



## Legislation Text

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**File #:** 18-0239R, **Version:** 1

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RESOLUTION AMENDING RESOLUTION NO. 15-0248 INCREASING THE NUMBER OF AUTHORIZED AUDITS TO 1300 AND INCREASING THE FUNDING THEREFORE BY AN ADDITIONAL \$40,000.

### CITY PROPOSAL:

RESOLVED, that city council resolution no. 11-0153, as amended by resolution no. 15-0248, authorizing advanced home energy audits under the advance home energy audit program is hereby amended by increasing the number of audits authorized under the program from 1,200 to 1,300 and by increasing the authorized cost thereof by \$40,000 from \$200,000 to \$240,000.

STATEMENT OF PURPOSE: The purpose of this amendment is to increase the number of audits authorized from 1,200 up to 1,300 audits by June 1, 2018 and to increase the total authorized cost of audits from the currently authorized \$200,000 up to a maximum of \$240,000.

As of March 8, 2018, 916 Advanced Home Energy Loan Program (AHEAP) audits have been performed. AHEAP participants have received 120 home energy loans to install conservation or efficiency measures in their homes that were identified during the AHEAP audit. The program uses the home energy audit performance contractors listed on ComfortSystems' website in partnership with Minnesota Power which shares the program costs with Duluth public works and utilities. The typical cost of this audit to the customer is \$375. ComfortSystems provides the customer with a \$150 audit rebate and Minnesota Power provides the customer with a \$100 rebate after the auditor sends the utility a copy of the audit report. Most audits identify air sealing, insulation upgrades, boiler, furnace, and water heater efficiency improvements. Customers are paying about \$125 of the audit cost. The audit results are used to qualify energy measure upgrades for Comfort Systems' residential energy conservation program, and Minnesota Power's residential programs.

In partnership with Ecolibrium3, ComfortSystems is developing a Rental Energy Upgrade Pilot Program to reduce low income renter utility bills in small rental properties. The first step is an AHEAP audit. To keep this program affordable ComfortSystems will pay the customer's share of the AHEAP audit cost if other funding is not available for this purpose.

Audits through AHEAP are performed for residential customers limited to the budgeted funds allocated by the council each year with any projects not funded in one year eligible in the next year. Regulations of the state of Minnesota require that the city's natural gas utility expend an amount equal to one-half of one percent of its gross revenues from the gas utility on energy conservation programs. This conservation program helps the city's natural gas utility to meet the state's requirements.