



Home Energy Affordability Loan

PROGRAM PILOT RESULTS
FOR
CITY OF FAYETTEVILLE



On Behalf of the Clinton Foundation

Dear Colleagues,

The Clinton Climate Initiative (CCI) is very grateful to have had the opportunity to pilot our Arkansas-created Home Energy Affordability Loan (HEAL) program at the City of Fayetteville. It has been nearly eight months since this process began formally but our desire to work with Fayetteville has been in our minds and hearts for many more years.

CCI has been very selective in these early pilot years to choose highly regarded businesses and institutions to demonstrate the value of an energy benefit offered at the workplace, and Fayetteville is revered for your integrity and commitment to excellence in this region. As President Clinton stated in his book, *Back to Work*, “our goal is to make the HEAL energy benefit the norm” for organizations and Fayetteville’s participation will add to the credibility of achieving this goal.

CCI has created this report in an effort to help Fayetteville evaluate the value the HEAL benefit brings to your colleagues. We have made every effort to present both qualitative and quantitative information for your review. CCI’s desire is to move forward with additional HEAL offerings at Fayetteville in ways that enhance the quality of life for your colleagues and brings recognition to Fayetteville for making this commitment to your colleagues as well as setting an example to the larger community. I hope you enjoy this report and will find the information contained within motivation to take the next step to make HEAL a standard offering going forward at the City of Fayetteville.

With Kindest Regards,
Martha Jane Murray
HEAL Program Manager

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The Power of Sustainable Offerings for Employees

In survey after survey of HEAL participants, an overwhelming majority attach positive attributes to their employers just for offering the program. Here are the results for HEAL participants.

Participant reported household income



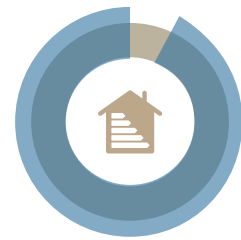
Above low-moderate income

65%

Low-moderate income

35%

Do you feel you have more information about energy use in your home than you did before your participation in the HEAL program?



YES 97%

Employees believe employers that offer HEAL...



are generally more sustainable or environmentally minded

83%



show that they care about their employees

81%



want to be progressive employers in the community

75%



want to be an employer that you might recommend to others

64%

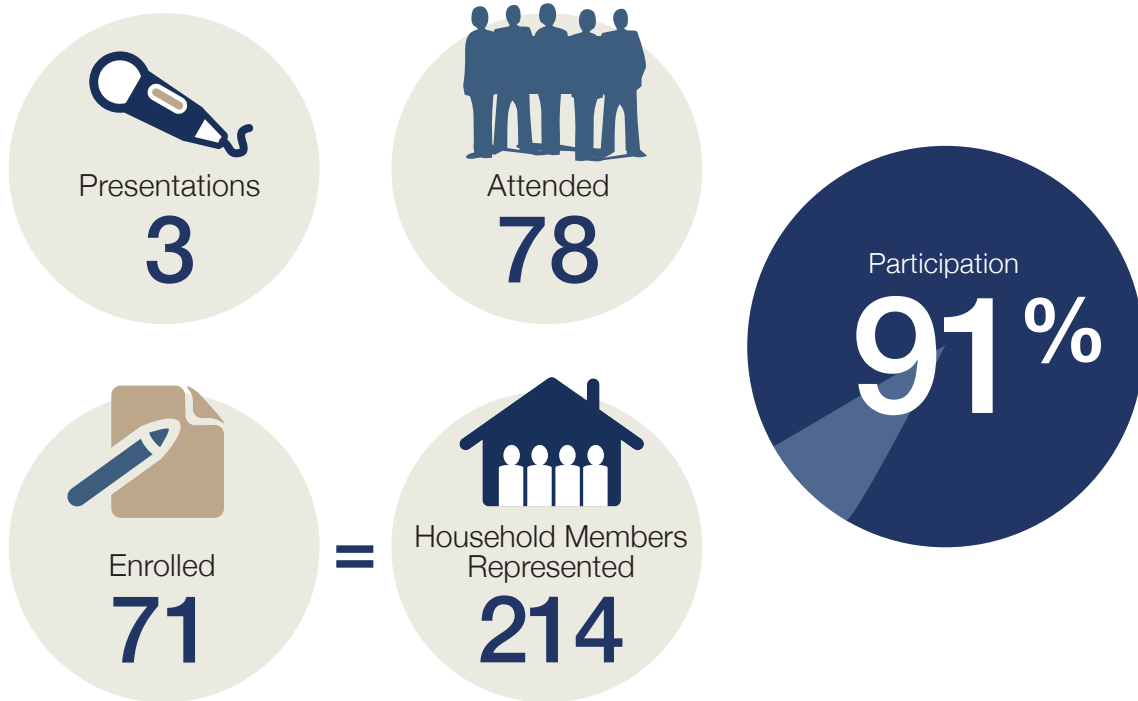
none of the above

0%

How HEAL Was Launched at City of Fayetteville

The HEAL program introduces the energy efficiency benefit through in-person information sessions. Here is a breakdown of who attended those sessions and the results.

Energy Info Sessions: Attendance & Results



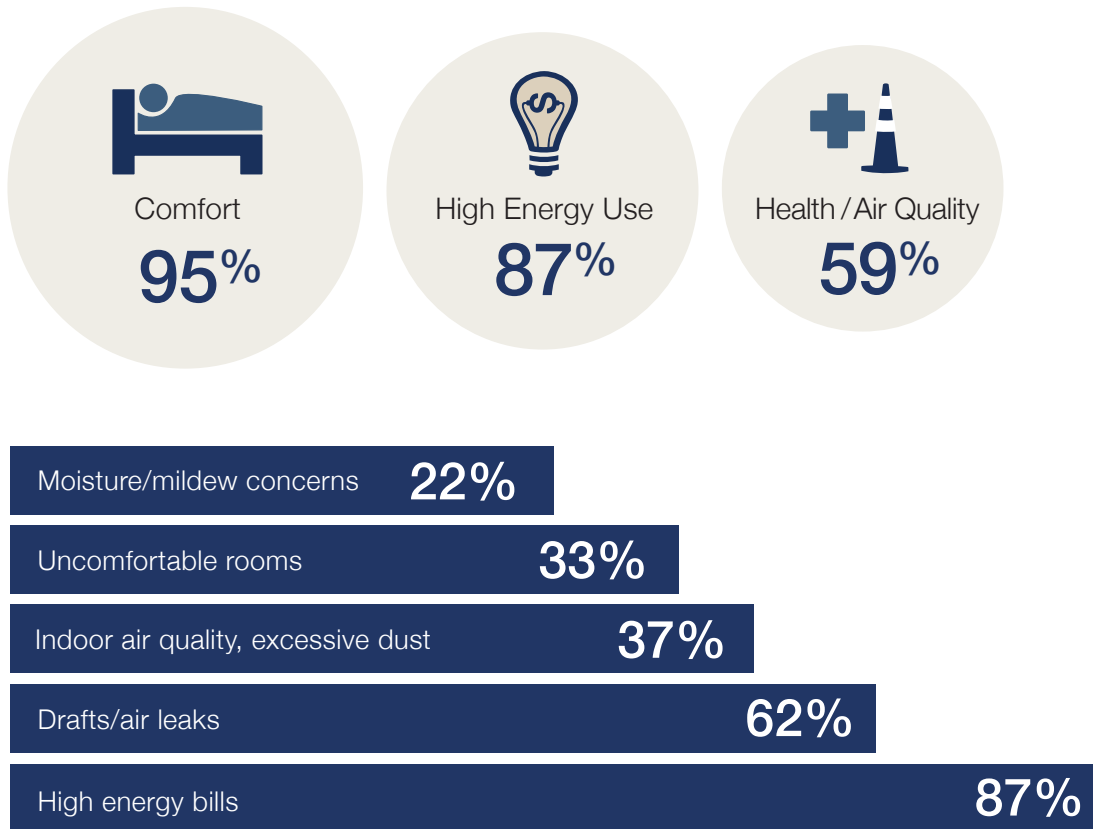
WHAT THIS MEANS

Those who attended recognized the value of the HEAL program, which is reflected in the high rate of employee enrollment. In addition, those interested represented a wide range of departments and positions and generally had two other occupants in the household.

Employee Expectations & Concerns

Before receiving an energy audit, your employees most frequently listed the following as their top concerns:

Top Employee Concerns



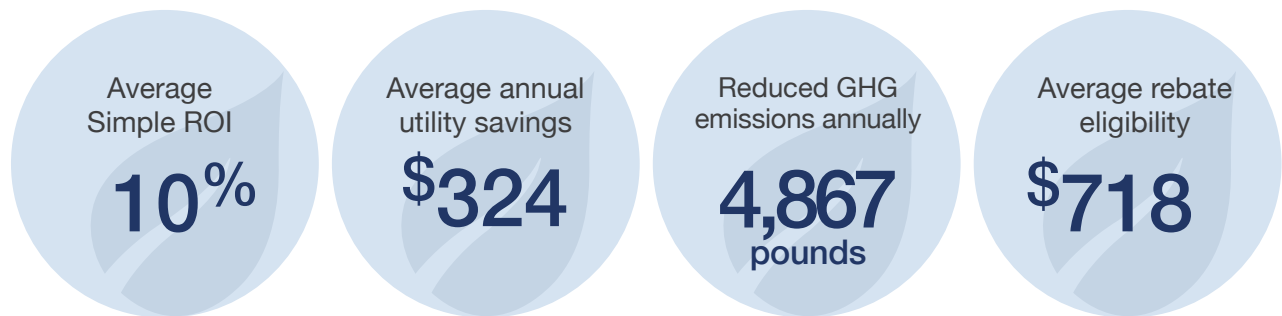
WHAT THIS MEANS

In the pre-assessment questionnaire, employees attending the information sessions were asked to describe their top concerns regarding their homes. While energy use is important, comfort issues were the most frequently identified by the participants. A high percentage of employees cited issues that could be considered as potentially having a health/air quality impact.

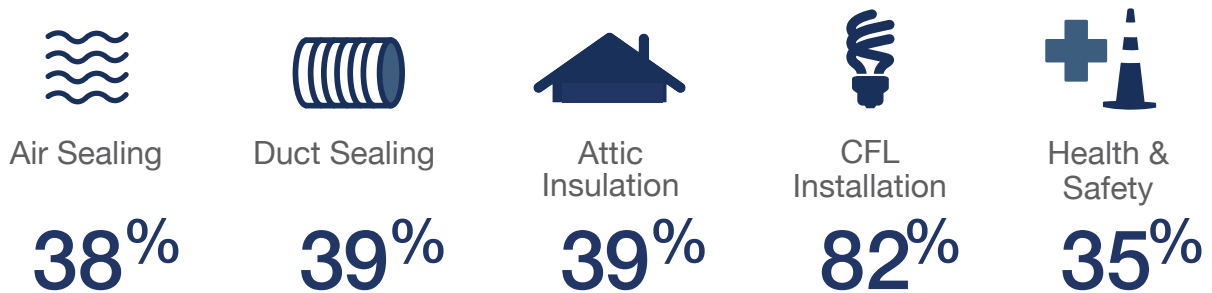
Participant Impact

Based on the home assessments performed, here are the energy, environmental and financial impacts identified for the average participating employee household.

Energy, Environment & Financial Impacts of Recommendations











Most Frequent Recommendations



WHAT THIS MEANS

After lighting, the most frequent recommendations target the home's "envelope" to establish a well-defined barrier to reduce uncontrolled air and temperature exchange. These improvements offer homeowners increased energy efficiency, improved occupant comfort and meaningful environmental impact.

(Participant Financial Impact continued)

	Those receiving assessments	Those progressing to retrofit
 Average Number of Recommendations	3.1	2.4
 Average Cost	\$5,816	\$3,948
 Average Rebate	\$718	\$742
 Average Net Cost	\$5,099	\$3,206
 Annual Savings	\$324	\$344
 Retrofits to Date		16
 { Percentage Financed through CU		93%
 { Average Loan		\$3,919

WHAT THIS MEANS

The survey results revealed that 97% of COF employees who participated in the program felt more informed about energy use in their home by having participated in the HEAL program, and 63% of those people would not have implemented any energy efficient improvements outside of the HEAL program. Also, this greater knowledge instilled confidence in 13 homeowners whom opted to pursue the improvements on their own (after having their one-on-one results meetings); while 16 other homeowners opted to use the program's retrofit contractor network to implement their home efficiency work. Including those reporting "do-it-yourself" activities, the resulting retrofit conversion rate was 45%, in line with what we typically see in other Arkansas-based companywide roll outs of HEAL. Participants also found great value in the program's affordable financing option through UARK Credit Union, with 15 out of the 16 contractor-implemented retrofit homeowners having pursued a loan. The 93% utilization rate of the innovative financing option aspect of this employee benefit is the highest recorded for a HEAL program.

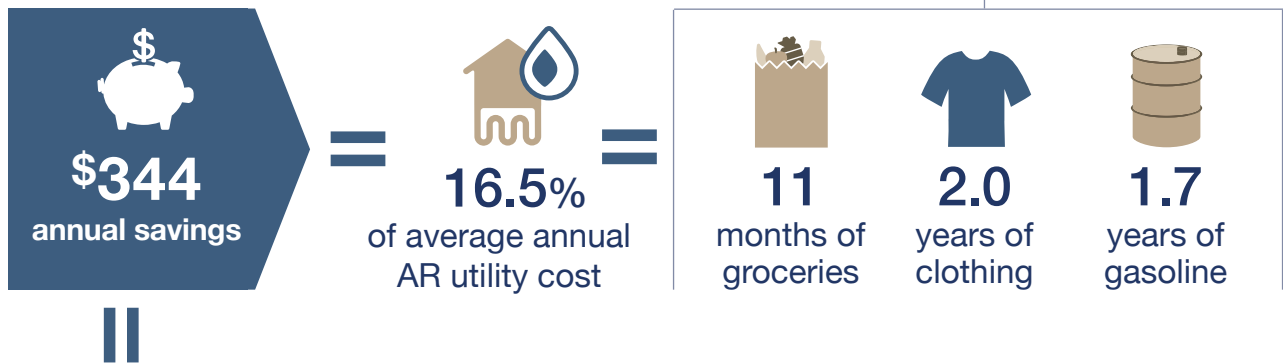
For the remaining 55% of participants, 13% had homes that were deemed to meet basic energy efficient standards and had no recommendations within the scope of our program. Twenty-one percent of those who did not proceed only had HVAC replacement as their recommendation, and thus decided to wait until the unit reaches the end of its useful life.



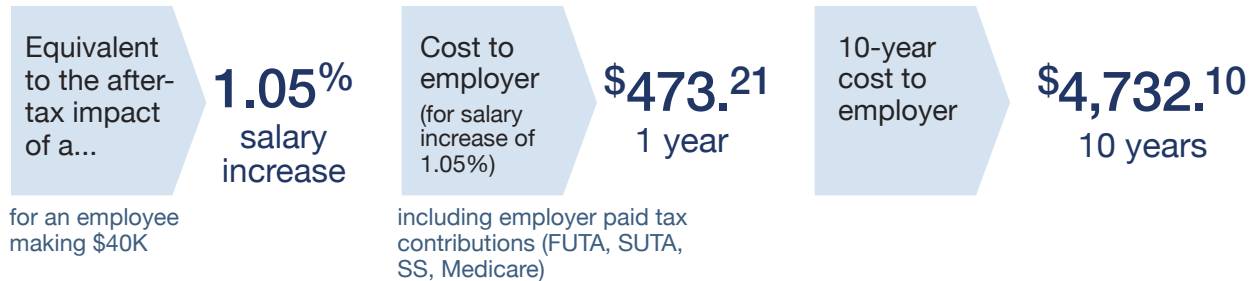
Disposable Income Impact and Cost Comparison

Participants see an increase
in disposable income

ten years of
savings would buy



Cost of providing similar disposable income increase through wages...



Compared to the cost of providing the HEAL benefit...

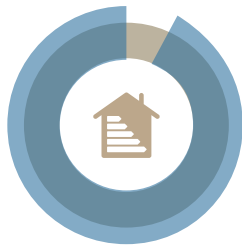


Did HEAL Make A Difference?

Every employer that offers workforce benefits wonders if they are appreciated and valued. Here's what your employees said:

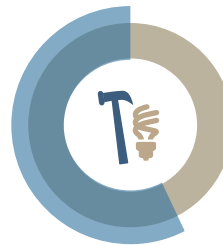
Employee Survey Results

Do you feel you have more information about energy use in your home than you did before your participation in the HEAL program?



YES **97%**

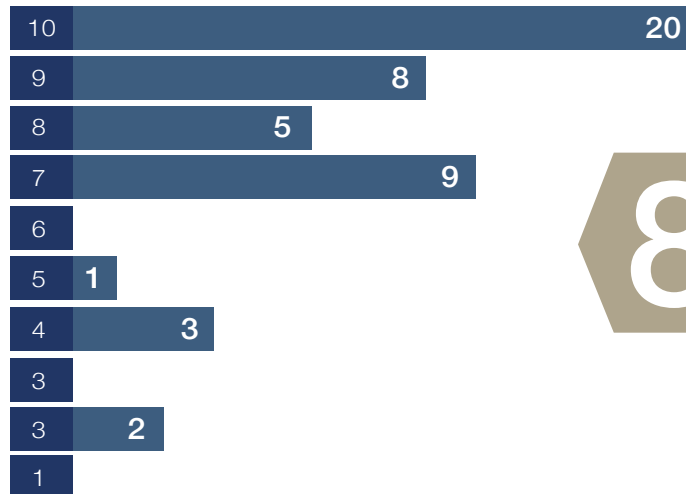
Would you have made energy efficient improvements to your home this year before participating in the HEAL program?



NO **63%**

On a scale of 1 to 10, how satisfied are you with the HEAL program?

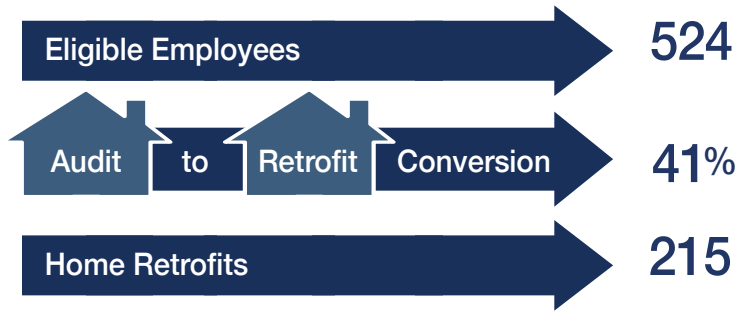
10 = very satisfied
1 = very unsatisfied



8 OUT OF 10
AVG RATING

Estimated Potential Impact

Based on employee participation rates and energy improvement levels experienced in the pilot, we modeled the potential savings from a enterprise-wide rollout of the HEAL program.



10 Year Impact



Benefit to local economy

\$1.6
million



Average projected ROI for pilot participants

10%



Carbon dioxide savings

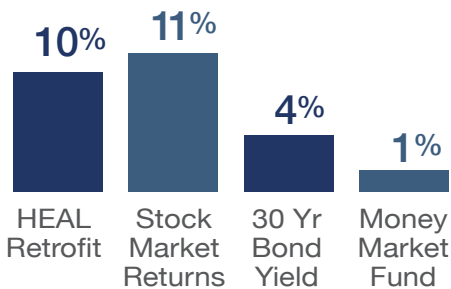
6,300
tons



Expected increased home value

\$1.11
million

HEAL Savings vs. Investments



Estimated 10 Year Impact



4,360
less tons of coal consumed



—or—



14
million vehicle miles eliminated

Healthy Homes Potential of Rollout



Homes having an occupant with a respiratory issue

17%



Homes reporting one or more health-impacting concerns

47%

Based on pilot participation, HEAL could impact...



89 households with at least one respiratory-challenged occupant



79 estimated households with an occupant that suffers from asthma



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