

Why people choose to upgrade their homes.

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November 2011



- The aim and scheme overview
- Selected results from range of survey results
 - Online survey – 9,000+ HES participants
 - Focus groups - ‘Deeper’ retrofit, challenges and insights

The challenge

Current policy...

- 20% energy efficiency target
- 8,000 GWh to achieve
- One million buildings by 2020

The challenge...

- The economy
- Negative equity
- Beyond exchequer grants

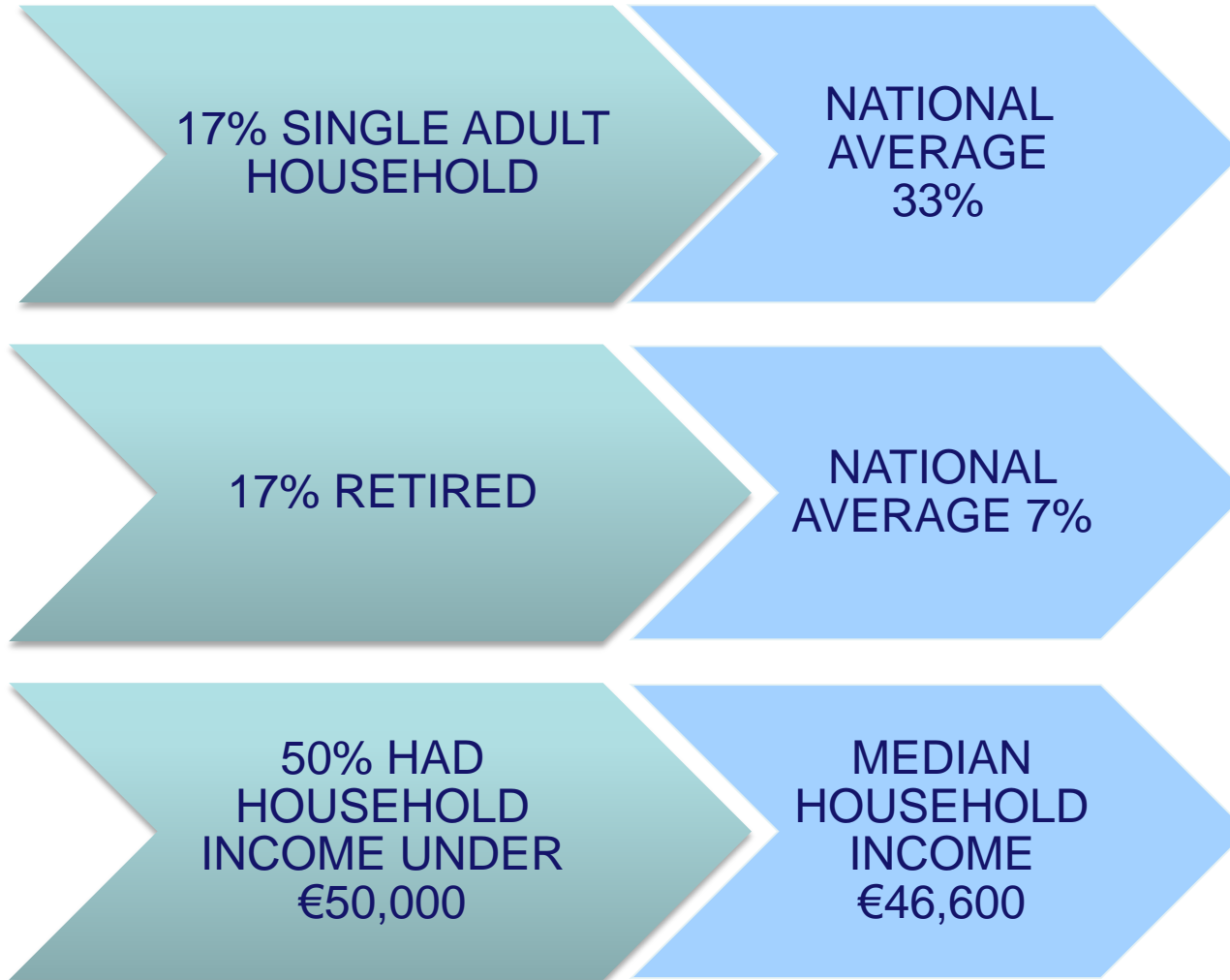
Home Energy Saving Scheme / Better Energy Homes

Target	Private households
Action	Installation of energy efficiency measures <ul style="list-style-type: none">• Attic insulation• Wall insulation (internal and external)• Heating system upgrades (boilers and controls)• Solar thermal (BEH only)
Delivery	via registered contractors (over 2,500)
Applications to date	156,000 (130,000 completions)
Costs to date	€110 million paid to projects – leveraging further €180 million
SEAI Role	<ul style="list-style-type: none">• Online Application• Electronic payment processing• Standards and specifications• QA and Inspections programme• Monitoring and measuring savings

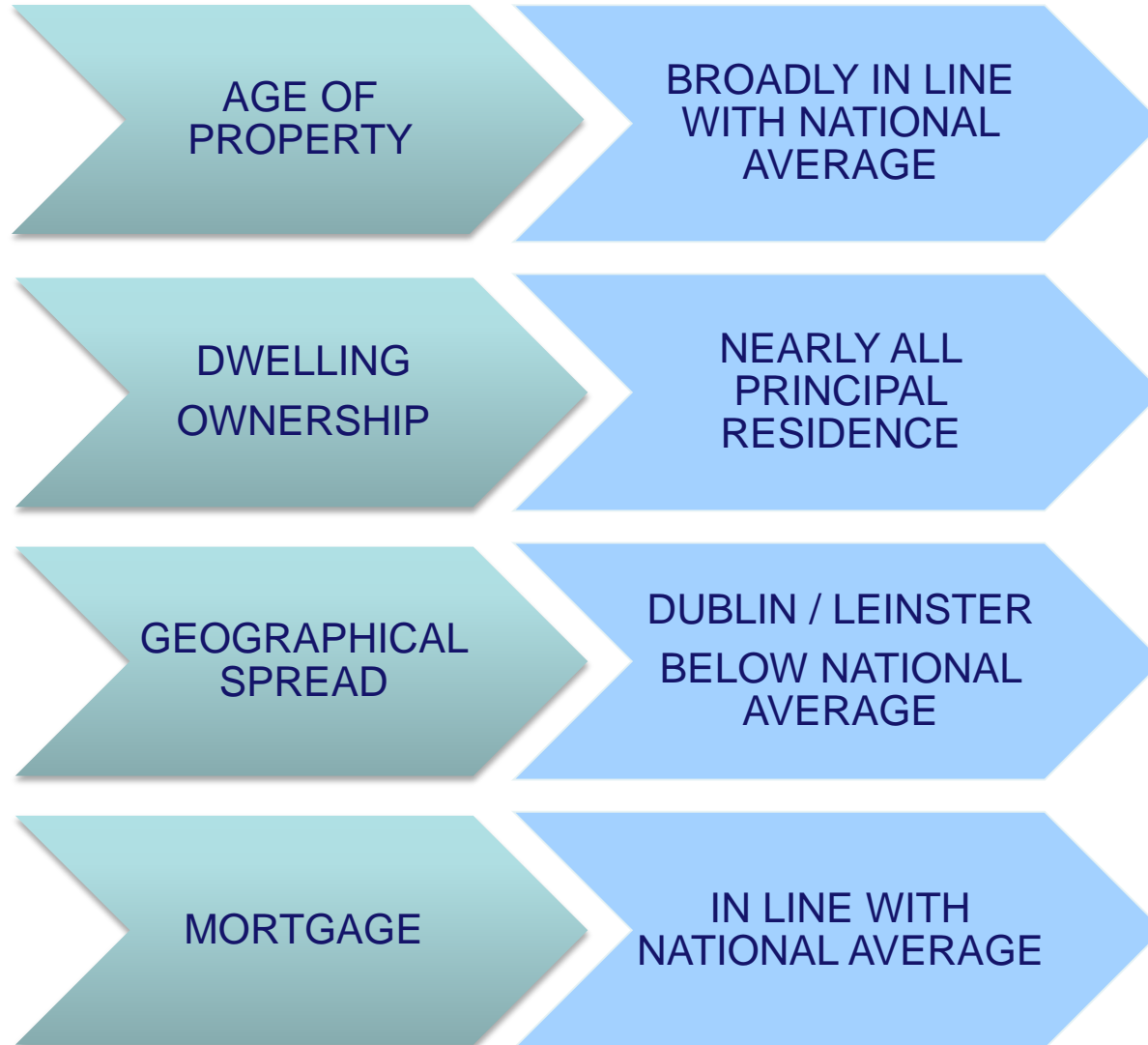
- Objectives of on-line survey
 - Who are the people who participate in HES?
 - What influences their decisions to participate and their choice of actions?
 - What are their experiences and level of satisfaction?

	Volume	%
Sent	26,553	100
Completed	9,120	34

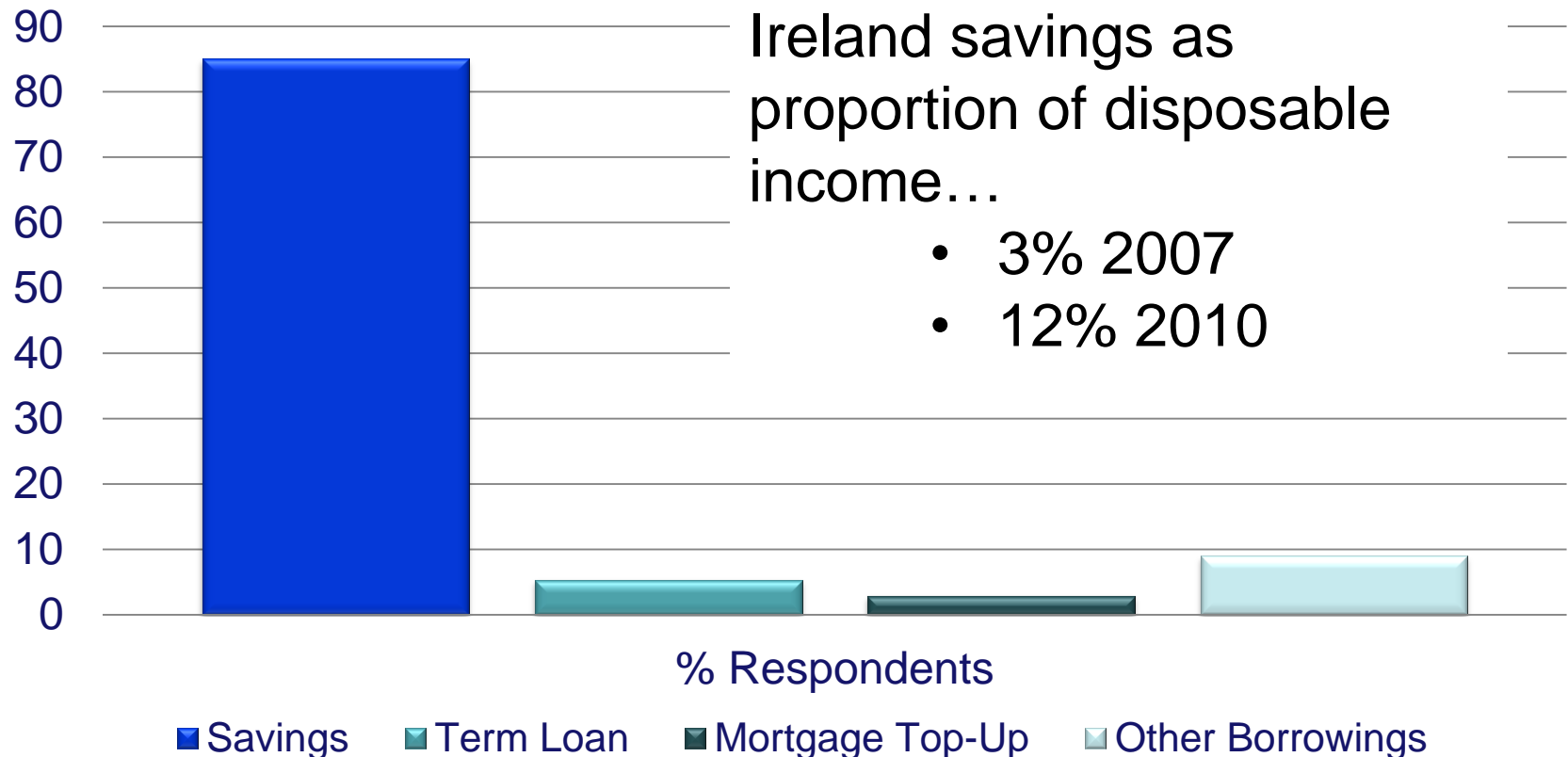
Socio-Economic Profile



Property of Respondents

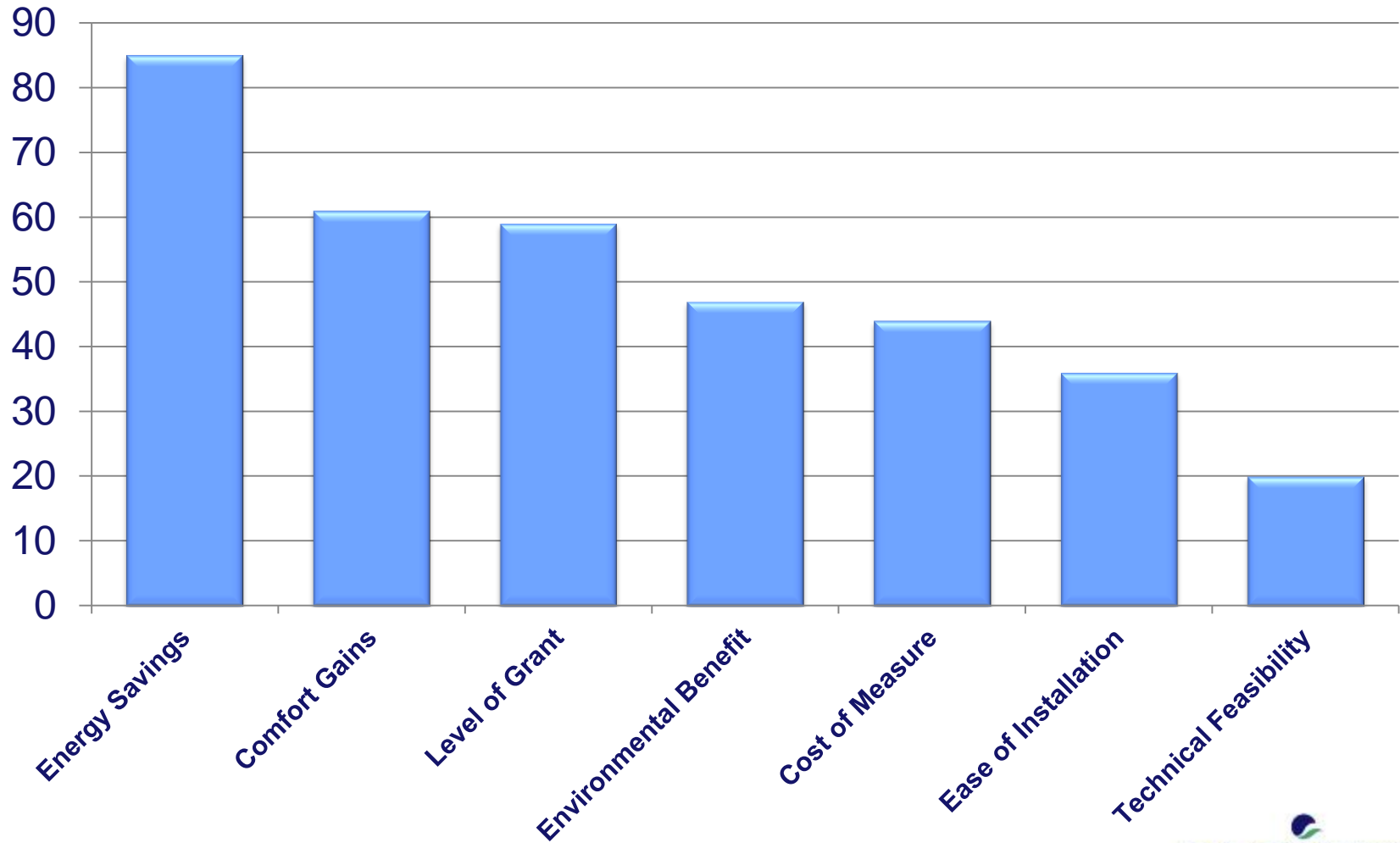


Financing Measures

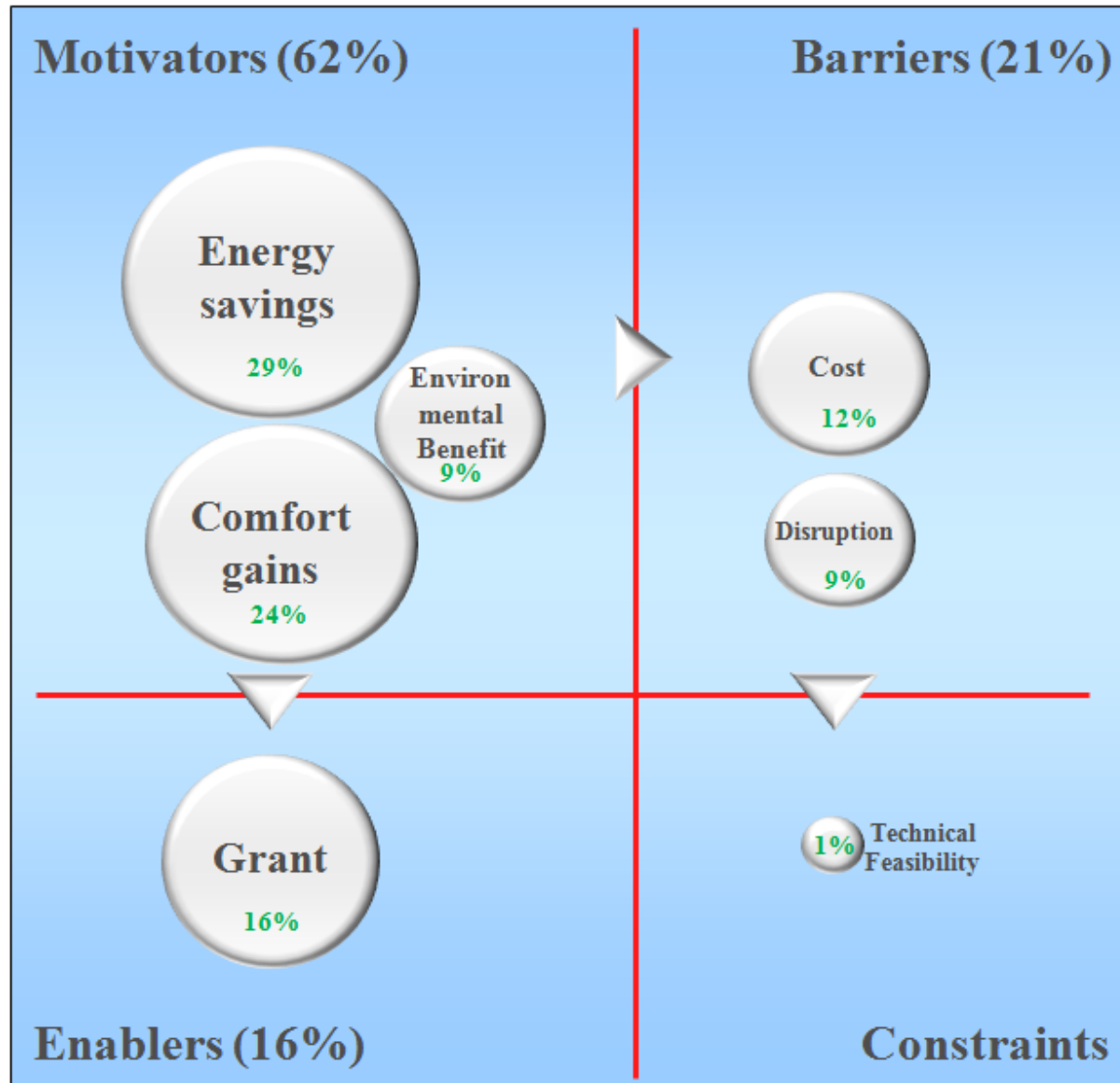


The main factor preventing those who applied for a measure from following through was lack of own funds.

Key Factors Influencing Investment

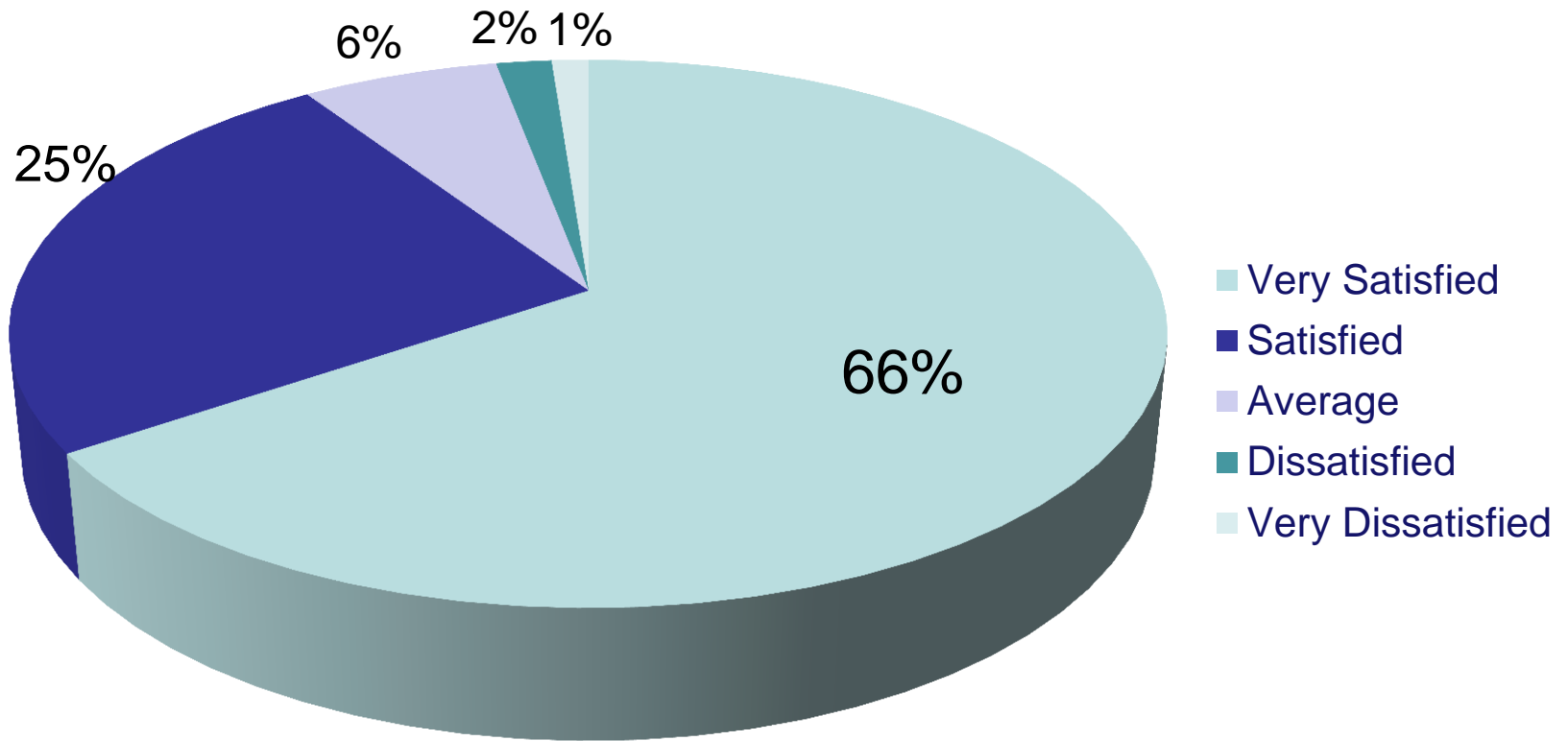


Motivators.. relative importance



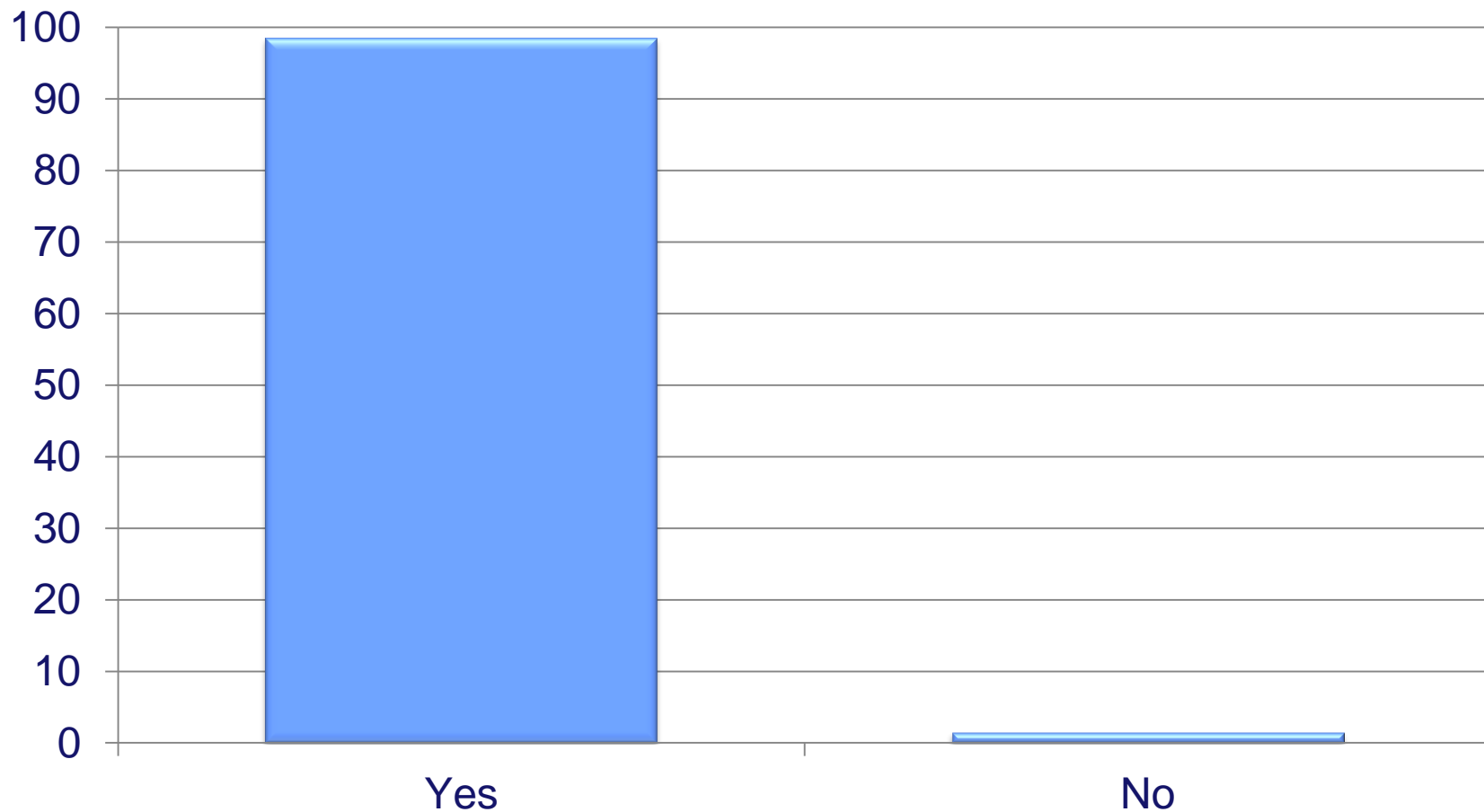
Satisfaction with Contractor

How satisfied were you with your contractor ?



Customer Satisfaction

Would you recommend the HES scheme to others ?



Since the first survey..

- HES/BEH demand has remained strong – average over 1,000 application per week in 2011
- Positive experiences will build market confidence
- Policy perspective... We need to develop:
 - beyond shallow measures
 - beyond funding from own savings
 - better financing options
- Detailed bills analysis and further surveys

Deeper retrofit future

Where are we now?

2011

- 60,000 homes at average of €3,000 investment
- Saving ~400GWh

Where do we need to be? Deeper retrofit future...

- 100,000 homes at average >€15k investment

What is deep retrofit?

What is Deeper Retrofit?

Measures in combination

- Insulation – roof and walls
- Air-tightness – including windows, doors etc.
- Efficient boiler and heating controls
- Perhaps renewables

Whole building approach – one intervention

Savings

- >50% reduction in energy demand

How do we move?

Focus group research

Aim: Understand (indicative) customer reaction to financing options and willingness to undertake deeper retrofits

- Groups included
 - Age 20 – 65
 - Living alone, co-habiting, families
 - Urban/rural
 - All fuel types for heating (gas, oil, electricity, solid fuel)

How to move to deeper retrofit..

- Shallow retrofit to date funded predominantly from savings
- Limits potential for deeper retrofit...
- High level of owner/occupiers with no mortgage (over 50%)

What can be done?

"I will definitely improve the house over time but I won't take a loan out again"

Research participant

Financing options

- Range of options (not exhaustive)
 - Pay as you save (PAYS)
 - Green Bank
 - Private savings
 - Traditional mortgage top-ups
- Challenges/opinions raised varied by participant
 - Trust issue with banks – source of finance?
 - Concerns regarding energy use fluctuations and regular repayments

Scenario:

- Financing available (instead of grant)
- Repayments should balance with savings
- Loan could be linked to property rather than individual.

Promoting deeper retrofit

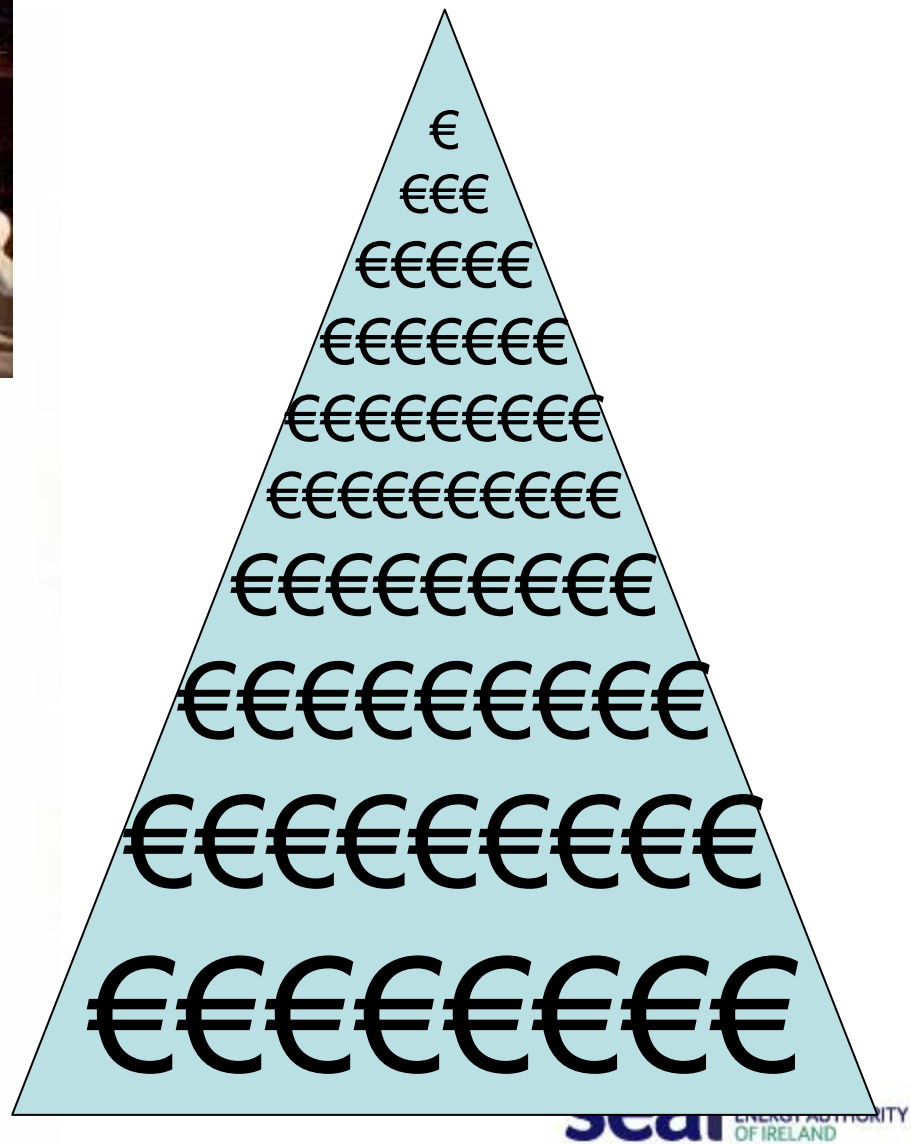
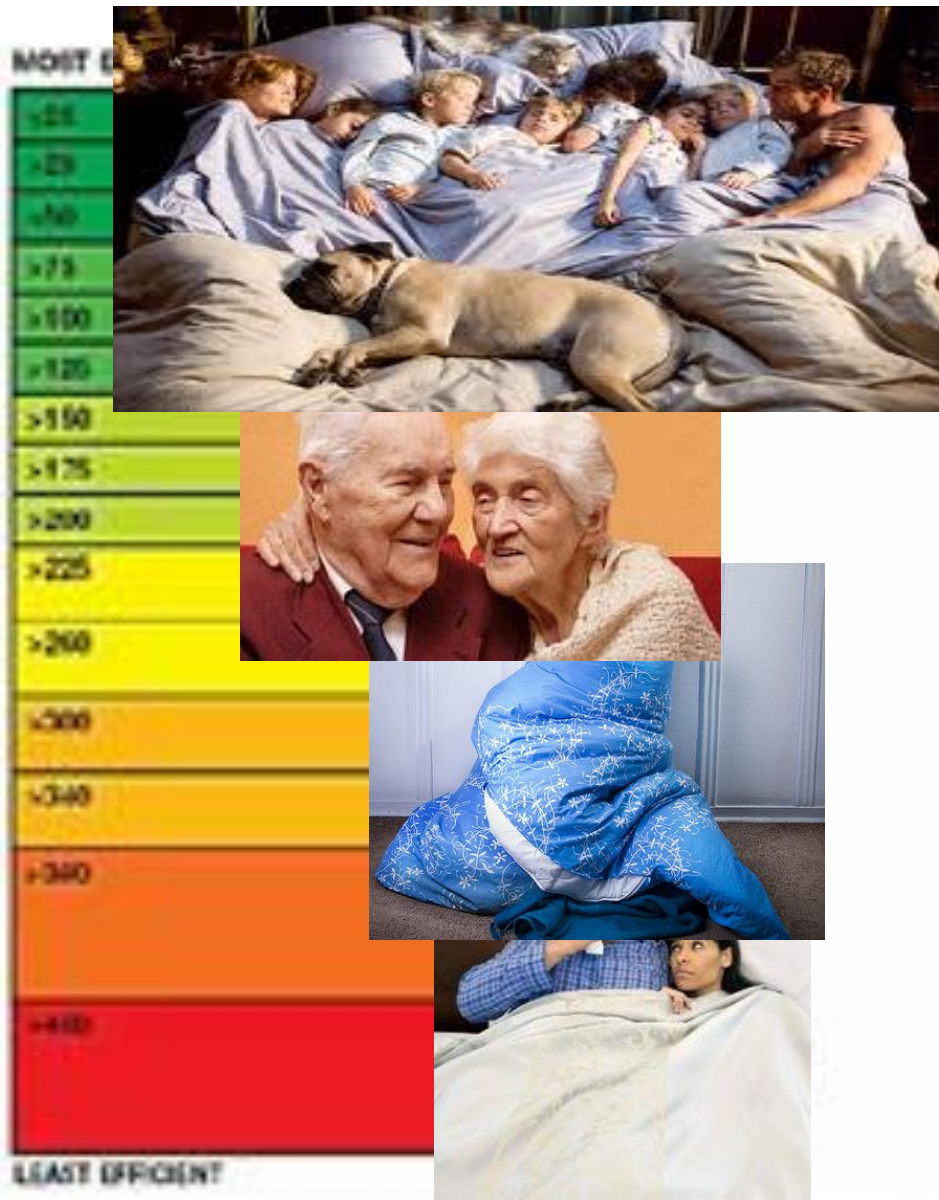
Promotion on basis of benefits *expected* and *experienced*..

- Improve information
 - Communicate benefits of measures implemented collectively to deliver both increased comfort and energy (€) savings
- Leverage BER as tool
 - Promote benefits of packages of measures
 - Current perception/understanding of individual technologies.. rather than a coherent solution to a problem

“Do you know something, I couldn’t honestly say I noticed [the bills] going down because I don’t know like we’ve changed around... but it was just the comfort, it made the home more comfortable, that’s what I’d say really.”

Research participant

BER – combined emphasis



Local promotion vs. national campaigns

- On basis of current patterns of uptake
 - Regional, rather than national campaigns to promote deep retrofit
- Local proof of benefits
 - Word of mouth
- Local employment and expertise development (trust)

“They’re doing it [external wall insulation] all over Killester at the moment, they’re doing it everywhere.”

Research participant

Conclusions

- **No silver bullet** - One size unlikely to fit all
- Need to listen to consumers in different cohorts
- Need to position options based on consumer concerns
 - Weariness of loans and banks
 - Proof of benefits (comfort and savings)
- Need to look at affordable sources of finance
- Test, pilot and refine a number of options

Thank You

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