



August 6, 2010

Re: Urgent! Changes to HPwES-GJGNY Program Immediate Response Requested

Dear BPI Accredited Contractor,

This important email has been sent to you requesting your valued input on an important matter which may change how the Home Performance Contracting and related businesses perform work in NYS. [Please see the simple instructions on how to make your voice heard.]

It is a critical moment for Home Performance Contractors because **final decisions will be made within the next week about the Green Jobs Green Program**, also known as the Home Performance with Energy Star (HPwES) Program. (It is important to know that these are not two separate programs; all HPwES jobs will be GJ/GNY jobs.)

**On Wednesday, August 11, NYSERDA will be holding a special meeting of the Advisory Council** with the sole purpose of discussing the CWF proposal. CWF has requested and has been given time to present their proposal to the Council. BPCA will be afforded the opportunity to respond.

Please read the attached documents:

- The final version of the Center for Working Families (CWF) proposed contracting standards;
- Response to the proposal by Efficiency First;
- Response to the proposal by the Building Performance Contractors Association (BPCA).

If, after reading the attached documents, you believe that the CWF proposal will improve your ability to grow your business and prosper in the Home Performance with Energy Star program, we respect your position.

If, on the other hand, you believe that the contractor requirements set forth in the CWF proposal will make it more difficult for you to grow your business and prosper in the Home Performance with Energy Star program, then your voice must be heard.

This may be our last chance to influence NYSERDA to do the right thing and protect the ability of the New York State's Home Performance Contractors to manage and control how their businesses are run. If we do not make our voices heard, others will speak for us, and may not have our interests at heart.

Responding is simple. Just mark the area below (with an X) that represents your position. There is space for comments and we encourage you to make them. The more comments we receive in support of our position, the stronger our position becomes.

When you have finished, hit the **"Reply"** button.

Remember, **time is running out**. Please respond by Sunday night (August 8<sup>th</sup>) so we can compile the responses and prepare for the Advisory Council meeting on Wednesday.

\_\_\_\_\_ **I support the Center for Working Families proposed contractor standards**

\_\_\_\_\_ **I do not support the Center for Working Families proposed contractor standards**

**Comments:**

Thank you,

Dick Kornbluth  
Board President  
Building Performance Contractors Association of New York State



August 10, 2010

**X I do not support the Center for Working Families proposed contractor standards**

Mark Smith	A Total Home Solution
Dominic Riemma	ABCO Builders and Energy Mgmt., Inc.
Duane Farr	Advanced Energy Systems of NY, LLC
Matthew Johnson	Airtight Services, Inc
Allen Hicks	AKH, Inc.
Judith Karpova	Altren Consulting and Contracting, Inc.
Dan Ambrose	Ambrose Mechanical Services, Corp.
Mo Old	Artic Air, LLC.
Casey Mastro	ASI Energy
Jeff Emerson	Blue Ox Energy
Jerrit Gluck	Bonded Building & Engineering
Bryan Bourque	Bourque Mechanical Systems, Inc.
Herb Smith	Breathe Easy NY
Stephen Ohnemus	Bright Energy Ideas, LLC
Andrew Fischer	Bright Home Solutions, Inc.
Mike Brown	Bright Home Solutions, Inc.
Jason Brown	Bright Ideas
Todd Blackley	Building Performance Solutions
Chuck Russo	Chuck Russo Heating & Air Conditioning, LLC.
Joe Branagan	Classic Cozy
Anthony Marmo	Clover Comfort
Jim Coler	Coler Natural Insulation
Tricia J. Coyer	Comfort Home Improvement Company
Tim Malone	Cross Field Heating and Air Conditioning, Inc.
Daniel Silvestri	D. Silvestri Sons, Inc.
John Bartlo	Energsmart Insulation

Stevie Stephens	Energy & Insulation Solutions LLC
Gary Goodman	Energy Construction, LLC
Bruce McClean	Energy Savers Inc.
Ken Tomczak	Energy Solutions Company
Robert Delfino	Energy Testing Services
Tom Vitale	En-Tech Associates, Inc.
Jon Norton	Foam It Insulation
Cliff Babson	Four Points Enterprises
David Raponi	Global Dwelling
Frank Maricic	Green Efficiency Consulting
Dolores Bevilacqua	Green Jobs Training Center
Mike Dunseith	Green Jobs Training Center
Tony Gawrom	Green Solutions of WNY, Inc.
John Mazur	Green Star Energy Solutions
Doug Hawn	Hawn Heating & Air Conditioning Inc.
Gene Mapstone	Heating and Cooling Solutions
Stephen Bliss	Highland Builders Corporation
Ron Samuelson	Home Energy Consultants, Inc.
Hal Smith	Home Energy Performance by Halco
Martin Bakowski	Home Performance Professionals, Inc.
John Howell	Howell Renewable Energy Co., LLC
Darin Hughes	Hughesco, Inc.
Pasquale Strocchia	Integral Building and Design, Inc.
Jen Glow	JAG Construction
Norm Jen	Jensis Building Corp.
Michael Pfluke	Kalex Energy
Randy Hazen	Landmark Custom Home Insulation
Andy Kuhnel	Main Care Energy
Michelle Tinner	MBT Design
Clint McClure	McClure Construction Inc.
Richard Erne	MIG Building Systems
Stephen McKenna	Murtha Construction
Jack Towne	North East Spray Foam
Steven Caamano	NorthStar Home Improvements, Inc.
Pete Vargo	Nu-Tech Energy Solutions
Sue Bard	Opportunities for Chenango, Inc.
Brian Ludwig	Pace Window and Door Corporation
Peter Fusaro	Preferred Builders
Gordon Smith	Renewable Energy Solutions
Glenn Hooper	Residential Energy Conservation
Robert Follet	Richmond Aluminum Supply, Inc.
John Harrod	Snug Planet, LLC
Jesse Dorfman	Sola Construction, LLC

Troy Hodas  
Jennifer Keida  
Steven Marshall  
Jeffrey Strecker  
Tony DiCiacce  
Warren Smith  
Pat Dundon  
Adam DeVit  
Damian Hodgkinson  
Tony Karpovich  
Anthony Cocolicchio  
Lloyd Hamilton  
Michael Ascoli

Spruce Mountain, Inc.  
Standard Insulation Company  
Steven Marshall  
Superior Insulation Company, LLC  
Taylor Heating, Inc.  
The Energy Doctors  
The Insulation Man  
Thermal Associates, LLC  
True Energy Solutions, Inc.  
True Energy Solutions, Inc.  
US Natural Energy  
VERDAE, LLC  
Well Home



**Building Performance  
Contractors Association**

*New York*

August 10, 2010

**Comments**

**Duane Farr, Advanced Energy Systems of NY, LLC**

The CWF proposal adds excess overhead for the contractor and government regulations, intervention and enforcement (which is very costly and usually inefficient). This substantially raises prices which erodes the program from its original objectives by higher prices and fewer homes served. HPWES needs less micromanagement not more.

**Doug Hawn, Artic Air, LLC.**

The last thing we need is more government interference in our businesses.

**Jeff Emerson, Blue Ox Energy**

The CWF proposed contractor standard will make it virtually impossible for our business to continue to grow our Home Performance division. We are a traditional heating oil delivery, LP gas delivery, and HVAC service company, HPwES has allowed us to help many of our customers make their homes affordable to stay in by reducing the gallons they need to stay warm. GJ/GNY = HPwES and therefore could significantly increase our ability to provide home energy retrofits but not with these standards imposed. We recommend incentives over restrictions for contractors that choose to hire targeted populations and feel wage standards are not needed at all considering we meet or exceed those proposed already, as do most contractors we talk to. We want our employees to have family sustaining wages so they can be long term productive team members, the market will allow for these wages if the program continues to succeed.

**Jerrit Gluck, Bonded Building & Engineering**

The free market economy should be the basis for any industry. Healthy competition drives the industry. Individual company policy should be just that, left up to the company. Good companies take good care of the employees. Incentives are provided to go the extra distance. As soon as an outside entity begins to assert itself, what was a healthy business is no longer. Driving the cost to provide a service only gets passed along to the client, right. So who gets hurt? The list is long and unfortunately too much to include here. Suffice it to say supporting the CWF position is bad for the home energy efficiency industry, and bad for our nation.

Ultimately, the impact could even hurt small business growth and development. DON'T let this happen.

Stephen Ohnemus, Bright Energy Ideas

As highlighted by the Efficiency First and BPCA responses, the CWF proposed standards can only result in higher costs to comply and document compliance with the standards which will result in higher unit cost for each measure which leads to fewer measures being covered by the \$3,000 per home rebate limit which means a diminishing of the effectiveness of the program. I am the founder of a new home performance business, and we are struggling at this point just to get the business going. In all sincerity, if new layers of compliance issues are applied to the program, we would have to withdraw from the program as any benefits from being in the program would be nullified which would likely lead to us closing up the branch of our contracting business.

Andrew Fischer, Bright Home Energy Solutions, Inc.

Independent contractors are best suited to stimulate the economy. The CWF proposal will siphon money out of the local economy and into Union and Political funds that may be out of state.

Tricia J Cover, Comfort Home Improvement, Co.

Comfort Home Improvement believes very strongly in the Home Performance with Energy Star Program and the ideals and goals set forth by NYSEDA. Over the past few years the Home Performance program has grown in contractor support and public awareness through media and word-of-mouth references which has led to more homes being retrofitted with energy saving measures.

We agree that there is a need to get more people back to work, however the new employment stipulations that the Center for Working Families is trying to pass through the Green Jobs Green New York Program will drive the overhead costs for all Home Performance Contractors to a level where the cost of the improvements will be affected. The purpose of the Home Performance program is to reduce energy costs, and energy usage, to homeowners through various home improvements. These energy savings will be compromised due to the higher labor costs that the contractor will now be forced to account for as these two initiatives have been joined.

With home improvement pricing rising due to labor costs the number of projects that each contractor has will diminish, reducing the overall need to hire new employees because the customers cannot afford the improvements to be done on their home. In this case the smaller contractors will be forced out of the Home Performance business because they cannot meet the labor rates and paperwork demands that a larger contractor may be able to absorb. This doesn't constitute the goals of the GJGNY program to be met when contractors do not have the workload to constitute putting any of the people back to work.

We believe that the labor restrictions put forth by the Center for Working Families will significantly cripple the Home Performance with Energy Star's program

essentially putting even more people out of work as contractors cannot meet these new labor demands and provide low cost energy improvements to their customers.

John Bartlo, Energsmart Foam Insulation

The CWF proposed contractor standards are insane! The BPCA response hit the nail on the head for the most part. In the current HPWES program there are already too many restrictions that raise my prices to consumers about 20%. I already have to make additional time for CSG, Honeywell, and BPI to do audits. How many more audits (and at what cost to taxpayers) can we handle? I'm not familiar with the proposed customer incentives for GJGNY, but unless someone is getting a 50% subsidy, they will never go through this program.

Bruce McClean, Energy Savers, Inc.

The purpose of this letter is to address some of my concerns as a small businessman as it relates to the Home Performance with Energy Star Program and the most recent proposals from Green Jobs – Green NY. I do not believe that this initiative will create the number of jobs purported and most certainly will never achieve 1 million Home Performance Jobs in five years.

NYSERDA has already invested millions to train us thru BPI and seminars for my employees. The need is not more bureaucracy but more sales so I can hire more people. This is a performance business that is based upon sales commissions for sales people to live on. I have hired many salespeople over the past 9 years and at this point I can honestly say that the existing process has made it most difficult for sales people to make a living doing Home Performance. Adding more requirements to this process will make Home Performance a dinosaur.

We still have to transmit ideas face to face to explain what we do in Home Performance. Customers have to be sold, yes sold, to see the benefits of improving their home. This is not a cookie cutter job. Salespeople will go to jobs that create a better income and with added bureaucracy they will go someplace else.

In this economy we are already seeing less business and it has become increasingly difficult for all companies to stay in business. Adding more paperwork and processes will only lose NYSERDA most of the contractors that already perform work in this program. I don't think this is NYSERDA'S goal. The other issue is that we can perform 1 million Home Performance jobs in a five year period. WHO is Kidding WHO? That's 200,000 homes a year! Are you counting every apartment as a home? There is not enough recycling going on to produce enough cellulose to insulate this number of homes. Spray foam and chemicals are not the answer either.

In order to perform this many jobs I will need more employees and that takes money. Oh – Did I mention SALES. Sales brings in the money. Having performed the very first energy audit in this program I have seen many changes over the years to make this program better for the consumer and the contractor. Our work ethic and work performance has only increased over this time. I feel really great when I detect a carbon monoxide problem and save families lives. I, fear that with this potential change this won't happen as often and the investment that has been made by me, my company, my employees, NYSERDA, BPI, CSG and others will be lost.

I thank you for letting me express some of my concerns.



John Norton, Foam It Insulation

The CWF proposed contractor standard will make it almost impossible for our business to continue to grow our Home Performance business. We are a traditional insulation company, HPwES has allowed us to help many of our customers make their homes affordable to stay in by reducing the energy bills to stay warm. GJ/GNY = HPwES and therefore could significantly increase our ability to provide home energy retrofits but not with these standards imposed. We recommend incentives over restrictions for contractors that choose to hire targeted populations and feel wage standards are not needed at all considering we meet or exceed those proposed already, as do most contractors we talk to. We want our employees to have family sustaining wages so they can be long term productive team members, the market will allow for these wages if the program continues to succeed.

Dolores Bevilacqua, Green Jobs Training Center

Center for working families has no clue what they are talking about. Tell them to wake up to reality. I don't support their ideas because they live in a fantasy world. But nice try, how about getting real meaningful input from real working people. Contractors and Small business owners.

Darin Hughes, HUGHESCO Companies

We can't afford to compete at union wage in residential remodeling understanding that most companies don't even pay all there employees on the books now and this would definitely force more 1 and 2 man companies out there and put larger remodels out of business.

Why not just use resources to give 0 interest loans to BPI contractors for energy savings of 30% or better at 8 k or less worth of work?

After completing more success in this industry than any company in the country HUGHESCO Companies strongly reject this idea!

We put ads in paper now and get no response, we need people that want to work not people trained to be over paid that don't even want to work. Give customers' a reason to buy energy efficiency like subsidies and low or no interest loans and the good companies will find train and hire people to do the work, in a fair market environment. You can not force union into residential remodeling at this state of the economy, it is ridiculous at best!

At this point I hope the people involved understand the industry we are in and make the correct decision so we can help energy savings instead of throwing it out the window and I also want to know who is heading up this idea, if it is passed because we all will be holding them accountable for the wasted resources and funds in the near future with its guaranteed failure; customers will not pay twice the price for this work to be done with this new idea!

Martin Bakowski, Home Performance Professionals, Inc.

Small contractors are already bogged down with program specific requirements that increase costs and decrease productivity. HPP Inc does NOT support the CWF proposed contractor standards.

Pasquale Strocchia, Integral Building and Design, Inc.

The CWF proposal for "Contractor Standards" is not practical for small HP Contractors to comply with nor maintain the related administrative requirements. These requirements would threaten the viability of participation of independent, small-scale HP contractors in the program.

Jen Glow, JAG Construction

We, at Jag Construction Inc. stand behind the positions of Efficiency First and BPCA. We have been a participating contractor in the Home Performance with Energy Star program for 5 years, and believe that the standards that are already in place work. We feel the contractor requirements in the CWF proposal would make it very difficult for a small contractor like us in upstate New York, to continue to participate in the program. We hope that NYSERDA will choose to follow the current model of the Home Performance with Energy Star program and integrate Green Jobs/Green New York into it.

Michael Pfluke, Kalex Energy

Under no circumstances does Kalex Energy Company find the CWF proposal acceptable. Their proposal looks more like a Union negotiation than any kind of improvement to the Home Performance Industry. The CWF proposal is another example of an over reaching government intrusive, regulation heavy, union sponsored, piece of trash.

Let the Private sector and capitalism work. The current Home Performance w/Energy Star model is working. Why would any sane person want to strap a ball and chain on it? Leave the Home Performance Program alone and the hiring will follow. We do not support the CHA Proposal.

Randy Hazen, Landmark Custom Home Insulation

We don't support the changes that are up for vote. We do believe that N.Y.S.E.R.D.A needs to address problems that they have in dealing with the contractors problems that we have discussed with them at many of the regional meetings. Advertising co-op, training opportunities, raising income guidelines etc. As we are currently working on 2 A.R.R.A. funded contracts I can tell you that the time lost on paperwork issues and dealing with who we can hire and who we can't has made it so we won't be involved with anymore of these bids. Thank You.

Andy Kuhnel, Main Care Energy

I do not support the CWF proposal. My feeling regarding this whole process has been that the current program has been working very well as is indicated by the growth of jobs put through the program as reported by NYSERDA. What appears to be occurring is the growth of a larger and larger red tape, compliance mandated and increased overhead program for contractors to be involved with. I fail to see how these changes and many other ones will help my company increase sales and add employees.

Michelle Tinner, MBT Design

As a new/small BPI accredited company the proposed contacting standards are too burdensome and MBT Design likely won't be able to continue in the program.

Clint McClure, McClure Construction Inc.

Our business cannot possibly comply with the hiring requirements. It is so difficult to get quality people and hold on to them. We must be free to bring on any qualified quality people who can fit into the culture of our company. Meeting additional hiring requirements would definitely either force us to stay small (not hire) or get out of the program.

Steven McKenna, Murtha Construction, Inc.

I have reviewed the Center for Working Families proposed contractor standards and am in complete agreement with the stated position of both Efficiency First and the BPCA. If implemented, the CWF proposed contractor standards, would hinder job creation, create an unnecessary additional layer of administrative costs and greatly hinder the ambitious goal of weatherizing 1 million homes.

Jack Towne, North East Spray Foam

As a new Company in the Home Performance Program I could not agree more with my fellow members of Building Performance Consultants Association and Efficiency First and I support their position wholeheartedly. The focus of this program has to be how to make the largest impact in terms of improving the efficiency of as many homes for New Yorkers as possible and in a free enterprise society the rest of the goals will take care of themselves. Our current program, which focuses on doing the right thing for the client and holding contractors to BPI's high standards for safety and payback, already addresses these primary objectives.

Therefore we do not need to reinvent the wheel. We need to get the Home Performance Contractors in front of more of the public and make more people aware of the benefits of a comprehensive approach to Home Performance, then we can reinvigorate the Home Performance Business by showing clients how to make their homes more energy efficient and save money. Only then will we create jobs and growth in this industry along with jobs for the trained work force and subsequent increase in wages for that workforce that we all desire. Let's not legislate the carte before the horse and let's keep the small business owner that wants to make a difference and is passionate about his or her role in the Home Performance Program working and keep New York a model for the rest of the Country by keeping small business owners enthusiastic and committed to growing this Program and their Businesses.

Peter Vargo, Nu-Tech Energy Solutions

Our goal or objective, first and foremost, is to reduce energy consumption. Our secondary goal, but equally important, is to accomplish our primary goal in a quality assured and cost effective manor. Energy efficiency improvement measures cannot be accomplished otherwise, as viable improvement measures are based on two criteria; effectiveness of the installed measure (quality of the install + energy savings potential) and the cost of the installed measure. If the cost of the installed measure is too high it no longer becomes a viable improvement measure. It is based on the SIR (savings to investment ratio) formula which considers annual energy savings in dollars, Life Cycle of improvement measure, dollar discount rates, and installed cost, an SIR above 1.0 is a financially viable improvement measure. It

isn't some arbitrary 10 to 15 year pay back period as life cycles of improvement measures can range from 5 year to 30 years and payback periods can range from 1 year to 20 years.

I speak from experience because I am one of the most active, approved, energy auditors in the PHFA - Pennsylvania Housing Finance Agency's Smart Rehab Program. I all too often see viable improvement measures and the jobs to implement them lost because of unnecessary costs and restrictions within this DOE funded program. The irony? Everyone loses. We don't reach our potential demand reductions and we don't create jobs.

So if you want a successful program focus on Quality Control, Contractor and Employee Education, and allowing qualified contractors to work as efficiently as possible. Otherwise the program fails. It really is that simple.

Sue Bard, Opportunities for Chenango, Inc

I agree with the comments submitted by the Building Performance Contractors Association of NYS which accurately portrays the current construction environment in northern NYS and the difficulties that the new proposal will cause for small and mid-sized construction business owners who are already struggling in today's economy to keep the doors open and feed their families. I work at a Community Action Agency that administers the Weatherization Assistance Program for our county and the agency is also a BPI certified contractor that does AHP and HP with Energy Star jobs. Our agency also administers a DHCR funded HOME Rehab program which uses a wide variety of construction contractors and we already have in our area, a very limited list of contractors that can afford the program requirements to carry workman's comp insurance/liability, etc. To complicate the situation further, when a WAP ARRA (American Reinvestment Recovery Act) funded project requires the solicitation of contractors to perform work forcing the payment of prevailing wages, they review the rates and all the ongoing DOL reporting requirements and immediately decline the bid request for work as they are unable or unwilling to meet the stringent requirements. This makes completing projects very difficult at best because the work then has to be solicited from large companies that can afford to pay the prevailing wages, but that are located far from our service area and who often determine that the amount of work on the work scope is not worth the cost of the overhead and travel to complete the project.

To implement this requirement will greatly reduce the contractors that we could sub work out to on AHP and HP projects when needed. In addition, the requirement to pay our workmen prevailing wage on these projects would significantly increase the cost and or reduce the profit margin and make it even more difficult for our agency to secure AHP and HP jobs of which we are already struggling with in this economically depressed county.

Therefore, I do not support the Center for Working Families Contractor standard.

Brian Ludwig, Pace Window and Door Corporation

The wage standards alone will take the weatherization of homes in NYS to a screeching halt. Homeowners will not absorb the 30% + increases in price. They will just refuse to participate and that will dismantle the program. All these

requirements sound good however it's just like our state budget. You can't spend what you don't have. NYS homeowners will not be able to pay the pass through that these standards will cause. The wage guidelines are completely unrealistic when considering single homes. If we think of benefiting the consumer and truly want to save energy those standards must be removed.

Gordon Smith, Renewable Energy Solutions

I am very much against the CWF proposal. As a small contractor, I certainly do not need more paper work. And when I saw the minimum wage for a trainee, I said, "Who are you kidding?" I can't pay a trainee that much and expect to price jobs at a reasonable amount. We won't go into the whole joke about "prevailing wages, which is criminal - I just bid on a job in PA that will require me to pay almost \$60 / hour for someone to caulk some windows because the union says that is the work of a glazier. Forget about more paperwork and wasting money that could go to more jobs.

Robert Follet, Richmond Aluminum Supply, Inc.

I do not support the Center for Working Families proposal. We are a small family business and have been for 60 years. I have always run my business with the highest integrity. I have been struggling with HPwES to make it profitable for three years. This would be the straw, with NYSERDA and BPI paperwork and rules (which I understand and respect to keep us on a higher playing field) along with the RRP Lead Law. There has to be a limit for the small contractor.

Jeffrey Strecker, Superior Insulation Co. LLC

Superior Insulation Company is an independent contractor working with many programs in the state of New York to weatherize homes and save energy for our customers.

We would first like to state that we are proud to be a part of the many programs New York State offers to help its residents lower bills and conserve energy. We will be equally proud to be a part of the Green Jobs-Green NY program when it comes to light. However, after reviewing your organizations proposed "Common agreements on Green Jobs-Green NY contracting and job standards", we have to say that we can not agree with, or support this document.

We, as independent contractors, already have strict guidelines and rules to follow in order to participate in NYSERDA's Home Performance with Energy Star program as well as the many other programs we work with. Further restrictions and rules on wages would make our business much more difficult and costly to operate.

Also, while the concept of structured wages is a nice idea, this structure would inevitably end up being detrimental to both the contractors involved and to the customers they serve. Competition in the market place is what keeps contractors honest and customers getting the best price possible for services they need. This competition keeps contractors striving to offer better services for better prices, which ultimately requires quality employees. For quality employees, the company is required to pay and train employees adequately. Competition drives it all.

Also, the same concept applies to the idea of structured hiring. Ensuring quality services requires quality employees. These employees are a mixture of people who are trained, both on and off the job, and employees with different work backgrounds.

Furthermore, a set structure for wages and hiring for this program would require much more cost and administrative burden than most smaller contractors would be able to absorb. A Program designed to create jobs and help small businesses would most likely end up doing just the opposite.

The fact of the matter is that creating jobs is still creating jobs. There is no need to structure the way it's done any more than it already is.

#### Warren Smith, The Energy Doctors

I believe the CWF proposal will hurt my business tremendously. It will STOP me from hiring people it will effect the growth of my business. We have enough standards and regulations already. I believe that CWF is a cover name or code name for union organizers; people with power in high places are hiding under this code name to push their agenda! This will effect me from having control over my own business and in time will have a negative effect on NYSERDA.

#### Pat Dundon, The Insulation Man

I have been in this program since before it was a program. I have watched every year as Hughesco, Entherrm, Superior, and Standard Insulating have been rewarded for producing their high volumes of work. I have trained individuals only to see them leave. I have worked the 16 hour days trying to get it done. I have hired office personnel to handle the paperwork and record keeping HPWES brought to my door at an additional expense of about \$30,000 per year. Now, as a small contractor in a small town, I need to see NYSERDA back me up.

I do not want to have to hire someone to track who we hire or how we train those hires, and I don't want to lose people I already have who cannot do well on written tests *because they cannot read them* but realize they NEED this job, so they do it well.

People have been getting smoke about GJGNY and HomeStar so they are holding off on doing the more profitable jobs. My instinct says we will get bombarded soon, but my lead time to get to a project says different. I can't predict it.

The CWF proposal says we can save on advertising, unless they pay for my truck signs or yellow pages ad that is a false promise. Most small contractors get their leads through word of mouth anyway. Let the contractors, especially the small ones, do the grunt work of establishing a perception that Home Performance is proper in all the local markets. If a contractor wants to survive in this market he needs to lower his overhead and tighten the belt anywhere he can.

Training is the one place where the unions may be able to help, but in most union halls, there are some individuals who are motivated and eager to learn, some who are just there to make a living, and some who are there because they could not get a job anywhere else. It is a bell curve. Since the same unions represent laborers working on state rate work on government buildings and schools, the good guys gravitate there. CWF will say not so.

The mid to low level union labor will end up as our labor pool. Low motivation and union protection for those guys will lead to trouble for this program. We cannot be looking over a guys shoulder while he is airsealing a hot, cramped, dirty attic. He needs to feel like he just wants to do it right. Do you really want that individual to be a union protected, unmotivated placeholder?

I have also been around the construction trades for decades and I have been on both union and non union sites. There are good and bad people on both sides of the union fence, but as long as I am non union, I have access to the best and the worst of the labor pool. Once we go union, we are going to be seeing the less motivated part of the work force because of simple economic facts and job conditions relevant to the workers. Weatherization will become a proving ground for new union people or a dumping point for those the unions don't want. Contractors will see no benefit from either.

This program is working. It is far from perfect, but it is working. Use funding from NYSERDA to publicize the reasons people should find and demand the services of BPI accredited firms on all construction projects. That will help contractors all across the state. It will motivate contractors to get Accreditation. It will further the market transformation we initiated 10 years ago. It will make room for smaller firms who truly want to improve themselves. Finally, it doesn't give unfair advantage to larger firms or to minority/women owned firms.

Lloyd Hamilton, VERDAE, LLC.

This will make an already difficult process impossible. I do not know why anyone would subject themselves to this. It must be understood that most contractors in this program do not have the staff to manage the complicated process envisioned. They are sole proprietors who already work 60 to 80 or more hours a week to keep their business going on small profit margins. The public will not support the higher rates this proposal will require if the contractor is going to even make small profits.

Anthony Cocolicchio, US Natural Energy

The restrictions CWF wants to place on me will make it extremely difficult to grow my business. Too many big contractors are making it difficult to enter and maintain a business in this field.





June 16, 2010

Emmaia Gelman  
Policy Director  
Center for Working Families  
1133 Broadway, Suite #332  
New York, NY 10010

Dear Emmaia,

Last night the BPCA Board met and discussed, in detail, the CWF proposed "Common agreements on Green Jobs-Green NY contracting and job standards". While there was agreement in principle about paying fair wages and keeping the bar high in terms of worker skills and delivery of services, the consensus of the Board was that BPCA could not support this document.

In general, the board felt that the sections of the proposal that dealt with Employment and Hiring Standards and Wage Standards were too restrictive and imposed formal requirements on contractors that would significantly add to overhead costs in terms of record keeping and reporting. There is a long list of requirements that contractors must meet with regard to hiring practices, training, wage rates, benefits, etc. Since these will be requirements, it is assumed that there is associated record keeping attached to them, and a structure in place to make sure that participating contractors are complying with these requirements. All of this adds to program cost both at the contractor level and at the program level.

While large contractors will be able to absorb these costs, this additional overhead will impose an unacceptable burden on smaller contractors who already have a challenge meeting the paperwork demands of the existing Home Performance with Energy Star program. It is no accident that the bulk of work done in New York in the HPwES program is done by a small number of large contractors. To add additional rules and regulations will only drive more small contractors out of the program and keep small contractors from entering. This is especially true for what will hopefully be a

significant entry into the program by small MWBE contractors who are looking to grow their businesses.

This is no way to get a million houses weatherized in five years.

While the proposed wage structure was not found to be unreasonable, mandating a wage structure would limit the flexibility that contractors need to manage their business operations. If demand grows for home performance contracting services as a result of GJ/GNY marketing initiatives, that demand will raise and keep wages high. In a competitive marketplace, which the private sector Home Performance market is, competition will drive quality. Contractors who do good work will get more business than contractors who don't. In addition, there are already two independent quality assurance mechanisms in place in HPwES in New York. There is not another home improvement-related industry in the country with this level of oversight. Competition, BPI Accreditation, and the QA process will ensure that contractors have trained, skilled workers. A structured bureaucratic mechanism is not necessary to achieve this.

We do not have a specific issue with the proposed CBO role and contractor/CBO standards except in the area of what constitutes criteria for favorable consideration in the assigning of aggregated work. We feel that this criteria should be primarily performance based; that is based on the quality of the work as determined by some sort of objective criteria, perhaps a ranking based on QA inspections.

Ultimately, this is about jobs and fixing houses. Without a vigorous, enthusiastic, committed contractor base, the work won't get done and there won't be the kind of job growth you are looking for. Without contractors to do the work, there will be no jobs. Your proposal will not encourage contractors to participate, but will drive them away, and we cannot, therefore, support it.

**Richard Kornbluth**

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