategy	Percentage	MR & HES-IE Performed Total Performed	MR Total WX Installs (20% adoption)	HES-IE WX Total WX Installs (60% adoption)
Direct Mail	35%	615	74	147
Field Marketing	41%	720	87	173
Partners	8%	141	17	34
Digital	7%	123	15	30
Referrals	9%	157	18	37
Total		1,756	211	421

HVAC	Year 1
Heat Pump IE	105
Heat Pump MR	53
HPHW IE	28
HPHW MR	42
	228

The scope of work may need to be adjusted throughout the campaign based on the response to marketing outreach, changes in incentive levels, and increases/decreases in the amount allocated to UI/SCG in Energize CT residential HES/HES-IE. Note that NESE assumes American Rescue Plan funds will be expended by the end of 2026.

NESE currently employs and approvals team. This team will verify resident eligibility based on household income and/or residency in qualifying census tracts based on procedures defined by the City, including but not limited to collecting pay stubs, W-2 forms or other proof of income and verifying property ownership utilizing the City Assessor database and collecting relevant supporting documentation.

NESE will prioritize owner-occupied and community development corporation-owned properties in its marketing outreach to the best of its abilities, including a targeted direct mail piece to these property owners.

Landlords receiving more than $10,000 in energy efficiency improvements per unit will be required to sign a landlord/tenant agreement with NESE and the City which states that rental rates will remain the same for at least one year after the completion of energy efficiency work. NESE will ensure these documents are properly recorded and filed to ensure enforceability of the agreement. All documentation will be shared with the City on a monthly basis.

As directed by the City, NESE will prioritize providing incentives for energy efficiency and electrification improvements to owner-occupied 1-4 unit properties and 1-4 unit properties owned by community development corporations. In addition, NESE will prioritize 2-4 unit owner-occupied properties to

extend benefits to renters wherever possible and to complete the electrification of heating, cooling, and domestic hot water systems of multiple units in a single property wherever possible.

Budget and Budget Detail:

Marketing ..... $75,000 (plus $151,250 NESE Contribution)

- Direct Mail..... $64,400
- Field Marketing ..... $103,488 (additional $25K for direct to HVAC marketing effort)
    - Materials (Vests, Tablecloths, Trifolds, Door Hangers)
    - Field Hours
- Partners $26,162
- Digital: Ads, Commercials, Custom Social Media $12,075
- Referrals $20,125

Heat Pump/Heat Pump Hot Water Heater $750,000

- Market-Rate Heat Pump Installs ..... $145,083 (up to $2,750 per customer in ARPA incentive)
- Market-Rate Heat Pump Hot Water Heaters ..... $84,405 (up to $2,000 per customer in ARPA incentive)
- Income-Eligible Heat Pump Installs .....$316,527 (up to $3,000 per customer in ARPA incentive)
- Income-Eligible Heat Pump Hot Water Heaters.....$98,475 (up to $3,500 per customer in ARPA incentive)
- Market-Rate Weatherization ..... $105,510 (up to $500 per customer in ARPA incentive)

Barrier remediation $675,000

Barrie remediation includes Electrical (sub panel installs, service upgrades, knob & tube), Mold, Asbestos, Vermiculite

- Market-Rate Barrier Remediation..... $168,750 (up to $4,000 per unit)
- Income-Eligible Barrier Remediation.....$506,250 (up to $4,000 per unit)

Program Management $100,000

- Invoice (27 hours per week, $30 per hour, billed monthly) $85,000
- Miscellaneous (Mileage, Metric Incentives) $15,000

Total $1.6M

3. Deliverables

Project Overview: Perform 1,750 energy assessments, 600 weatherization installations, and 228 heat pump and heat pump water heater system installations over the period of time between the execution of the agreement and December 31, 2026 (roughly 2 years).

The following is a proposed timeline to be executed during the first year of the partnership to ensure above goals are met in a timely manner.

1- Year Timeline: (878 performed assessments in the first year)

First Month: 11 Performed Energy Assessments

- Schedule introduction call with all relevant stakeholders
- Develop copy for first direct mailer and submit to utilities for approval
- Order vests, door hangers, and file for any necessary city permits in preparation for canvassing
- Develop press release in conjunction with the City announcing the partnership
- Explore field marketing locations
- Discuss canvassing rollout with program administrators

Second Month: 48 Performed Energy Assessments

- Send out direct mailer and begin development letters for additional demographics
- Develop turf for canvassing team
- Secure City events and pop-up locations for tabling team to attend
- Create flyers and trifolds connecting residents to additional electrification resources

Third Month: 74 Performed Energy Assessments

- Launch a re-mail of first letter with follow-up canvassing effort
- Develop digital media/email marketing content
- Ensure internal tabling team is set up for success
- Launch program manager office hours to assist residents with any energy efficiency project questions/concerns
- Analyze campaign data and review with the City
- Work closely to expand pre-existing partnership with Home Depot; work to establish the tabling location in Connecticut

Fourth Month: 76 Performed Energy Assessments

- Submit second direct-mail letter copy for utility approval
- Ramp up tabling effort, building out event and pop-up locations
- Create a blog post with case study of an income-eligible homeowner who has recently had an HES
- Submit local newspaper advertisements

Fifth Month: 78 Performed Energy Assessments

- Send out letters targeting renters and landlords
- Launch targeted canvassing effort with renters and landlords
- Start scouting local partnership opportunities, including houses of worship and nonporfits

- Host energy efficiency presentation
- Continue working on building out Home Depot tabling location partnership

Sixth Month: 76 Performed Energy Assessments

- Re-mail second letter and begin writing third letter
- Launch a canvassing effort, knocking on homes marked as “no answer” during the first effort
- Email blast and follow-up calls targeting residents who have not cleared pre-weatherization barriers
- Continue building out event and pop-up locations for tabling team throughout the City
- Analyze campaign data and tweak marketing effort as necessary

Seventh Month: 88 Performed Energy Assessments

- Submit third direct-mail letter copy for utility approval
- Launch 311 reverse messaging and text message campaign to encourage scheduling HES and WX work
- Begin fundraising outreach to schools, PTOs, sports teams, and houses of worship

Eighth Month: 86 Performed Energy Assessments

- Send out third letter targeting multi-lingual residents
- Create a blog post of an income-eligible resident who has had weatherization work completed

Ninth Month: 86 Performed Energy Assessments

- Re-mail third letter and begin writing fourth letter
- Analyze campaign data and tweak marketing strategy if necessary
- Submit local newspaper advertisements

Tenth Month: 84 Performed Energy Assessments

- Submit fourth direct-mail letter copy for utility approval
- Redesign digital ads and content with campaign progress metrics
- Add additional event/pop-up locations for tabling team

Eleventh Month: 81 Performed Energy Assessments

- Send out fourth mailer focused on moderate-income residents
- Create a blog post featuring a resident who has cleared a pre-weatherization barrier
- Host a residential energy efficiency presentation

Twelfth Month: 90 Performed Energy Assessments

- Re-mail fourth letter
- Email blast to residents who have had an HES but not completed WX
- Begin fifth mailer copy to focus on campaign progress up to that point
- Analyze first year data set and discuss strengths and weaknesses of first year program strategy

This timeline outlines a strategy for engaging New Haven residents over the course of a year, with a focus on deploying marketing materials including, direct mailers, canvassing, digital marketing, and partnerships to spread the word about the importance of home energy efficiency. Each month is structured to build upon the previous efforts, with a strong emphasis on data analysis and strategy

adjustment to optimize program effectiveness. NESE anticipates meeting with all relevant stakeholders on a weekly or bi-weekly basis in order to move marketing materials forward and monitor campaign progress. Adjustments can be made based on ongoing feedback and performance metrics to ensure the program meets its goals in a timely manner.

4. Reporting

NESE will meet with the City and provide data on marketing, weatherization, and electrification improvements on a monthly basis. This data will include the number of market-rate and income-eligible HESs scheduled and completed, the number of energy efficiency and electrification improvements projects (insulation, heat pumps, heat pump water heaters, electrical panel upgrades, and barrier remediations) scheduled and completed. Reports will include the residents' status under the income-eligible program, the number of income eligible customer served, and the number of customers in qualifying census tracts served. Key budgetary information will also be part of monthly reports, including but not limiting current incentive levels for market rate and HES-IE customers, amounts spent to date on each measure utilizing City funding, amount of in-kind or cash contributions of NESE to support marketing and implementation, and the amount of Energize CT funding leveraged.