

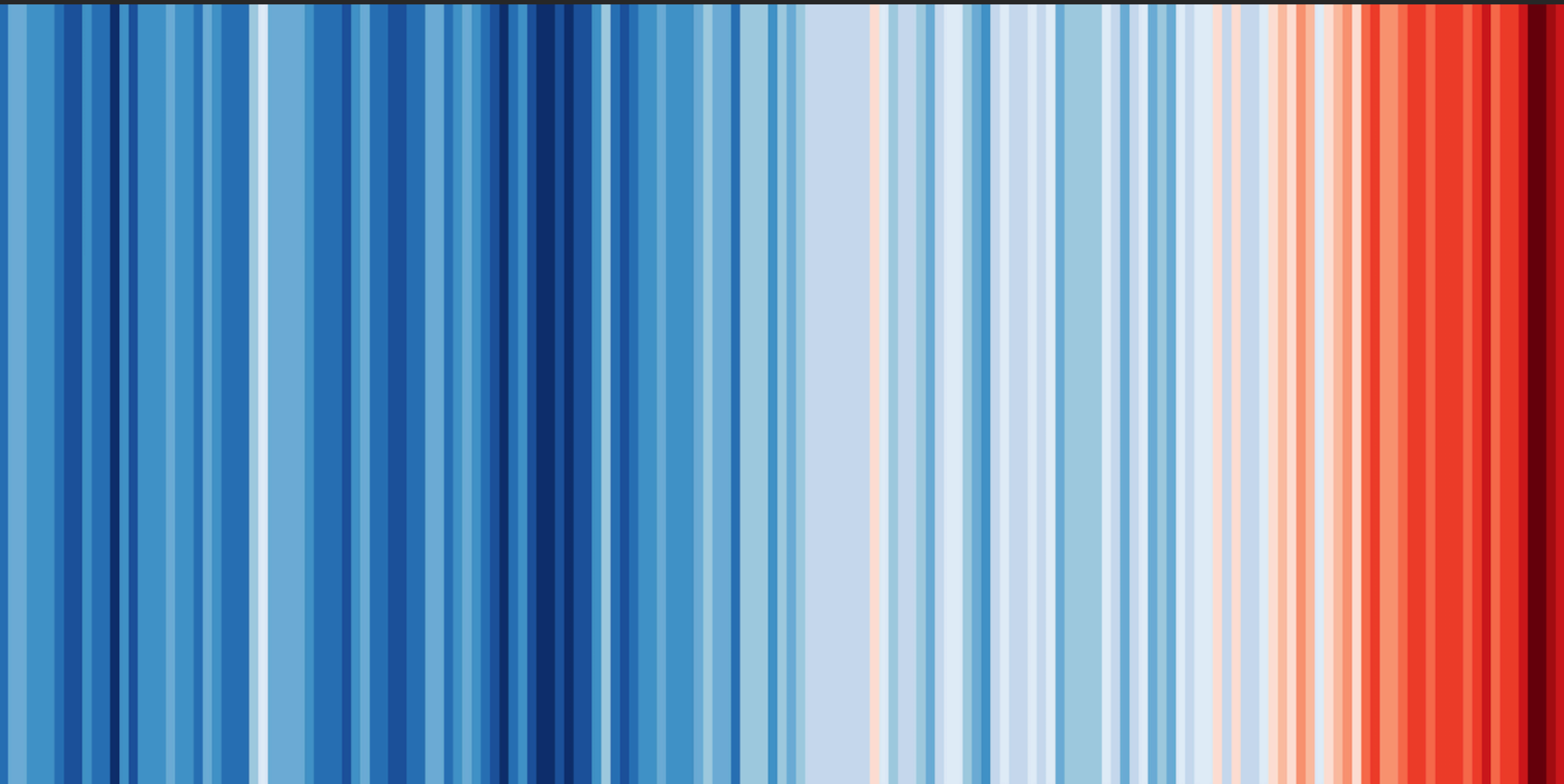


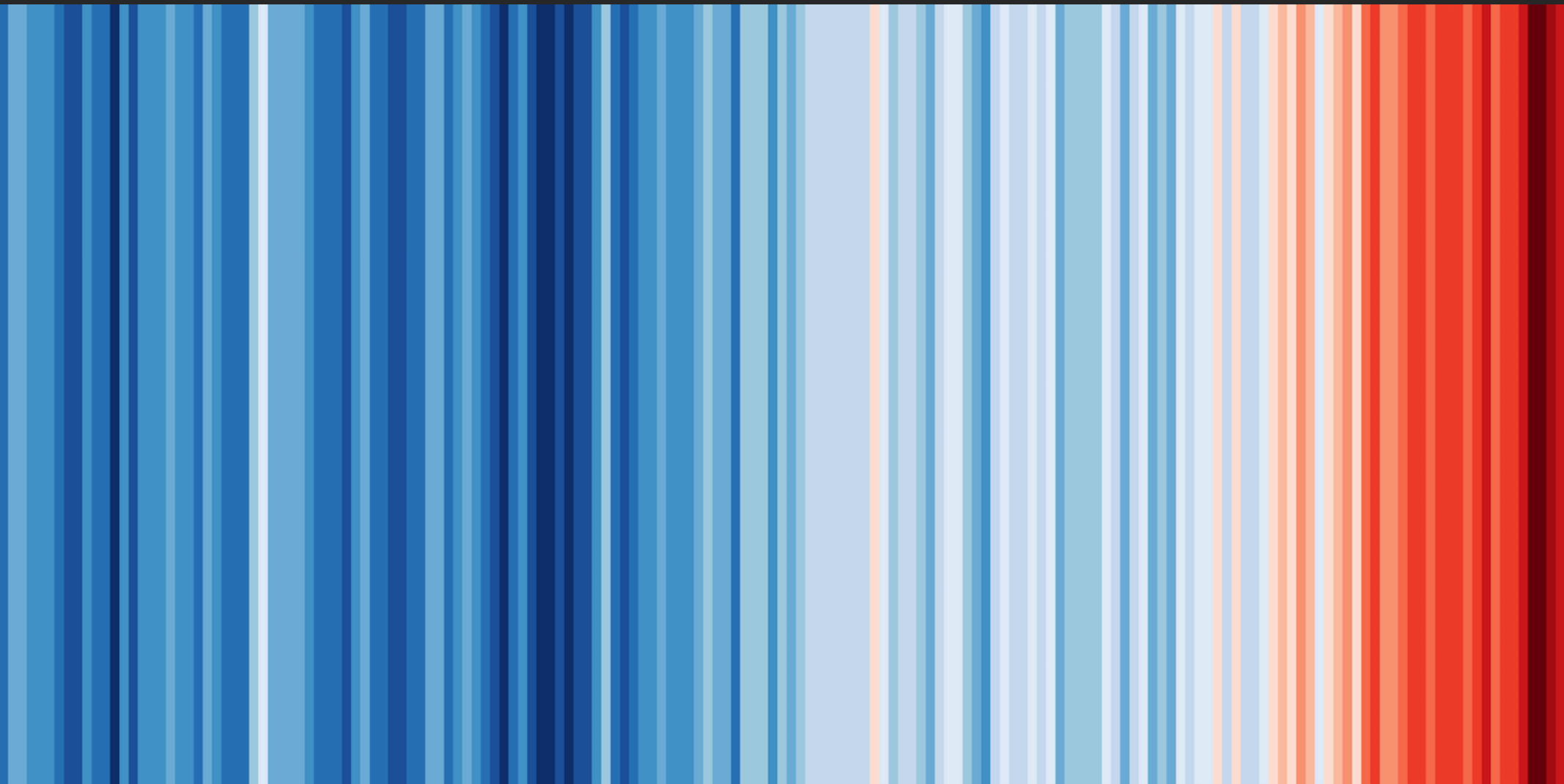
2020 INDUSTRY TRENDS— HOME PERFORMANCE, HVAC, SOLAR

Peter Troast, Founder & CEO

Energy Circle Webinar Series

December 18, 2019





Annual average global temperatures from 1850-2018
#showyourstripes



Adios and Fare-thee-well to Mike Rogers



By Peter Troast | December 19, 2018

The cause of better homes and better contracting businesses lost its biggest champion yesterday. Our colleague and friend Mike Rogers succumbed to a horrible and rare form of cancer that appeared suddenly and acted swiftly. There is a hole in the universe today larger than the Grand Canyon that he loved so much.



An outsider looking in would say Mike was an enigma—a policy/industry visionary, incredibly exact person in business, and utter goofball. He didn't care much what people thought, or perhaps he knew that no amount of 2AM barroom floor yoga would ever confuse his stature or life's accomplishments.

He coined HTFU—harden the fuck up—which I hadn't heard about until he was sick, and certainly became a rallying cry for his battle. But he lived that even before, and most impactful for me were the high standards, precision and fervor with which he approached business life. It was not always easy working with him, but he was typically right and the standards he held all of us to were

high.

It would be hard to identify another person who contributed more to the idea of home performance. Others knew better his history at EPA and DOE where he conceived the



2020 Trends: The Buckets

- 1 New Services/Technology/Markets**
- 2 The Role of Policy**
- 3 Demand Generation**
- 4 Evolving Customer Preferences**
- 5 The Business of Contracting**



NEW SERVICES, TECHNOLOGY & MARKETS

Heat Pumps

Electrification

Healthy Homes

Ventilation

Storage & Backup Power

Growing Demand for Electrification

Vox

RECODE EXPLAINERS THE HIGHLIGHT FUTURE PERFECT THE GOODS POLITICS & POL

The key to tackling climate change: electrify everything

By David Roberts | @drvox | david@vox.com | Updated Oct 27, 2017, 8:48am EDT

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(Shutterstock)

Tackling climate change is a complicated undertaking, to say the least. But here's a good rule of thumb for how to get started:

Electrify everything.

The New York Times

Opinion

Your Gas Stove Is Bad for You and the Planet

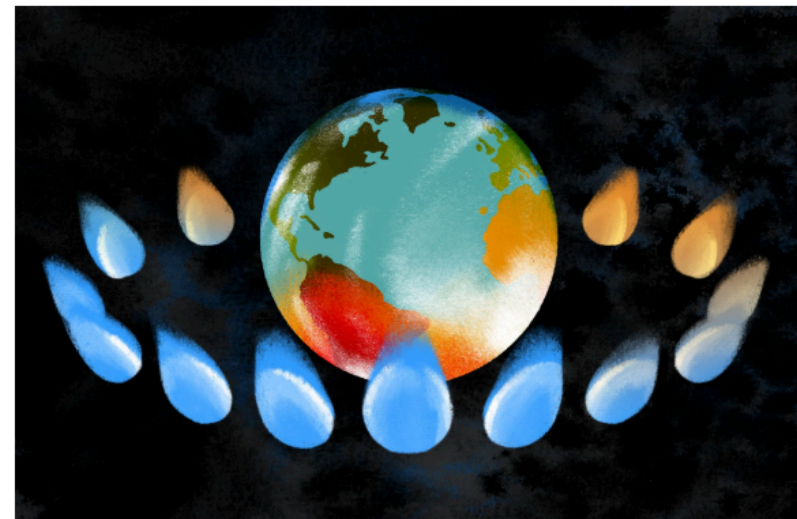
To help solve the climate crisis, we need to electrify everything.

By Justin Gillis and Bruce Nilles

Mr. Gillis is a former New York Times environmental reporter and a contributing opinion writer. Mr. Nilles is a managing director at Rocky Mountain Institute.

May 1, 2019

f t e r b 796



Angie Wang

OAKLAND, Calif. — We have some good news that sounds like bad news: Your gas stove has to go.

Whole House Electrification

\$30,000

Grid & Utility Instability—Our Friend?

GENERAC | 60 YEARS

Grid Instability is Increasing

Outage Data

- | 510 million outage hrs. in US June 2019 LTM
- | Aging Grid at capacity – beyond 50+ year life*
- | \$673 billion investment needed to enhance Grid*
- | Outage frequency & duration are both increasing
- | Aging population dependent on power
- | California/PG&E “Creating outage events”
- | *ASCE (American Society of Civil Engineers April 2019 report & Report card)

28% CAGR
since 2014



Generac Investor Presentation Sept 2019



THE ROLE OF POLICY

State/City Climate Change Goals

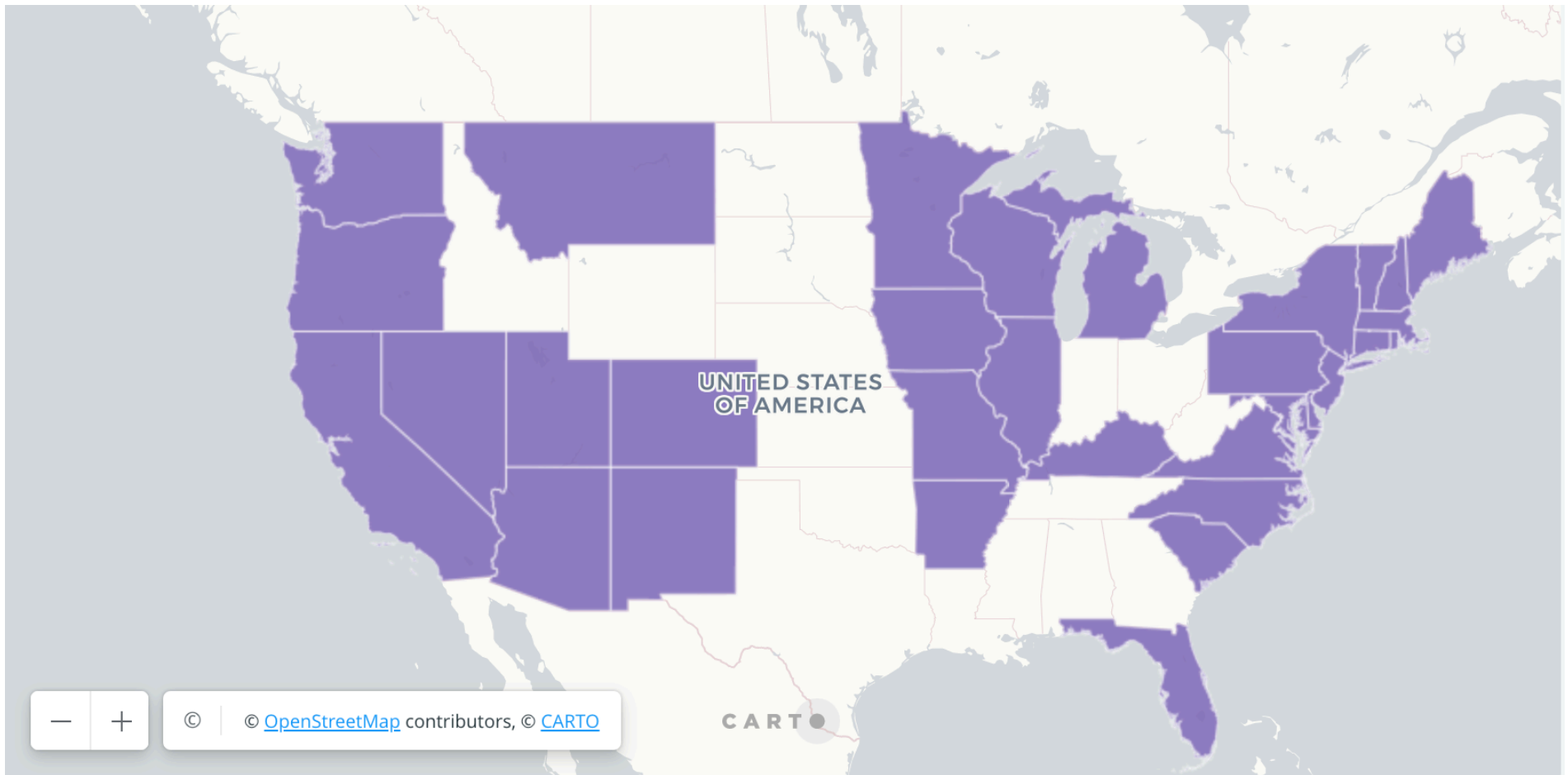
Solar Tax Credits

Explosion of Community Solar

California & Solar

Where is Building Retrofit Policy?

Climate Action Goals—What's the Impact on Us?



City of Seattle: Carbon Neutrality by 2050

And the Answer IS ...

Total Installation Cost	\$3,217,559,698
Admin/Overhead	20%
Admin/Overhead Cost	\$643,511,940
Total Cost	\$3,861,071,637
Average Cost per Home	\$19,183
Average Cost per Home/Year	\$1,918

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How Much Work Is This?

- 346 finished homes per week
- 70 per day
- About 2,000 active projects at any given time
- 8,000 gas furnace converted per year
- 10,000 attics insulated per year

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Bruce Manclark

Sr Business Intelligence Consultant

CLEAResult

BECC Conference 2019



DEMAND GENERATION

Risks of Outsourced Lead Generation

Continued Decline of Purchased Leads

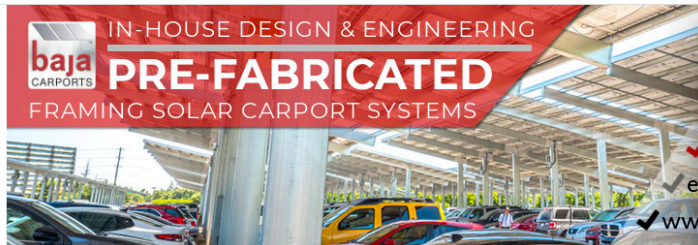
Google vs Your Brand

Harder, Riskier to Outsource Lead Gen

Solar
Power World



TOP SOLAR CONTRACTORS SOLAR+STORAGE SOLAR ARTICLES ▾ PRODUCTS ▾ LEADERSHIP ▾ SUBSCRIBE SOLAR RESOURCES ▾



How relying on purchased leads is endangering your solar business

By SPW | August 31, 2017



By Peter Troast, founder and CEO of software and marketing company Energy Circle

An original version of this article was first published on *Peter's*



Google

furnace repair contractor sacramento ca

All Maps Shopping News Images More Settings Tools

About 224,000 results (0.43 seconds)

Heating maintenance - 50+ HVAC pros serving Sacramento

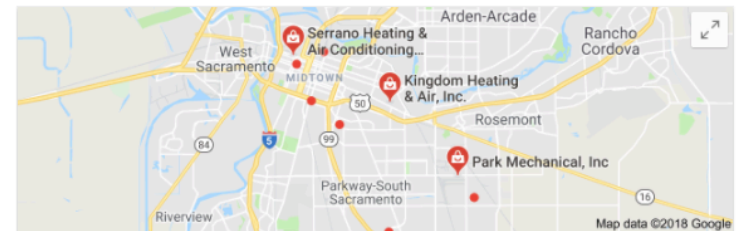
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The Real Challenge

The Google logo is displayed in its characteristic multi-colored font: blue 'G', red 'o', yellow 'o', blue 'g', green 'l', and red 'e'.

VS

YOUR COMPANY BRAND



EVOLVING CUSTOMERS

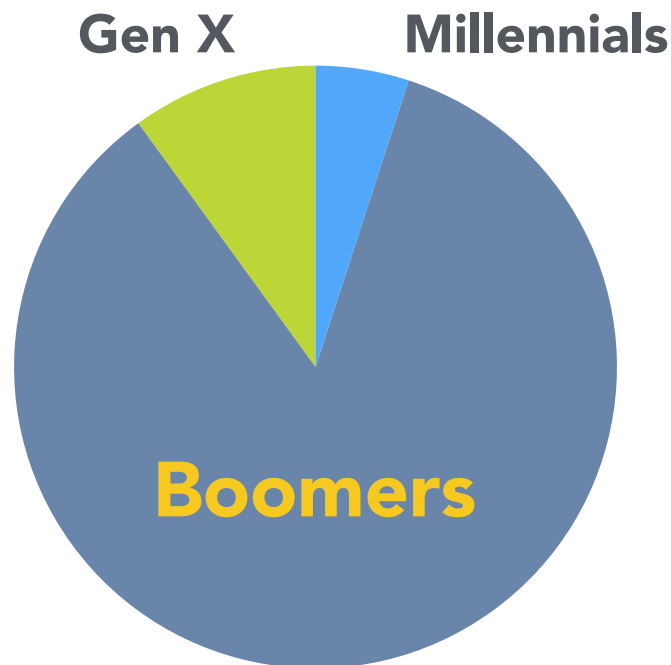
Who's Buying What We're Selling?

New Standards for Good Companies

Demand for Pricing Transparency

High Performance Home Buyers

AGE DEMOGRAPHICS



OTHER CATEGORIES

Academics

Technologists (Engineers, Medical, Technology, Software)

Upscale/Wealthy

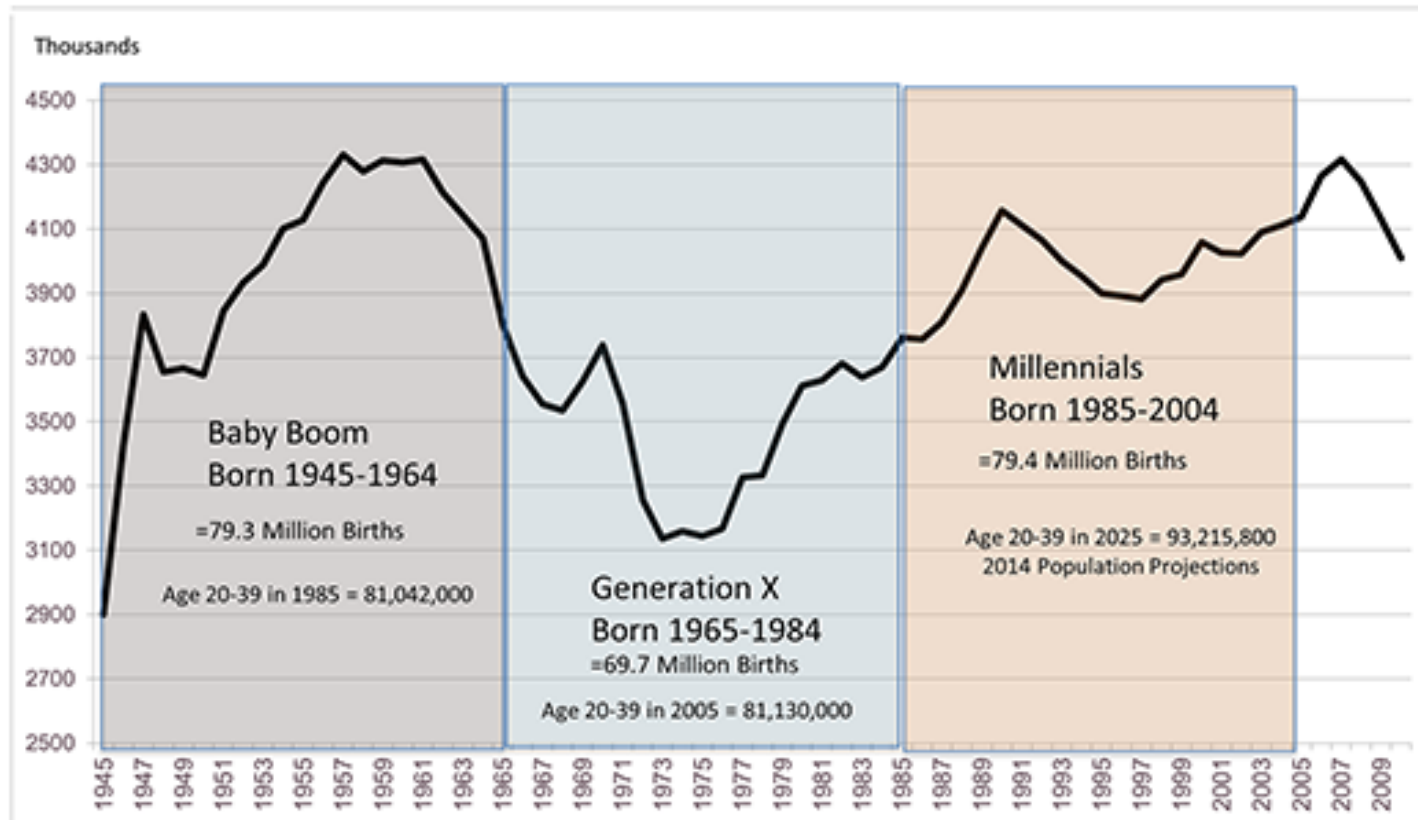
Green/Left Leaning

Health Focused

First Home

Waiting for the Millennials

Figure 1: Annual Births in the US: 1945-2010



Harvard Joint Center on Housing Studies

Millennials & Home Services

Technology Driven

Knowledgeable

Green Leaning

More about the Contracting Experience

Sweet Spot for the "Performance Contractor?"

Forbes Billionaires Innovation Leadership Money Business Small Business Lifestyle Lists Advisor Featured Breaking More Q

EDITOR'S PICK | 31,570 views | Aug 31, 2019, 06:30am

How Millennials Are Revolutionizing The Home Buying Process

Megan Gorman Senior Contributor
Personal Finance
I write about achieving wealth and how it intersects with our lives.

f
t
in

Couple with keys to new home GETTY

There is a seismic shift in the real estate market and it's all due to the Millennial generation.

"Millennials have represented the largest share of the home buying market for the past five years in a row with the 2018 share at 36%."

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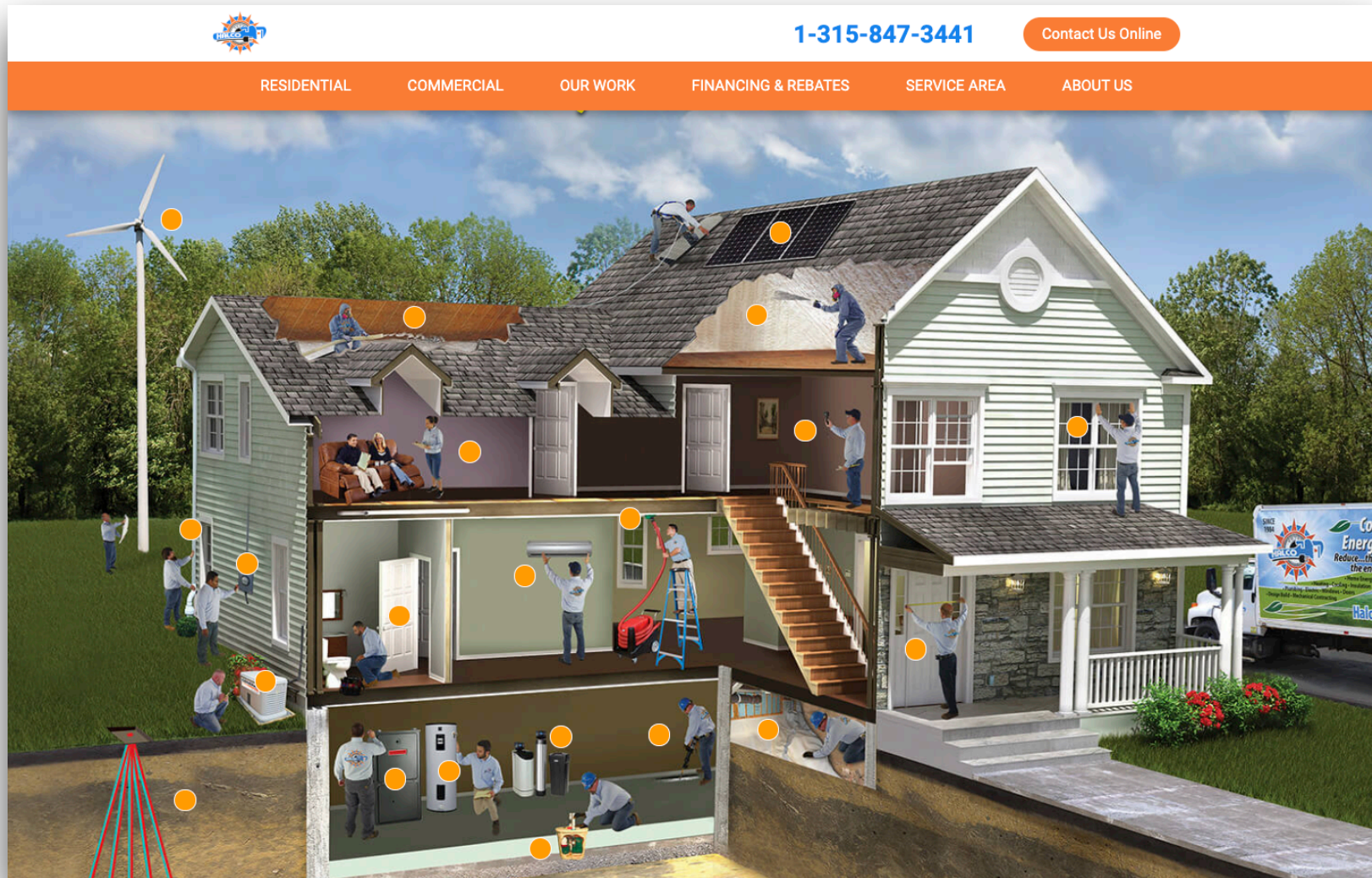
BUSINESS OF CONTRACTING

Recruiting—No Relief in Sight

Integrated Contractor Models

The Digital Imperative

Integrated Contracting Business Model



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Thank You! Questions?

- 1 **New Services/Technology/Markets**
- 2 **The Role of Policy**
- 3 **Demand Generation**
- 4 **Evolving Customer Preferences**
- 5 **The Business of Contracting**

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