



BDC Presents: QuitCarbon

December 15, 2022

Summary:

QuitCarbon loves contractors!

Overview:

- Why are they doing their work?
 - Climate crisis
 - Home electrification is hard!
 - Wished for a friend, coach, mentor for support > Quit Carbon born
- Marketplace
 - Homeowners / Residents | Workforce / Contractors
 - Misaligned perspectives, needs, knowledge in the marketplace
 - Quit Carbon sits in the middle to address gaps
- QuitCarbon loves contractors <3
 - Help articulate the value of their work, help sell their services
 - Example
 - SF electrician: partnership w/ Quit Carbon brought work, he is more willing to share information.
- Process
 - Onboard homeowner > Quit plan > Refer homeowner > Review contractor > Contractor performs work > rebate/tax incentive > Update plan (3-6)
 - Finally, celebrate!
- Quit Plan for homeowner clients include:
 - Energy evaluation, electrical upgrades, home envelope/insulation, water/space heating/cooling, cooking, solar, EV charging
 - Group benefits
- By the Numbers:
 - ~2 new homeowners daily, 79 quitting plans, 82+ referrals, 15+ contractors
 - Solar / EVs common entryways
 - Most people are just getting started on electrification journeys
- What do homeowners need?
 - Where to start? Buying right thing? Paying fair price?
 - Shopping around is time-consuming, difficult, confusing

- Pricing inconsistency
 - HPWH example: vast differences in prices ranging from 6K - 11K
- Heat pump water heater estimate
 - Breakdown points from the quote
 - Adding in rebates to the picture: starts to look better
 - Considering lifetime operating costs: even better
- Ducted mini-split system estimate
 - Lots of line items, but some details not clear
 - No rebates and incentives called out
 - Value \$3k gets you AC, more comfortable heat, better filtration, better air pollution
- Operating Costs - electrification may cost more *initially*
 - Concern - LMI folks bearing the brunt of higher bills
 - Dependent on efficiency of incumbent gas equipment, utility rates, solar helps a lot
- Rebates and Incentives
 - Yay free money, but complexity starts to reduce value
 - Federal, State, Regional, Local - layering? Who gets paid? Who applies?
 - See all the incentives here: <https://incentives.switchison.org/>
- Para-technical knowledge: Electrical Load and Panel Optimization
 - Try to keep homes on 100-amp main service
 - EV-chargers often the biggest user of panel space
- Energy Analysis + Heat Pump Sizing is important!
 - Use smart meter peak data - coldest hour of coldest day = ~30K Btu peak hourly
 - Heat pump sizing is very important - pattern of oversizing is pretty consistent - results in higher cost, amperage concerns, inefficiencies.
- Project and Worksite Efficiency
 - Geographic grouping opportunity, multiple contractor coordination, permitting and inspection often requires a whole day.
- Next steps
 - SF Bay Area
 - Get in touch! helpmequit@quitcarbon.com

Q & A

- Share some more stories of friction reduction vs building confidence.
 - If a client has more clarity about scope and price for their home or a median, can reduce friction and improve confidence on whether to proceed on a specific contractor's bid. QuitCarbon reduces friction during the intake process virtually and all at once. There is friction around connecting with contractors.
 - Important that early adopters tell great stories to their friends.
- Switch is On Ambassador program - BDC is trying to build community of support

- Financing for homeowners. Big need for that? Or improvements?
 - Sometimes see financing offered on bids from contractors, often not. Programs out there sometimes require pre-approved contractors, which may not be the same as the pre-approved contractors for rebate programs. Excited about IRA green bank potential.
 - Bill impact - If it's higher in initial years, concerning. Could be offset by clever financing models.
- Re-sale Value: Do you have customers ask about information to provide to realtors or potential buyers?
 - Has not come up specifically. Great research coming out suggesting electrified homes are worth more on the resale market. Extra value when the local market has more climate concern like Northern CA. You SHOULD get a special badge on Redfin (for example) for an all-electric home. Need for realtor education and opportunities.
- Why do we see such a high prevalence of oversizing heat pump space heaters?
 - Main driver—don't want a call that says my house is heating slowly. Need to adapt behavior for comfortable heat. No evidence of nefarious intent.
 - We are used to bad behavior of incumbent gas furnaces that can feel like standing in front of a hair dryer.
- This needs to be a transition for everyone. Thoughts about expanding to CARE or low income customers? Can a concierge model help us break through to better serve low income households?
 - Need for bill assurance. The path for widespread electrification runs through contractors. Important to empower and educate contractors to present options of all sorts that work for them.
 - Need for systemic policy change. Those that go first need to advocate for others.
- How do you deal with liability with an unhappy customer? How much time do you spend on average with customers? What's your worst type of customer?
 - They provide recommendations, guidance, and suggestions. They're not general contractors or engineers. They provide an education service with customization for homes. Time is getting shorter. When homeowner clients have work done, it's done under contract with a contractor. Their involvement makes it less likely that folks are disappointed.