INNOVATIONS AND LESSONS FROM ZERO **NET ENERGY HOUSING** By SEAN ARMSTRONG, MICHAEL WINKLER and GREG PHOTENHAUER of REDWOOD ENERGY

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PROJECT MANAGER/BUILDING SCIENTIST SEAN ARMSTRONG



- Volunteer and C-Director with a near-NZE demonstration home at Humboldt State 1995-2015 –solar and wind installations, pedal power, permaculture
- B.S. in Natural Resources Conservation ('00), Student Activist of the Year, and a short career as science teacher 2003-04
- Project Manager for entitling and designing market rate and affordable housing: 2005-2011
- Founded Redwood Energy in 2011 to help power affordable housing with renewable energy and edible, child friendly landscaping
- Co-Founded a CSA ranch specializing Kunekune pigs

RENEWABLE ENERGY ENGINEER MICHAEL WINKLER





- B.S. in Environmental Resources
 Engineering and Physics
- Technical Lead for the world's first cell phone system by Motorola
- Telecommunication software engineer 1980s-1995
- Hydrogen Fuel Cell Engineer
 Engineer 1999-2009
- Redwood Energy: Renewable
 Energy Engineer, Certified Energy
 Analyst, HERS Rater and LEED
 Green Rater 2011
- Arcata City Council from 2008and Mayor

WHAT IS MEANT BY "ZERO NET ENERGY?"





- AB 32 necessitates "Net Zero Carbon" buildings to get 80% below 1990 GHG emissions. NZE is a proxy for NZC.
- Net Zero Energy residences produce 100% of energy used on-site each year with on-site renewables.
- All-electric with solar electric offsets: i.e. no on-site combustion of dinosaur-era fossil fuels per California's Build It Green Program, the International Living Building Challenge, and President Obama's Energy Initiatives of 2009 and 2013)
- DOE and CPUC currently include natural gas in their ZNE definitions.

FIRST 50% NZE EFFORTS USED GAS



2006: COURTYARDS OF ARCATA II and III,
Arcata—36 apartments and 9 townhomes designed as 50% NZE. Danco
Communities



2007: SOLARA, Poway—56 family apartments designed as 50% NZE. Community Housing Works

Lessons: VNM billing is easier, people usually overstate NZE when gas is used 5

WHY IS THE USDA A PLACE OF ZNE INNOVATION AND LESSONS?

- In 2009, President Obama issued his first Energy Initiative called for ZNE design in Federal Buildings
- Later in 2009 the USDA Rural Housing division modified their funding application in 2009 to award competitive points for their funding for projects committing to LEED Platinum, ZERH and Zero Net Energy
- In 2013 the USDA/EPA/CEC gave permission to Redwood Energy to modify the algorithms to reflect innovations if we monitored and shared the results
- In 2014 the USDA implemented the 2007 Energy Independence Act by awarding points for storing an additional 5% of energy

SECONDARY FUNDING COMES FROM TENANTS A CALIFORNIA UTILITY ALLOWANCE CALCULATOR (CUAC) BASED UTILITY ALLOWANCE

Allowances for Tenant-Furnished
Utilities and Other Services

Generated by TCAC Approved California Utility Allowance Calculator (CUAC)

Original Submittal

 Software Version Date:
 12/22/2010

 Lookup Tables Version Date:
 8/11/2011 2:31:00 PM

 Print Timestamp:
 2/25/2013 2:05:51 PM

| Property Address: | Developer Signature: | CUAC Project ID*: |
|--|---------------------------------|-------------------|
| Farmers Central Road and Pioneer Avenue | Qualified Consultant Signature: | 4 |
| Locality: | Unit Type: | Date: |
| Woodland | Affordable Housing | 2/25/2013 |

| | | Monthly Allowance | | | | | | |
|-----------|--------------|-------------------|--------|--------|--------|--------|--------|--------|
| Utility o | r Service | 0 Bdrm | 1 Bdrm | 2 Bdrm | 3 Bdrm | 4 Bdrm | 5 Bdrm | 6 Bdrm |
| Heating |) | | | | | | | |
| | Electric | | \$0.17 | \$0.38 | \$0.55 | \$0.67 | | |
| | Natural Gas | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | |
| Cookin | g | | | | | | | |
| | Electric | | \$0.64 | \$0.62 | \$0.60 | \$0.64 | | |
| | Natural Gas | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | |
| Lighting | 9 | | | | | | | |
| | Electric | | \$0.40 | \$0.41 | \$0.43 | \$0.49 | | |
| Other | | | | | | | | |
| | Electric | | \$1.62 | \$1.60 | \$1.58 | \$1.75 | | |
| | Natural Gas | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | |
| Air Cor | ditioning | | | | | | | |
| | Electric | | \$0.17 | \$0.17 | \$0.14 | \$0.17 | | |
| Water | Heating | | | | | | | |
| | Electric | | \$1.50 | \$1.30 | \$1.19 | \$1.19 | | |
| | Natural Gas | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | |
| Water | | | | | | | | |
| | Water | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Sewer | | | | | | | | |
| | Sewer | | | | | | | |
| Trash | | | | | | | | |
| | Trash | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Rental | | | | | | | | |
| | Microwave | | | | | | | |
| | Refrigerator | | | | | | | |
| | | | | | | | | |

Tool Version: 12/22/2010

Lookup Table Verion: 8/11/2011 2:31:00 PM **Printed Timestamp:** 2/25/2013 2:05:54 PM

Project Name: Woodland - Mutual Housing at Spring Lake Phase I
Site Address: Farmers Central Road and Pioneer Avenue, Woodland

Site Contact: Holly Wunder-Stiles

Electric Utility: PG&E Electric Territory: S - Electric

Gas Utility: No Gas Gas Territory: All

Tariff Type: Standard Affordable Housing ✓

Utility Allowance Calculator Results

| Monthly Usage (\$/month) | | | | | | | |
|--------------------------|---------------|--------------|----------|--------|--------|--------|--------|
| Apartment Type | Units | | Electric | Gas | Water | Trash | Total |
| | Aff. Hous. | Mkt. Rate | | | | | |
| One Bedroom | 12 | 0 | \$4.50 | \$0.00 | \$0.00 | \$0.00 | \$4.50 |
| Two Bedroom | 20 | 0 | \$4.50 | \$0.00 | \$0.00 | \$0.00 | \$4.50 |
| Three Bedroom | 22 | 0 | \$4.50 | \$0.00 | \$0.00 | \$0.00 | \$4.50 |
| Four Bedroom | 8 | 0 | \$4.91 | \$0.00 | \$0.00 | \$0.00 | \$4.91 |

I attest that the inputs to the Project Specific Utility Allowance Calculator are accurate.

| | Energy Consultant | Project Owner | | |
|-----------|-------------------|---------------|--|--|
| Signature | musul White | | | |
| Name | Michael Winkler | | | |
| Title | Energy Analyst | | | |
| Company | Redwood Energy | | | |
| Date | 02/25/2013 | | | |

FINANCING NZE WITH CUAC UTILITY ALLOWANCES: \$1,300,000 LARGER PERMANENT LOAN BUILDS BETTER FARMWORKER HOUSING

Mutual Housing at Spring Lake, Woodland, CA 2013
100% NZE, DOE Challenge Home, LEED Platinum, NAHB Emerald, Green Communities



| Amount and Size of Units | Utility Allowances: HA vs. CUAC | Additional Rental Revenue with CUAC |
|---|------------------------------------|-------------------------------------|
| 12 units 1 Bed | \$90 vs. \$5 | \$12,240 |
| 20 units 2 Beds | \$112 vs. \$5 | \$25,680 |
| 22 units 3 Beds | \$146 vs. \$5 | \$37,224 |
| 8 units 4 Beds | \$181 vs. \$5 | \$16,896 |
| \$92,040/year is equivalent to a \$1.3M loan at 3%. | Annual Total Revenue | \$92,040 |

LESSONS: ZERO NET ENERGY MAY "JUST" BREAK EVEN, BUT PROVIDE A STAND-OUT BETTER PROJECT

Danco Builders Cost Analysis for Net Zero Energy Construction vs. 15% Above T24 Code:

\$12,582/unit, no net debt increase

| Construction Items | C | Cost Change for NZE vs. 15% above Code | | |
|------------------------------------|----|--|--|--|
| High Performance Heat Pumps | \$ | 3,066 | | |
| HERS Commissioning | \$ | 259 | | |
| NZE Solar (after rebates) | \$ | 9,689 | | |
| Plumbing (heat pump 50 gal tanks) | \$ | (758) | | |
| Extra Insulation | \$ | 326 | | |
| Cost Per Unit | \$ | 12,582 | | |
| ZNE Project Cost (35 Units) | \$ | 440,370 | | |
| Increased Rents = Decreased | | | | |
| Utility Bills Results in Increased | \$ | 430,560 | | |
| Construction/Permanent Loan | | | | |



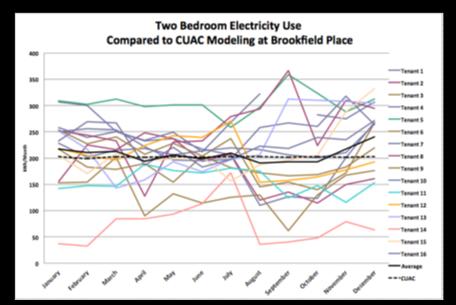
2013: CHURCHILL TOWNHOMES, Fortuna: 35 family apartments. Danco Communities

Lesson: NZE was close to costneutral, created best-in-theworld housing

LESSONS: ZNE IS EQUALLY A WAY OF LIVING AS IT IS ENERGY TECHNOLOGIES SOLUTION



ASTER PLACE, Eureka, 2012: Forty family apartments. 52% Net Zero Energy by design, 6 households live "Net Positive," 32 are Net Negative.





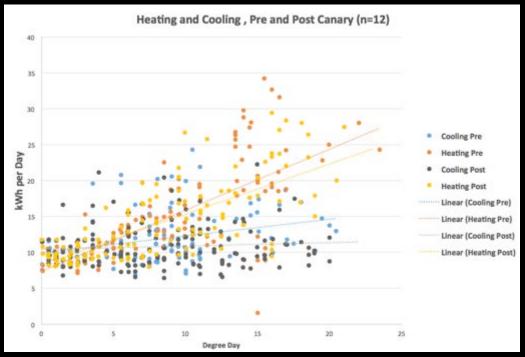
PLAZA POINT, Arcata, 2012: Twenty-nine senior apartments. 78% Zero Net Energy by design, 103% by performance. 14 households live Energy Positive, 15 are Net Negative.



Canary Instruments teach tenants about their energy use while data-logging

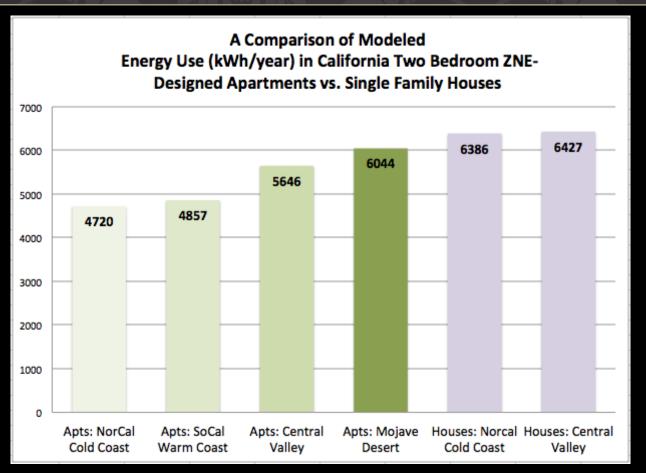
LESSONS: RESIDENT EDUCATION CAN CHANGE BEHAVIOR





- Huge variation seen in use demonstrates possibility of conservation
- Residents are taught their own installed solar energy budget with Canary Instruments
- A 5.6% reduction was seen in 2014 vs. 2015 Whole House loads, controlled for degree days

LESSONS: ZNE HOUSING CAN BE BUILT IN ALL CLIMATES, BUT HOUSES ALWAYS USE MORE ENERGY

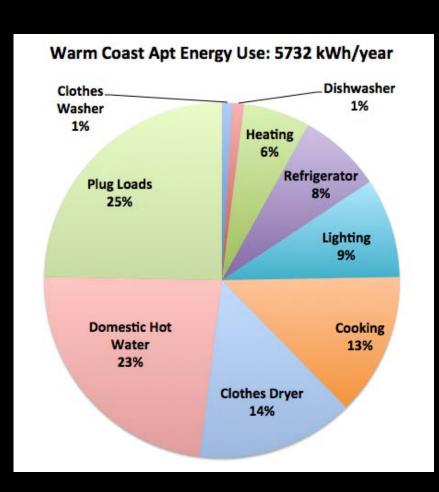


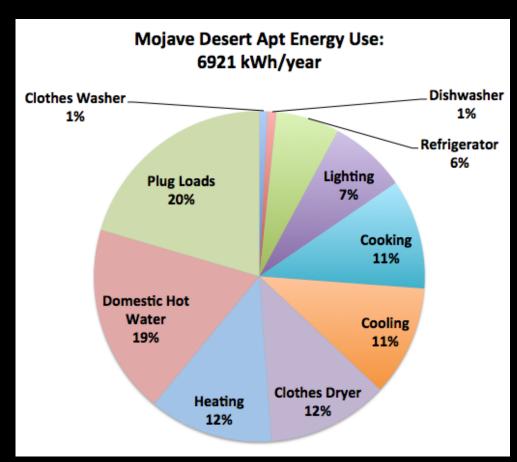


2014: COTTAGES AT CYPRESS, Fort Bragg: 25 houses that are 130%+ Net Positive after two years of operation. Danco Communities

Lesson: Houses use ~20-40% more energy than samesized Apartments in the same climate

LESSONS: PLUG LOADS, DHW AND BUILDING LAUNDROMATS ARE MORE IMPORTANT THAN HVAC IN EFFICIENT HOUSING





LESSONS: THERMAL BATTERIES ARE THE LEAST COST BATTERIES

2015 and 2016: VALLEY VIEW AND GREEN VALLEY HOMES, in Selma and Williams—48 and 40 farmworker houses with ~4kW/house (an in-house dryer would add 1.5kW). Solar thermal batteries with heat pumps are the least cost way to offset peak loads.



INNOVATIVE ENERGY GENERATION: ALL-ELECTRIC, COMBINED HVAC AND DOMESTIC HOT WATER







- Air conditioners can also efficiently create heat
- Daiken "Altherma" creates hot and cold water for HVAC and DHW
- As efficient as 50% solar hot water offset
- Recently installed in the Jolie-Pitt family residence in L.A.

LESSONS: CENTRAL HEAT PUMPS COST LESS TO BUILD, MORE TO USE



2015: CALISTOGA APTS, Calistoga— 48 farmworker apartments. Corporation for Better Housing



Lesson: Central HVAC/DHW is a least cost construction strategy, saving space and ~\$2000/residence, but pump energy and energy loss adds 2/3rds more total energy demand

INNOVATIVE LIGHTING: DIMMABLE SCREW-IN LEDS

| | Watts | Lumens | Life (hrs) | Efficiency (lumens per watt) | Estimated Yearly Cost (3 hr/day at \$0.11/kWh) | Savings over life of the bulb (versus 60-watt incandescent) |
|----------------------------------|-------|--------|---------------|---------------------------------|---|---|
| GE energy smart* | 13 | 800 | 25,000 | 62 | \$1.57 | \$129.22 |
| GE energy smart* | 13 | 825 | 10,000 | 63 | \$1.57 | \$51.69 |
| GE Bright from the Start™ CFL | 15 | 800 | 8,000 | 53 | \$1.85 | \$39.31 |

CREE brand 800 lumen, 3500 K (white)

High Efficiency 84 lumen/watt bulbs



VERY LOW IRRIGATION PLAYABLE, EDIBLE LANDSCAPING



Best Practice: Rolled gravel over soaker hose irrigated fruit trees

MUTUAL HOUSING AT SPRING LAKE: LESSONS IN WHO USES MORE ENERGY



- Virtual Net Metering with PGE billing dept allocates PV credits to tenants
- Solar Cost: 3kw to 5 kW/residence PV array, Average of \$11k/apt after incentive
- Efficiency Cost: average of \$8k/apt











DOE Selects Nonprofit for Housing Innovations Award

Mutual Housing California was selected by the DOE for a 2015 Housing Innovations Award. The nonprofit was honored for its Zero Energy Ready Home development, Mutual Housing at Spring Lake in Woodland, Calif.

The 62-apartments and townhomes for agricultural workers were chosen



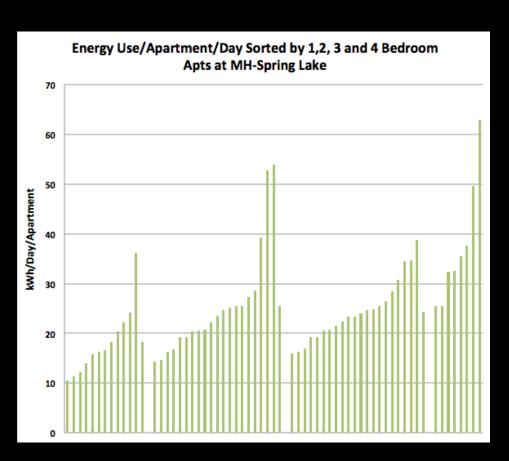
and affordable housing.

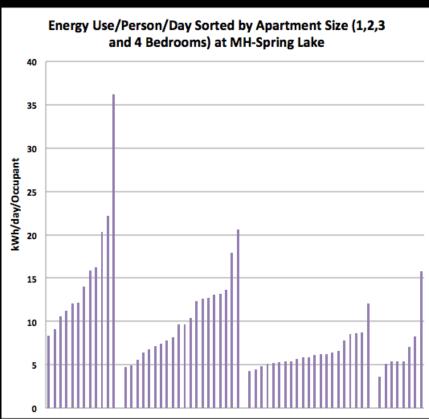
The DOE knows there is one chance during some construction to lock in critical performance measures that can take the homeowner experience to a new level of efficiency, comfort, health, and durability," a statement the DOE released said.

"But it will take housing industry leadership to provide this opportunity to all Americans. That's why DOE proudly recognizes Mutual Housing

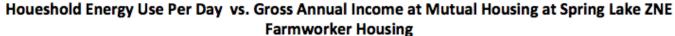


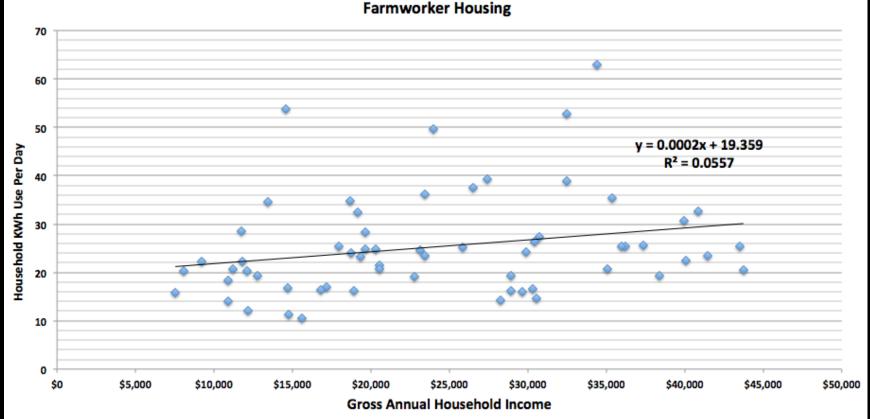
SMALLER HOUSEHOLDS USE LESS, BUT MORE PER PERSON





INCOME VERSUS CONSUMPTION: MORE MONEY = MORE USE





SHOW ME THE DATA

STUDY SITES



STUDY SITES



Valley Glen
Apartments, Dixon



Belle Manor, Lakeport



King Station, King City



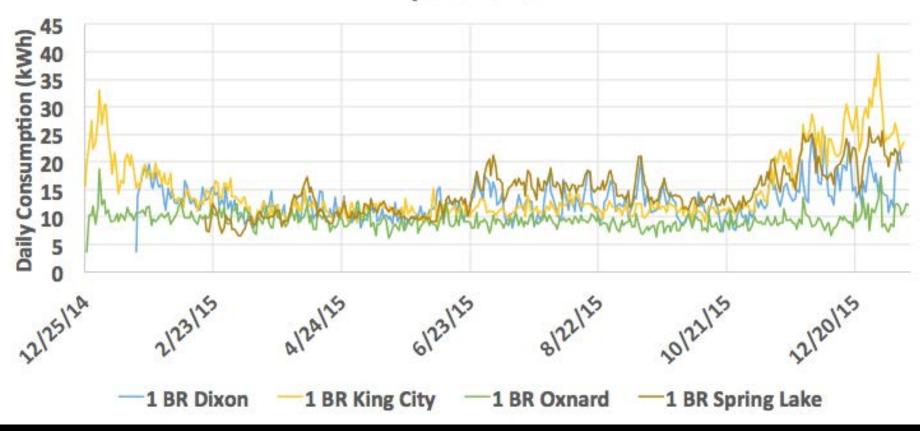
Mutual Housing at Spring Lake, Woodland



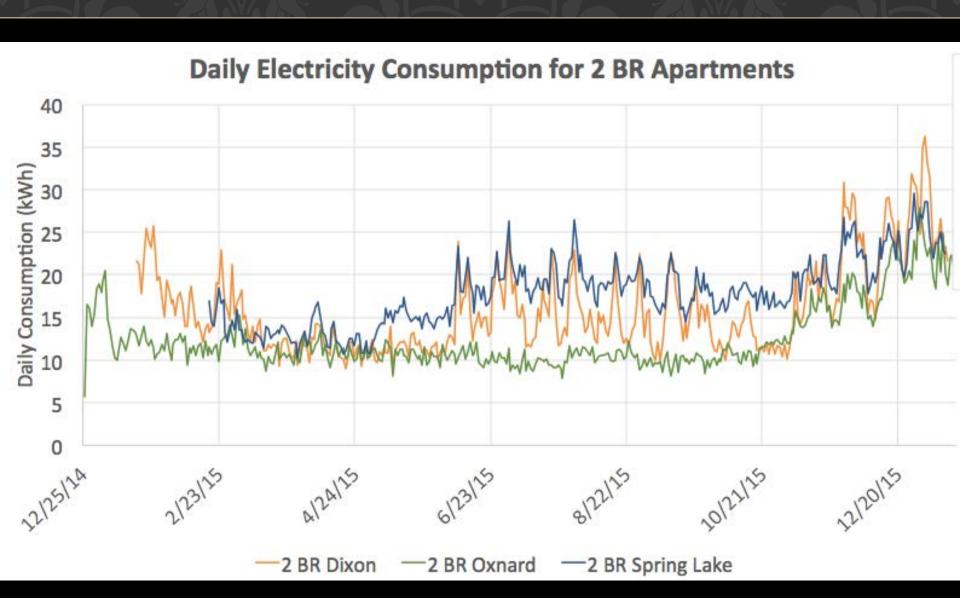
Colonial House, Oxnard

1 BEDROOM APARTMENTS

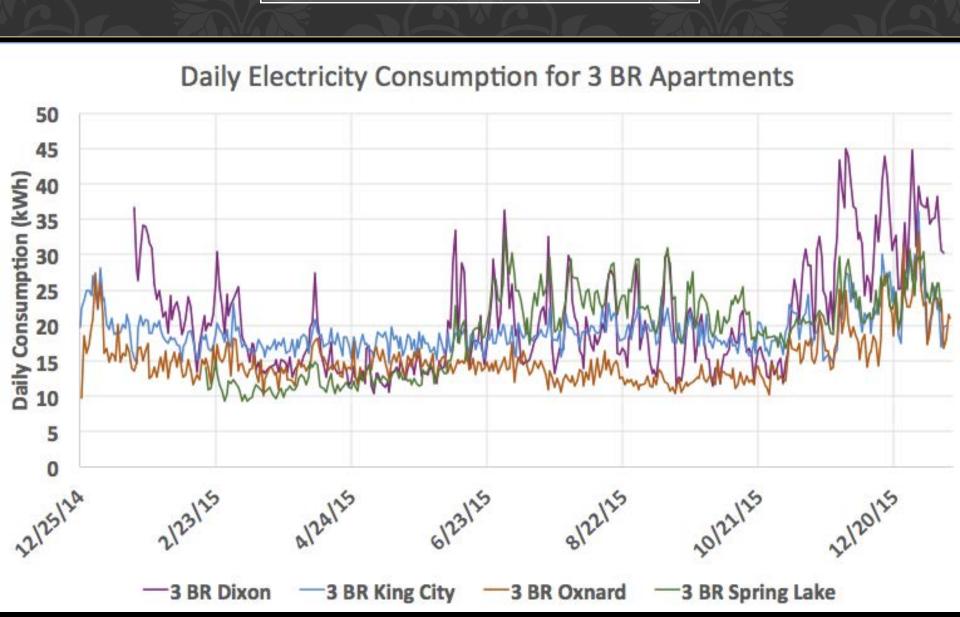
Daily Electricity Consumption Averages for 1 BR Apartments



2 BEDROOM APARTMENTS

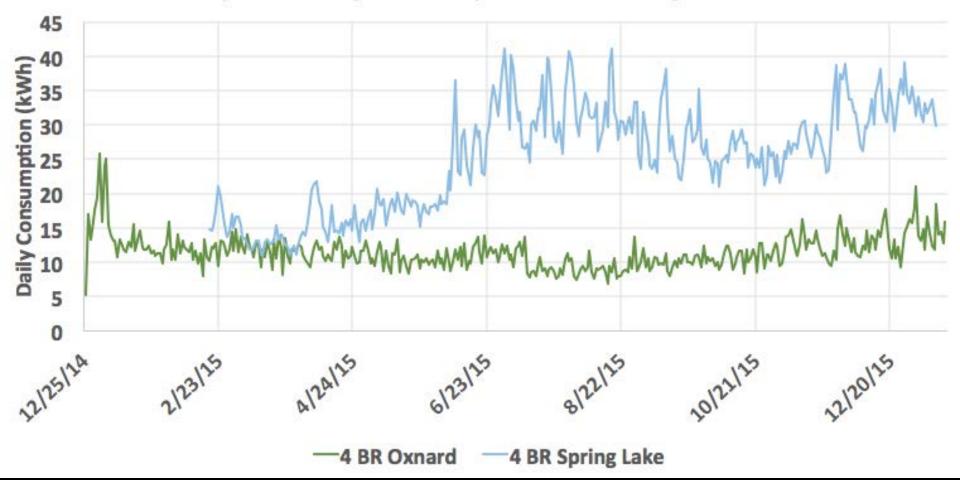


3 BEDROOM APARTMENTS



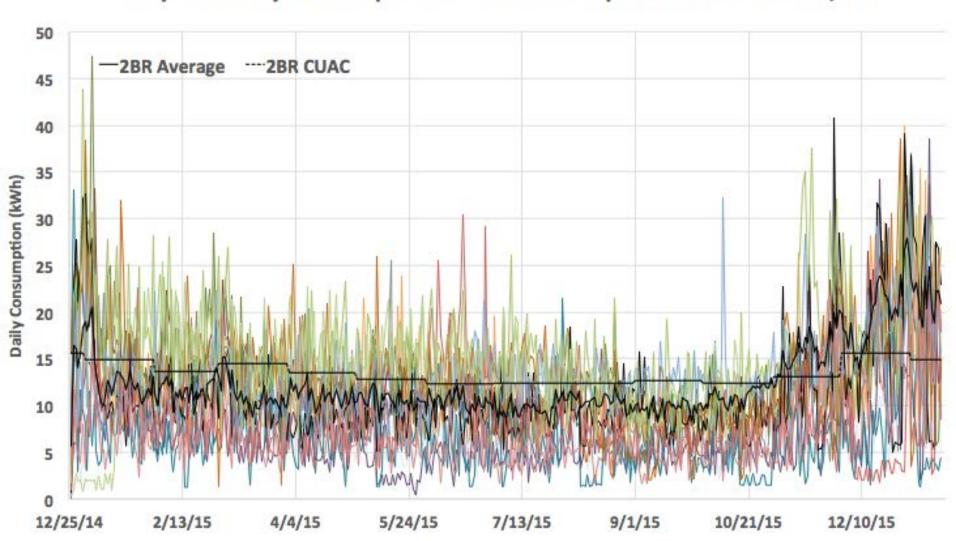
4 BEDROOM APARTMENTS





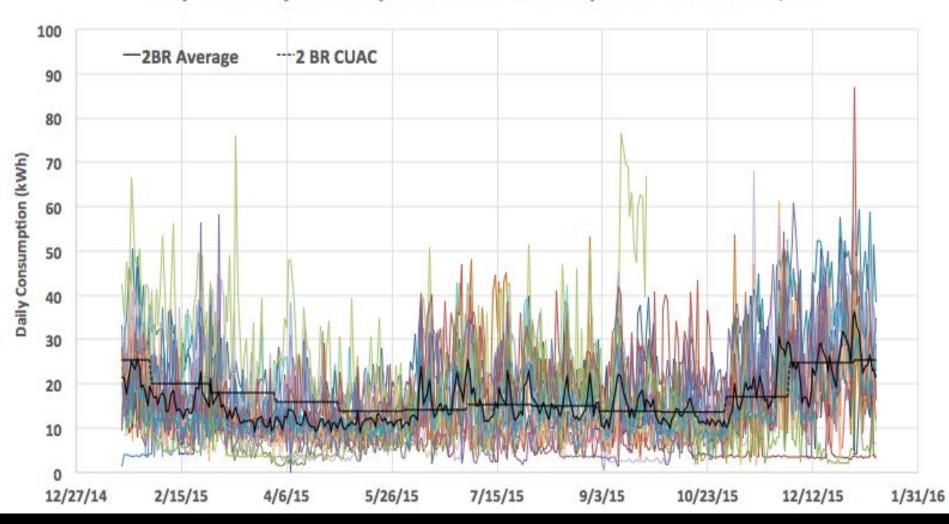
OXNARD 2 BEDROOM COMPARED TO WHOLE HOUSE MODEL

Daily Electricity Consumption in 2-Bedroom Apartments at Oxnard, CA



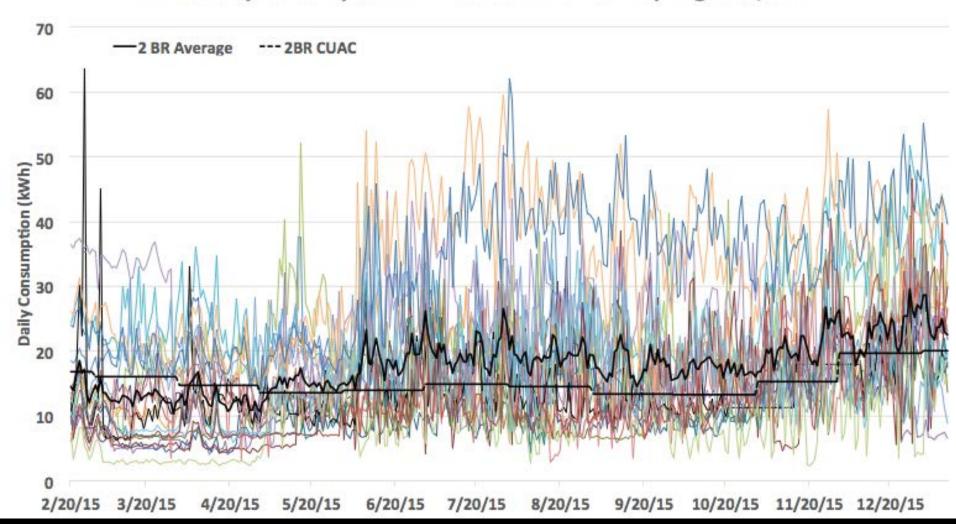
DIXON 2 BEDROOM COMPARED TO WHOLE HOUSE MODEL

Daily Electricity Consumption in 2-Bedroom Apartments at Dixon, CA

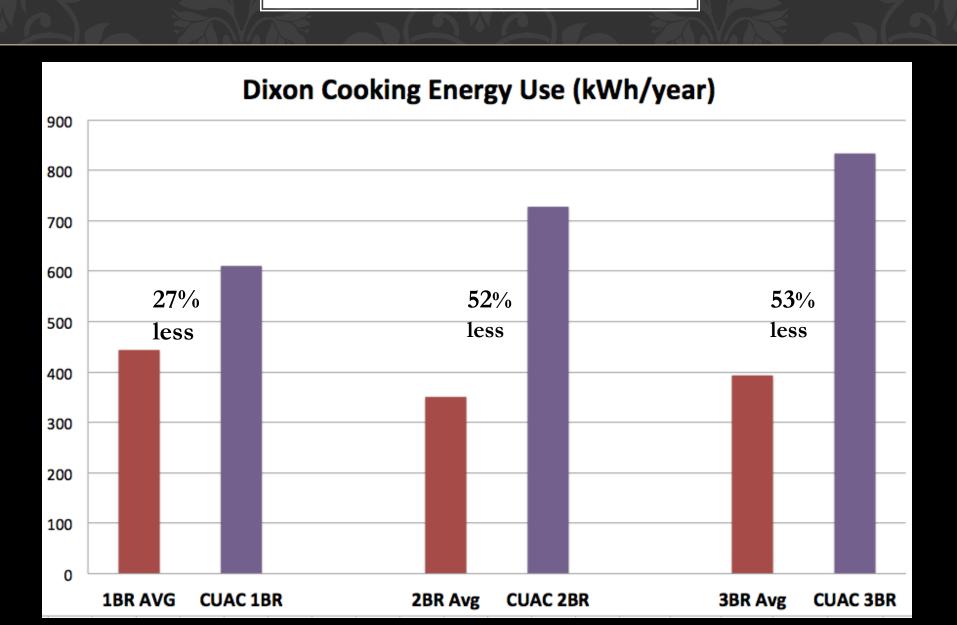


SPRING LAKE 2 BEDROOM COMPARED TO WHOLE HOUSE MODEL

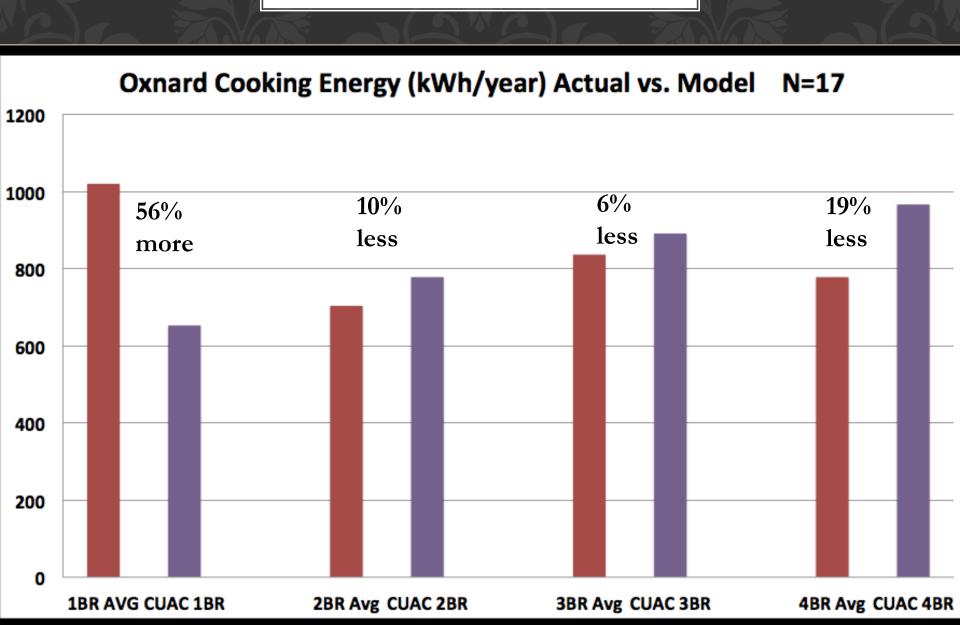
Electricity Consumption in 2-Bedroom Homes in Spring Lake, CA



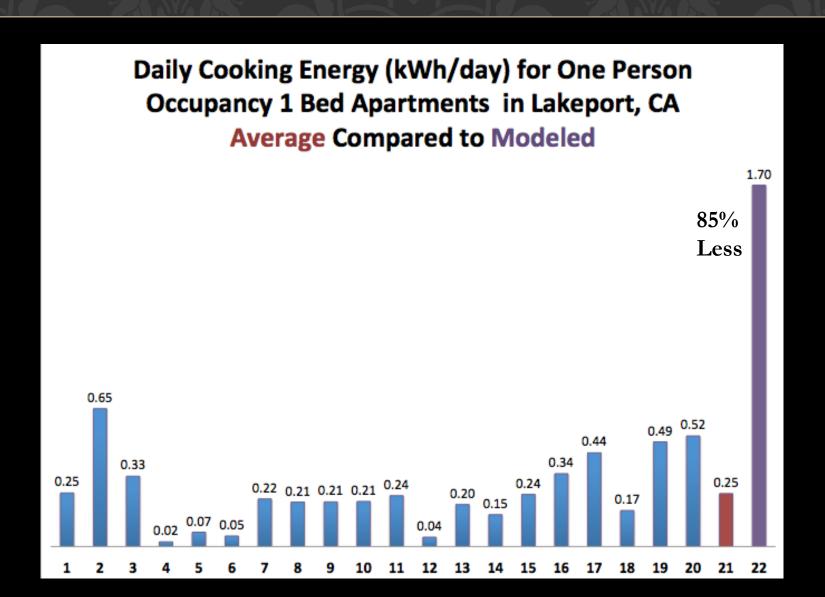
DIXON COOKING ENERGY: MODELED VS. ACTUAL



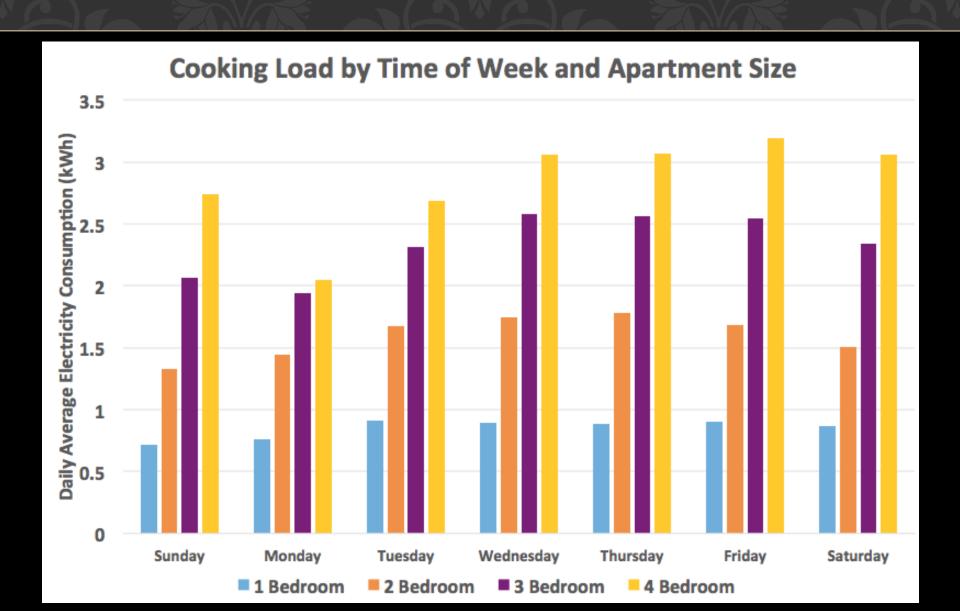
OXNARD COOKING ENERGY: ACTUAL VS. MODELED



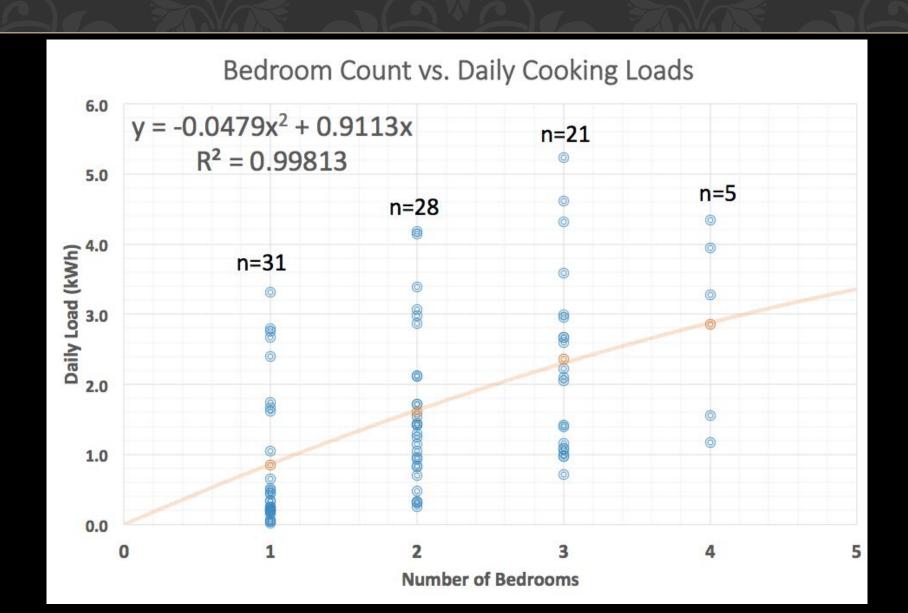
LAKEPORT COOKING ENERGY: MODELED VS. ACTUAL



DAILY COOKING LOADS

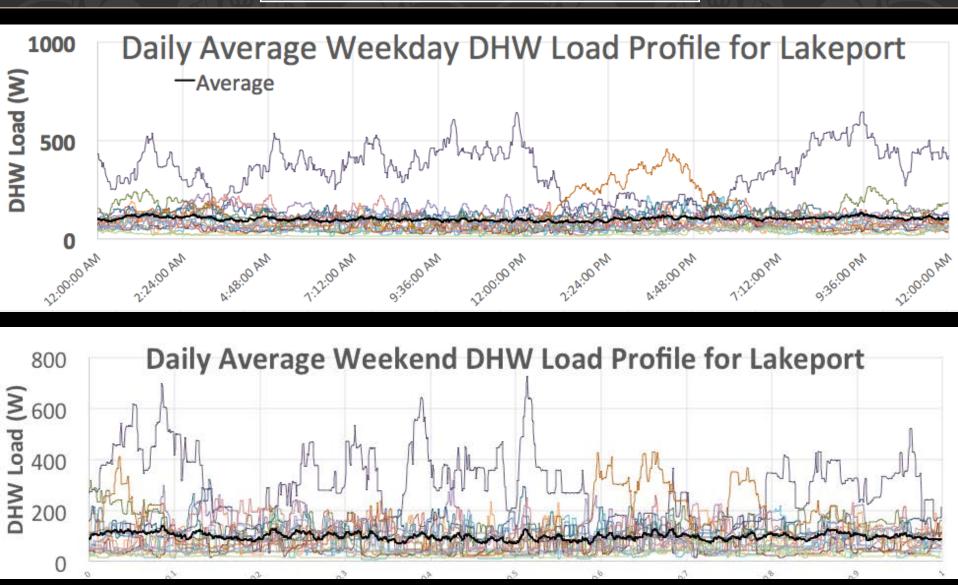


PROPOSED TITLE 24 COOKING ALGORITHM



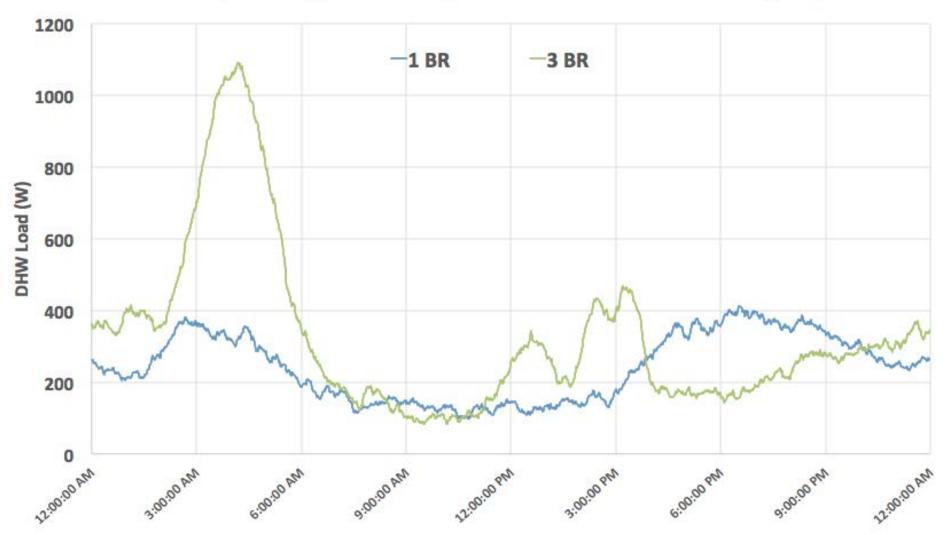
DOMESTIC HOT WATER DATA



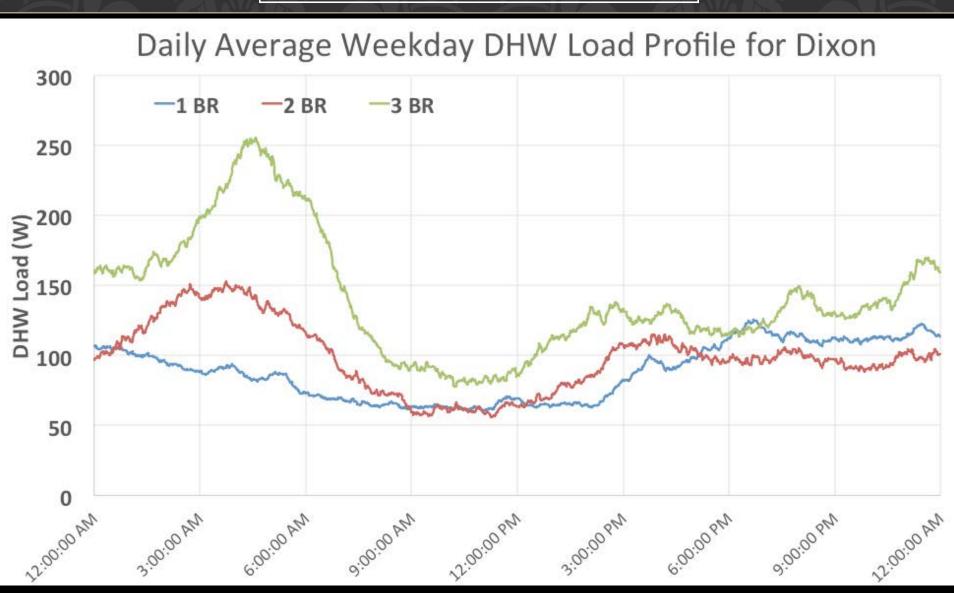


KING CITY DAILY USE: SIGNIFICANT DIFFERENCES BETWEEN HOUSEHOLD SIZES

Daily Average Weekday DHW Load Profile for King City

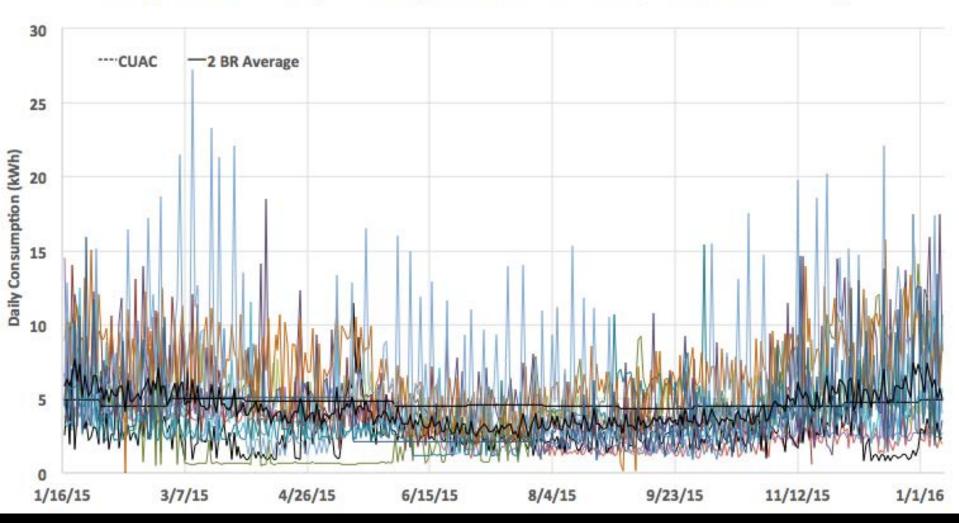


DIXON DAILY USE: DIFFERENT FOR EACH HOUSEHOLD SIZE

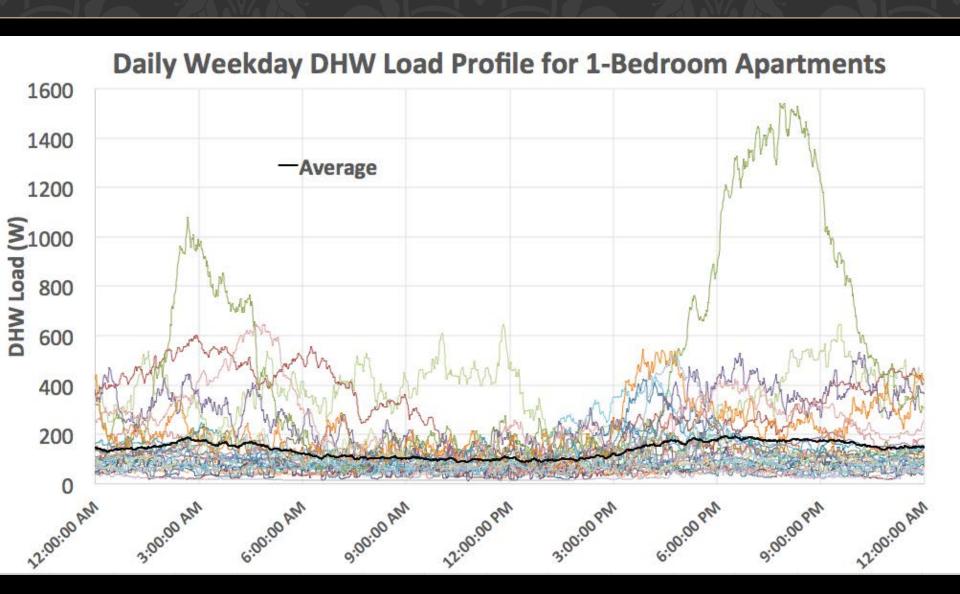


COMPARING TWO BEDROOM USE OF DHW TO THE MODEL

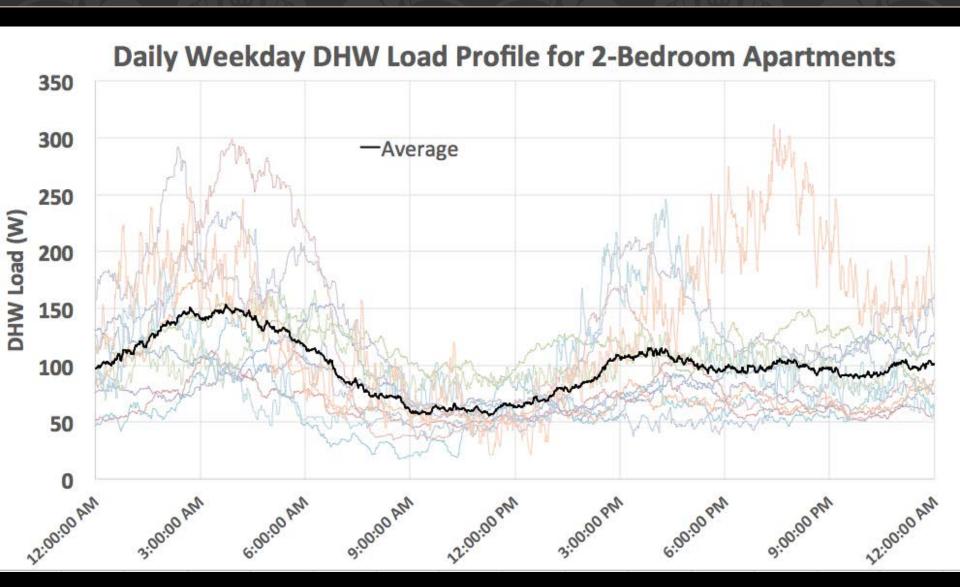
Daily DHW Electricity Consumption in 2-Bedroom Apartments at Dixon, CA



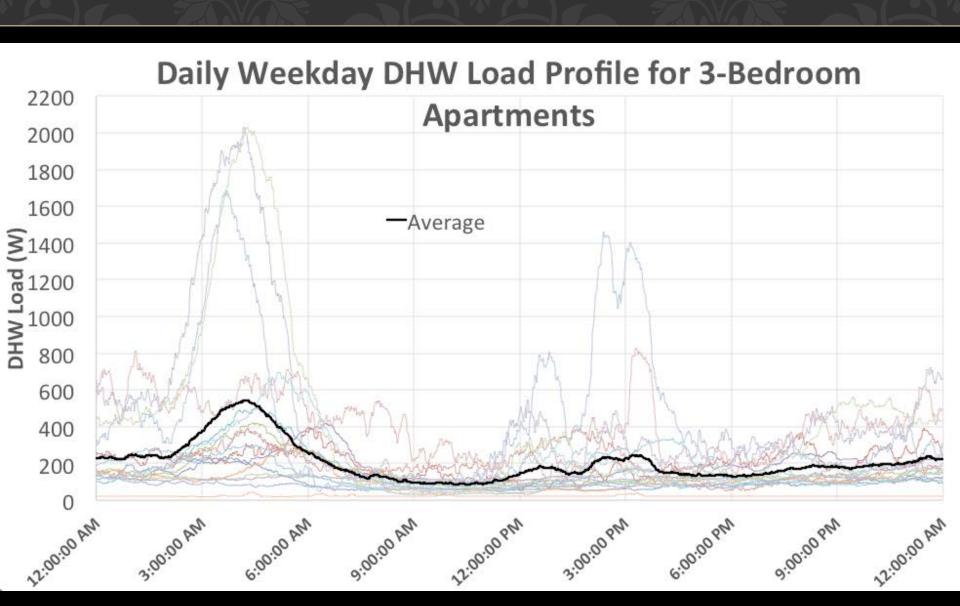
ONE BEDROOM LOAD SHAPE: FLAT



TWO BEDROOM LOAD SHAPE: BIMODAL

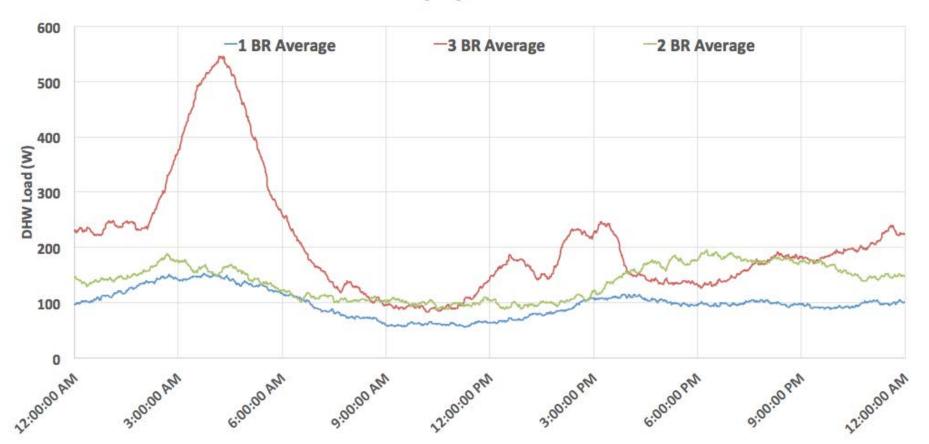


THREE BEDROOM LOAD SHAPE: STRONGLY BIMODAL



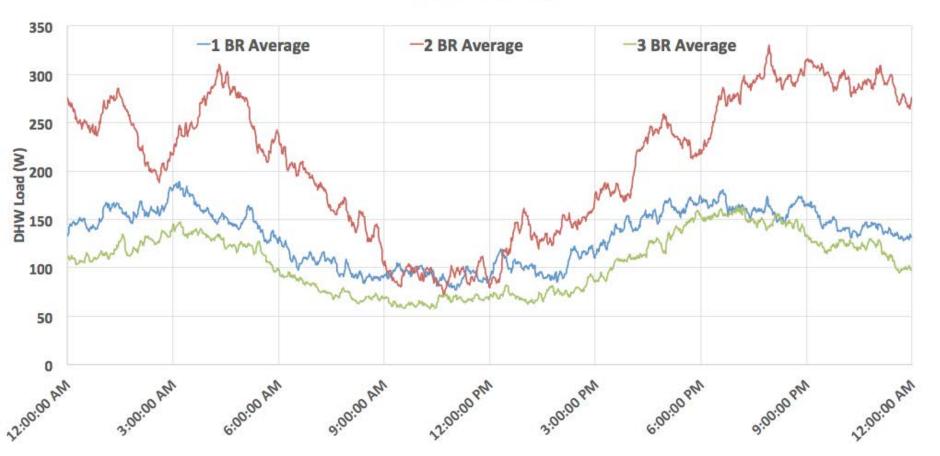
WEEKDAY LOAD SHAPE FOR EACH HOUSEHOLD SIZE

Daily Average Weekday DHW Load Profile for Lakeport, Dixon, and King City Apartments



WEEKEND LOAD SHAPE FOR EACH HOUSEHOLD SIZE

Daily Average Weekend DHW Load Profile for Lakeport, Dixon, and King City Apartments



MORE QUESTIONS?

