

# SERVE Social Case Study for Retrofitters/Contractors

Case study No.2

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Tipperary Energy Agency

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## Case study basic information:

Name of contractor/company:

Brendan Power is the proprietor of Acorn Energy.

Address/location:

Acorn Energy is situated in the Ecovillage in Cloughordan, Co. Tipperary, where Brendan lives with his family.



## Building Energy Rating & Energy Consultancy

Brendan Power

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Short description of contractor/company

Type of company:

Brendan is a registered BER Assessor since 2008 and was involved in the energy sector prior to the establishment of the BER certification system in Ireland. He is a former employee of the Tipperary Energy Agency. Brendan is registered as a sole trader.

Year of start of operation/founding:

Brendan registered his company three years ago and has been working full time as a BER Assessor for the past two and a half years.

Number of employees:

When the company started there was another person working with Brendan who subsequently moved to another city in Ireland. He is the only employee, and his wife looks after paperwork and administration.

Type of services offered:

Currently his business is primarily involved in energy consultancy work, for both existing buildings and on new builds, as well as carrying out BERs. He advises clients of the best energy options for their homes in terms of work evaluation, cost/benefit analysis and pay-back times on their investment in EE/RE technologies. He sometimes takes on project management work that involves tendering processes and the oversight of the subsequent works.

*‘At the moment BERs would be a big part of it, energy consultancy as well, I would do a lot of going out to people who are thinking about doing something with their houses, on the retrofit side; and I would get inquiries, particularly through the Eco-village, from new builds, helping them ‘spec-out’ houses.’*

Market coverage:

Brendan’s business catchment is very much local.

Works implemented so far in households:

Pre and post retrofit/upgrade BER Assessments.

## **Level of engagement in SERVE project:**

Under SERVE there were ‘pre’ and ‘post’ retrofit BERs. Brendan estimates that he completed in the region of 60 to 70 ‘pre’ BERs for the SERVE project, and about 50 to 60 post retrofit BERs. The difference accounts for those who did not follow through with the upgrades/retrofits.

The level of engagement with SERVE has grown over the lifespan of the project. Prior to the last year and a half it may have accounted for one third or 40% of his turnover. Brendan estimates that in percentage terms of his overall business SERVE would now account for over 50%.

*‘It (% of business) would vary because, I suppose SERVE was slow enough to get going.....but certainly from last summer on it would have been a big chunk of it.’*

## **Opinion on the benefits of the SERVE project:**

Impact on reduction of energy consumption:

Brendan estimates that for those who implemented all the SERVE measures, particularly replacing boilers, energy consumption in the average house may have dropped by 50%. For older houses who installed external insulation the drop in consumption may have reached 60-70% in terms of BER.

*‘There’s a huge impact.....it’s very significant, for older houses even more so’.*

Help to local economy/creation of new employment:

The general consensus Brendan offers, having spoken with other contractors, is that SERVE was initially slow to gather momentum. However over the past year, and in

light of the financial downturn it has come to represent a significant source of local employment/business.

*'I'd say a lot of the trade's people have picked up work under SERVE.....and particularly in the last year.'*

Environmental protection:

The reduction in energy consumption will have a direct knock on benefit to the environment in reduced Co2 emissions. Brendan also states that the increased use of cleaner energy technologies, like solar panels and wood stoves, will have additional environmental benefits.

*'.....the fact that you're reducing energy consumption by 50% per house, that has a big impact straight away in terms of emissions.'*

Consideration for environmental protection, in Brendan's experience, is low on the customers list of motivations/priorities; generally lagging behind comfort and financial considerations. He suggests that this may change when the carbon tax 'kicks in'. Regarding renewable energy or 'cleaner energy' he observed that no household he was involved with opted to install a wood pellet boiler and cites the expense and storage requirements as obstacles to uptake of this measure.

*' I sometimes say that in ten years time we'll be doing a scheme where we'll be taking out oil boilers and putting in some type of biomass ; we will have developed in that time frame'*

Other benefits:

Brendan has found that the typical age profile in the retrofit scheme has tended to be middle aged or pre-retirement. The increased comfort levels of a properly and easily heated house and the consequent health benefits for that age profile are noteworthy.

Also noted was the effectiveness of 'post' BERs, and the level and thoroughness of the TEA auditing of works done. Brendan feels that this kept people (contractors) 'on their toes'. His belief is that this, coupled with the tightening-up of the SEAI guidelines, has contributed to contractors themselves becoming more aware of energy issues. It is his opinion that the increased learning for contractors has been beneficial to all those involved with SERVE.

*'The contractors have definitely learned a lot and got better over the past couple of years and it would be a shame to see that slipping away.....I think if you're seen to do the work well, and do it right- you'll get a good name out of it.'*

### **Opinion on any issues/problems with SERVE project:**

Access to information for consumers (for example, regarding companies performing retrofitting) and/or contractors:

Brendan felt that prospective customers would have to have a reasonable grasp of how to use the internet to get information on contractors and that maybe this could have been an obstacle for some people given the age profile availing of the scheme. Added to this the list of contractors is extensive and he was frequently asked by customers for guidance on whom to choose.

*‘They were looking to BER assessors for guidance and I could only give them so much.....I would say to people “these are the companies that are active locally” and that sort of thing.’*

Adequate amount of grants/subsidies to motivate homeowners:

Brendan expects that the SERVE grant, topped up with the SEAI grant, will have been the most generous funding available under any scheme.

*‘....that is probably as good as you’re ever going to get.’*

However without the capital or the ability to borrow the initial up-front cost for the amount of measures required by the scheme, the grant was insufficient for some otherwise willing participants.

Interestingly he identifies the closing of the scheme as a possible reason for people not undertaking any upgrade work now in the SERVE region, even to avail of the SEAI grant. In contrast, anecdotally, there is an upturn in demand outside the SERVE region where the SEAI grant has been the only grant available.

*‘.....At the moment locally a lot of people are backing-off because they saw money there – that’s gone now.....so that’s a big incentive gone.....and because they didn’t get in on it, or just didn’t go for it, I suppose they feel “why should we do the work and pay the extra couple of thousand when they (households who engaged with SERVE) didn’t have to pay”.....’*

Any technical problems:

Technical issues that arose throughout the project tended to be more of a question of quality of workmanship, rather than knowledge of the technologies being installed. His experience was that initially there were some corners being cut. Issues were flagged and rectified and these practices diminished as the scheme progressed.

Other issues:

Brendan feels that people at times struggled with the volume of paperwork involved in the application process for the scheme, and that lack of clarity about what documentation and measures were needed to qualify was causing confusion for prospective applicants; possibly to the point where they would opt out.

*‘I got some comments that “the paperwork is just too much” and (people) were almost cutting it off...I would say “I’ll help you out” or “we’ll sit down and do it together”.’*

## **Opinion of homeowner’s knowledge on RES and EE technologies:**

Opinion on a scale from 1 (worst) to 10 (best):

Brendan feels that for things like insulation people had a reasonably good level of knowledge and would rate it at around 7 or 8 out of ten . In terms of heating controls generally the opposite was the case he and rates it at 3 or 4 out of ten. He did comment that some people were well informed and that the previous two unseasonable cold winters were instrumental in raising awareness.

Opinion on whether lack of homeowner knowledge is an issue/problem for increased utilisation of RES and EE technologies in Ireland:

Brendan expressed that a lot of people weren’t aware of the significance/importance of technologies like heating controls and the benefits of heat zones in the home. In

terms of efficiencies, many people were unaware of their current energy consumption and how that could be improved. Part of his role as a BER assessor became almost educational in highlighting why efficiencies are relevant and where they could be applied. The independence of being a BER Assessor gave him the credibility he felt homeowners wanted and needed to make the decision to change to technologies that they might otherwise not have chosen.

*‘I would give them a breakdown of everything.....and usually when they would see that, that would get them thinking.....’We should include that’’ or ‘oh! I never thought of changing the boiler and now we will’’.’*

Other issues:

Lack of SERVE uptake in the younger population, who tend to live in houses that are typically easier to upgrade, may highlight lack of awareness about these technologies or their perceived relevance to this demographic. He speculated whether this may be due to time constraints; whether they felt the upgrades would be worth it if they were out of the house all day; or whether the outlay would eat into their ‘rainy day’ fund given the current period of financial uncertainty and job insecurity.

## **Opinion on the future of RES/EE in the residential sector in Ireland:**

General opinion:

At the moment when Brendan speaks to other contractors they say that since SERVE finished their phones have stopped ringing and all are trying to identify ways to keep the interest in upgrading houses going in some form. Brendan himself states that he is

getting business now through word of mouth based on his good professional reputation.

*'A lot of us are missing it at the moment.....You meet contractors and they talk about how, or is there any way we can keep this thing going.'*

Identified main barriers:

The main barrier Brendan identifies to increased utilisation and uptake of these technologies is financial. As was said earlier no household Brendan was involved with opted to install a wood-chip boiler as the cost was too high. The general consensus is that people are reluctant to spend large sums of money on upgrades- if they have it, or simply do not have access to the sums required.

Another barrier may be the low awareness of the environmental imperatives and benefits of/for these technologies. There may also be a lack of awareness of what it is like to actually be/live in a warm house.

*'Retrofitting at the moment .....The barrier is cost...'*

Identified main drivers:

SERVE funding and the opportunity to recoup 50% of costs, in Brendan's opinion has been the motivation for homeowners to increase use of RE/EE technologies. His impression is that people are not upgrading their homes now (in his region) because SERVE funding has finished.

Another driver has been many people's experience of the previous two extremely cold winters and the difference in comfort levels (and the knock-on health benefits) for those households who upgraded between winters. Word of mouth of the benefits of upgrading has accounted for a certain percentage of increased utilisation.

Creative thinking is needed to preserve and capitalise upon the momentum that has built up around the SERVE project, promoting the benefits of the SEAI funding. He feels the SEAI grant is beneficial for certain types of houses (semi-detached with cavity wall) but not so for detached houses where, relatively speaking, capital outlay will be too large.

Going forward Brendan suggests that a source/mechanism of funding be made available where people could borrow money for upgrades at low interest rate, with repayments based on the savings gained on energy costs. The savings could be worked out through the BER assessments. This would probably have to be facilitated by literally sitting down with householders and working out cash savings on actual energy bills to allow people to appreciate the savings that could be made relative to the up-front investment and the time scale involved.

*‘It’s trying to be creative and come up with ways where people could pay for it over a period of time’*

Brendan feels that there should be a concerted effort made to connect with the younger age profile. A starting point would be to get younger people to attend the information evenings. He suggests the creative targeting of this demographic.

## **Overall satisfaction with the SERVE project:**

Opinion on whether the SERVE project had a measurable positive impact

1. For contractor personally: Brendan had done quite a bit of work on social housing (with TEA) prior to his involvement with SERVE as a BER Assessor, but this wouldn’t have been on the retrofit side of things. He expressed his appreciation of the experience he gained through SERVE:

*‘Getting out there.....getting people over the line – being at the coal-face.....trying to get people on the scheme, selling the scheme to people.....Yeah! It was very positive.’*

Going to extra trouble on behalf of the customers had, in his opinion, boosted his professional reputation locally and consequently his client list grew over the lifespan of the scheme.

*‘That’s how I got my work.....my network has built up through getting a few breaks around the place....they tell their friends, they tell their neighbours.....’*

2. For RES/EE contractors in general: His impression of the experience for contractors is much the same. He feels that customers appreciate it when contractors are seen to be interested in the house as a whole, not just thinking about their own contract. He feels that SERVE contractors became more aware of this and are consequently more thorough in their work, and are beginning to promote awareness of energy issues to their customers.

Other comments: It has been Brendan’s experience that customer feedback has been entirely positive.

*‘Certainly the feedback from people who made changes, I’d know a few locally, has been very positive. They find no comparison in terms of comfort levels and not only that, the savings as well.’*