

September 4, 2020

Judith Whitney, Clerk  
Vermont Public Utility Commission  
112 State Street  
Montpelier, Vermont 05602

Filed in ePUC

Re: Case No. 19-2956 – Investigation pursuant to Act 62 into the creation of an all-fuels energy efficiency program, expansion of energy efficiency utility programs and services, and funding options for those programs

Dear Ms. Whitney:

Sealed Inc. (“Sealed”) would like to submit the following comments regarding thermal efficiency to the Vermont Public Utility Commission (“Commission”). Sealed is an energy and financial technology company that finances key home improvements (like weatherization) using the money homeowners currently waste on energy. Sealed engages customers through co-branded marketing campaigns and an innovative, streamlined virtual sales process to offer a combination of prepaid retrofit packages (air sealing, insulation, smart thermostats, LED lighting, HVAC). Home efficiency retrofits are installed by vetted contractor partners, which Sealed remotely coordinates and inspects. Homeowners pay Sealed based on their actual energy savings. The result is increased engagement and adoption, deeper efficiency retrofits, and cost-effective energy savings goal achievement. With thousands of active customers, Sealed is the only payment option available in the market accountable for the quality and performance of home energy retrofits.

Sealed is excited that Vermont is devoting so much attention to scaling weatherization, both in this docket and with the legislative policies already in place. Sealed reviewed the Vermont Public Utility Commission’s report to the Legislature (“Legislative Report”), as well as the comments filed on August 21, 2020. Increasing the pace of weatherization is a prominent topic. The Legislative Report identifies a need for additional funding “to put Vermont on a path to significantly increasing building weatherization.”<sup>1</sup> The Department of Public Service (“Department”) estimated that

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<sup>1</sup> Vermont Public Utility Commission Report to the Vermont Legislature, Act 62 – Preliminary Report on All-Fuels Energy Efficiency (January 15, 2020)  
<https://legislature.vermont.gov/Documents/2020/WorkGroups/House%20Energy%20and%20Technology/Reports%20and%20Comments/2020-08-21-Comments>

Vermont would need approximately \$350 million in public investment to provide the necessary incentives to weatherize the 53,000 additional projects necessary to meet the goals in 10 V.S.A. Section 581.<sup>2</sup> The Legislative Report references alternative options such as on-bill financing and Pay As You Save (PAYS). In its August 21<sup>st</sup> comments, the Department requested greater emphasis on ways to scale thermal and transportation efficiency services “that do not lean as heavily on ratepayer or taxpayer subsidies” including “by relying on new or evolving business models (e.g., enhanced ESCO-type entities).”<sup>3</sup>

Like the Department, Sealed supports using market-based mechanisms that leverage private capital to both engage homeowners and finance projects. Several policies can be implemented that do not impact rates. For example, in other jurisdictions, customers primarily hear about Sealed from their trusted utility through co-branded marketing partnerships. This approach provides a cost-effective way for utilities to achieve their goals (such as regulator-mandated efficiency goals) while also reducing peak-demand loads and the need to invest in infrastructure improvements. Critically, this promotes weatherization while having no direct impact on rates. Encouraging these and other approaches in Vermont can greatly increase the pace of weatherization, without the need for significant public investment. In this docket and beyond, Sealed believes the Commission and the Legislature should implement policies that encourage and support innovation and market-based solutions.

Sealed appreciates the Commission’s consideration of these comments. Sealed would be happy to conduct a presentation demonstrating its market-based approach to the adoption of deep energy efficiency improvements to the Commission and any other interested stakeholders.

Best,



Andy Frank  
Founder and President  
Sealed Inc.

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[20and%20Resources/W~Public%20Utility%20Commission~Report%20to%20the%20Vermont%20State%20Legislature%20Act%2062%20Preliminary%20Report%20on%20All-Fuels%20Energy%20Efficiency~1-15-2020.pdf](#) (page 47).

<sup>2</sup> Legislative Report, pages 46-47.

<sup>3</sup> Department of Public of Service Comments (page 2).