

Greening Your Home With No Money Down

By Patricia Dines

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On the surface, Sonoma County's new \$100 million Energy Independence Program (SCEIP) seems simple enough, offering property owners government financing to install solar equipment and improve energy and water efficiency.

Yet, hiding beneath this mild-mannered exterior, lies a powerful tool to help us solve some of our most urgent shared problems. I've been watching this program emerge for a while, so I'm delighted to finally be able to tell you about its special features.

First, because SCEIP financing isn't based on currently-compromised housing prices, it provides a much-needed alternative to home equity loans. Plus, the program brings income to green contractors and suppliers in the beleaguered construction industry, which in turn nurtures our local economy.

But most impressive of all is SCEIP's benefits to the environment. At a time when we can feel powerless to looming eco-disasters, and skeptical of green pitches of varying veracity, SCEIP provides an easy yet meaningful way for us to nurture the planet's survival.

Because trimming our energy use is one of the most important ways that we can impact a wide variety of key environmental problems, including global climate change, habitat destruction, species extinction, ecosystem collapse, and the economic, health, and social crises they create.

So, SCEIP, a mild-mannered program? Indeed not!

No Increase in Monthly Expenses Required

With money so tight now, green actions can seem perhaps optional. However, even in these times, home improvement via SCEIP can be both fiscally-wise and essential.

First, you can choose to do improvements that offer savings in energy costs that equal your loan payments. Thus, your ongoing budget stays the same and you're just swapping an expense for an investment. Plus, your modifications will likely increase your building's resale value and comfort — all without an initial capital outlay.

Making a Real Difference

But, given the scale of change that's needed in the world, is improving one's home really a significant contribution?

Absolutely yes!

In fact, the U.S. Department of Energy calls retrofitting existing homes with energy-efficient features "the single largest source of potential energy savings."

The U.S. Environmental Protection Agency estimates that residential and commercial buildings are responsible for over one-third of the nation's total energy use, 68% of electricity, and 12% of water. They generate 38% of CO₂ emissions.

So if you install, for instance, insulation and weather sealing, you could lower your energy costs up to 10%; a tankless water heater could reduce your greenhouse gas (GHG) emissions up to 30%; a solar water heater could lower CO₂ emissions by 20%; and a 3 kW solar photovoltaic system could, over its 25-year lifetime, trim CO₂ emissions by 80 tons — the equivalent of driving 7,800 fewer miles a year.

SCEIP can also help you reduce your water use, which is vital now both because of low reservoir levels and threatened salmon survival. Many water-saving improvements qualify for funding.

Getting Started

To participate in SCEIP, look at the program requirements (see the box

[on the other side of page] plus the SCEIP website shown there). Then determine what improvements you want to make.

A home audit, while optional for residences, can identify potential upgrades, costs, and savings. From this, you can prioritize improvements that bring you the best results for your buck. The SCEIP website offers links to audits and other assessment tools; click on "Evaluations." Your audit cost can be rolled into your financing.

It's also recommended that you improve building efficiency before installing solar, so that you don't buy more system than you need. Any licensed contractor can perform work under this program.

One caution: Pay attention to cash flow. The program helps you reduce your

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Who Benefits From Sonoma County's EIP?



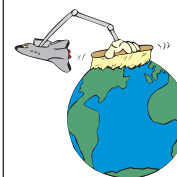
Property Owners

Residential and business property owners receive financing to install solar equipment and improve energy and water efficiency. Funding isn't tied to property value and requires no initial capital outlay. Loan repayments are offset by reduced energy costs.



Green Contractors

Green contractors and suppliers can provide their offerings with "no money down," thus attracting more customers. Their increased business in turn helps stimulate the local economy.



Our Shared Environment

Our environment's well-being is improved because trimming our energy demand helps solve a variety of key eco-problems, including global climate change, pollution, and habitat destruction. Retrofitting most or all of our current buildings is vital to reaching our GHG reduction targets. Also, upgrading existing buildings is "greener" than building new ones.

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monthly PG&E bill but the loan is repaid through your *bi-annual* property tax bill. To avoid an unsettling tax bill surprise, consider setting aside monthly what you're saving in utilities.

Also, in case you're curious, PG&E supports SCEIP, because its compensation structure rewards it for encouraging energy efficiency. How wonderful!

Meeting GHG Reduction Targets

Sonoma County is one of the nation's pioneers in setting bold goals for reducing greenhouse gases (GHG), including our target of lowering county emissions to 25% below 1990 levels by 2015.

SCEIP (enabled by California's recent AB811) is intended to help the county achieve these objectives.

Alan Strachan, a local developer and GHG reduction advocate, makes a persuasive case that succeeding with this will require that we seriously step up the scale of our activities.

For instance, he challenges us to "do the math" and calculate what it'll take to reach California's goal of equaling 1990 CO₂ emission levels by 2020, which was set in the state's Global Warming Solutions Act of 2006 (AB32).

According to Strachan, buildings statewide generate about 35% of our GHG, and we can probably cost-effectively remove about 30-40% of each building's GHG. Thus, he concludes that meeting AB32's targets will require us to retrofit *all* state and county buildings over the next ten years. For Sonoma County's 180,000 buildings, that means upgrading 50 units a day, which will surely keep our construction workers employed.

The good news, he emphasizes, is that we can afford it, the construction industry is available, and it can be profitable. Plus the energy demand already exists; retrofits are simply a different way to meet it. However, we can only achieve this by sustained action starting now. A last-minute all-nighter just won't do!

Strachan argues that, of the many challenges in today's world, climate change stands out because "this one you don't recover from. If you blow this, it doesn't matter what you do with the rest."

A Higher-Quality Green

One aspect of SCEIP's approach that I find particularly eco-friendly is its focus on improving existing buildings, rather than building new ones.

In their book, *Natural Remodeling for the Not-So-Green House*, eco-architects Carol Venolia and Kelly Lerner argue that remodeling a current building is nearly always greener than building a new "green" one. That's because it takes fewer resources than starting from scratch, doesn't plow under new land, and capitalizes on resources already extracted and infrastructure already created. It also usually saves money through targeting of expenses.

"In short, ecological remodeling is not the poor cousin of the shiny new eco-home," they say. "It stands on its own as a wise, resource-conserving, community-building, accessible, enjoyable way to improve life."

Action Ignited

As the first California county to embark on this innovative approach, Sonoma County is showing leadership in achieving climate change goals. They're now in the process of signing folks up, with the goal of covering program costs and becoming self-sustaining.

County Controller Rod Dole, who oversees the program, says that interest in it has been "phenomenal." In just two weeks, they've already received \$750,000 in applications. Local companies are quickly recognizing that SCEIP makes their offerings more attractive to customers. This, of course, encourages more folks to go green! A friend told me that a Friedman's salesperson actually mentioned SCEIP financing in recommending an energy-efficient window to them. On April 9, over 300 people came out for an Economic Development Board SCEIP workshop for contractors.

And, so, the SCEIP retrofitting begins!

Patricia Dines is a freelance writer specializing in environmental topics. She's written books, newsletters, reports, and articles for a wide variety of periodicals. For more information, see (www.patriciadines.info).

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SCEIP Basics For Property Owners

- **Financing is available for improvements to existing buildings**, not new construction or mobile homes.

- **Funds can be used for a wide variety of projects** to improve energy efficiency, conserve water, and generate renewable energy. This includes insulation, on-demand water heaters, low-flow showerheads and toilets, more efficient windows and heating systems, irrigation controllers, and solar equipment. Items must be permanently attached to the property, so appliances such as dishwashers don't qualify. The minimum loan amount is \$2,500.

- **Owners don't pay up-front capital costs** and have fewer credit restrictions than with standard loans. The financing (technically considered an assessment) isn't based on property value but is secured by its position second to property tax. You need to be current on all property taxes to qualify. Repayment is made through your property tax bill over time.

- **The loan stays with the property**, not the person, so when you sell, the new owner takes over payments.

- **For more about SCEIP**, see (www.sonomacountyenergy.org) or call 521-6200.

- **For more about other rebates and incentives**, including federal investment tax credits and the California Solar Initiative, see (www.gosolarcalifornia.org).