# Employee Energy Benefits (EEB) Model







# **Employee Energy Benefits (EEB) Model**

Also called Home Energy
Affordability Loan (HEAL), this
model offers employers a way to
leverage their workforce to gain
emission reductions. Employer uses
their own EE savings to finance
home EE (and transportation)
investments for employees, with
pilots quantifying multiple benefits
to employers.

#### THE EEB MODEL FOCUSES ON FIVE DIMENSIONS









Energy



• Deepen material employee engagement in employer sustainability efforts

- Improve sustainability metrics (capture Scope 3 emissions)
- Strengthen employee retention
- Reduced employee absenteeism and medical costs

Source: Evolution of Sustainability Initiatives for Employee Engagement







## **Benefits for Employees and Communities**

- Employees have access to an online platform to identify and tailor opportunities, thus driving custom improvements for themselves and their communities.
- Since inception, the EEB program
  has been piloted with >24
  employers in 8 states, resulting in
  an average savings of 2.5 metric
  tons of CO2e annually per home
  retrofit

#### BENEFITS FOR EMPLOYERS, EMPLOYEES, AND COMMUNITIES:



Direct **utility cost savings**, estimated at an average of \$447 a year.



Increased real estate values, estimated at an additional \$10 to \$25 for every \$1 decrease in annual energy costs.



Improved health, potentially resulting in reduced absenteeism and lower medical costs.



Direct economic impact resulting from the money paid to local home auditors and contractors, estimated at \$8 million for every 1,000 employees enrolled in the program.

#### PROGRAM BENEFITS INCLUDE:

#### **EMPLOYERS**

Increased Productivity
Improved Sustainability Metrics
Enhanced Brand Reputation
Locally Sourced Carbon Offsets

#### **EMPLOYEES**

Reduced Utility Costs
Increased Real Estate Value
Improved Health

#### COMMUNITIES

Direct Economic Impact Reduced GHG Emissions

Source: Evolution of Sustainability Initiatives for Employee Engagement







## How does it work?



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

Equivalent to the aftertax impact

.44% increase

Cost to employer increase of

1 year

10-year cost to

\$6,443,30 10 years

including employer paid tax contributions (FUTA, SUTA,

- Including concierge services and credit-agnostic financing are keys to success
- Need empirical data for some of the most promising bottom line returns:
  - Health Care Costs
  - **Productivity Improvements** (absentee and presentee)
  - Longevity/Turnover impact

**Source:** Better Buildings Residential Network







# **Arkansas HEAL/HELP Program**

- Initial 2011-12 pilot City of Little Rock and the University of Arkansas Medical Sciences.
- After highly successful City of Fayetteville pilot in 2014, program was taken over by local electric cooperative.
- Program participants now have on-bill financing, as opposed to payroll deduction

## 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

Reduced GHG

emissions annuall

Average Simple ROI 10%

Average annual utility savings

324 4,8

Average rebate eligibility

\$718

### Most Frequent Recommendations











Air Sealing

38%

Duct Sealing

39%

Attic Insulation

39%

Installation

Health & Safety

82%

35%

Source: Public Interest of Private Beneftis, Heal Pilot Results





