

KEARNEY GROUP

Nebraska Energy Office Focus Group
Kearney, Nebraska May 18, 1988

MODERATOR COMMENTS

I'm (name) from (town), Nebraska, I'm maintenance.

(name), (town), maintenance, 18 years.

(name), school board member in (town).

(name), school board member at (town).

(name), superintendent at (town).

(name), maintenance at (town).

(name), school board at (town).

(name), superintendent at (town).

(name), superintendent of schools at (town).

(name), board member (town) High School.

(name), superintendent at (town).

(name), I'm an elementary principal at (town).

(name), I'm maintenance supervisor at (town).

(name), school board member at (town).

(M) O.K. so you can kind of see, our goal turned out all right, we do have about a third from each of those areas, I never know when we do that. With that in mind, I'm going to start out asking you a series of questions and just jump in with your thoughts and ideas. First of all, I'd like to ask you about some specific programs that the Nebraska Energy Office has, have you ever read, seen or heard anything about the Nebraska Energy Efficiency School Loan Program? (Name's) nodding his head, o.k. How many of you, can you just raise your hands and I'll take a count here, so I can kind of get 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 of you, great, so you have some familiarity with that then. How many of you to your knowledge have applied for or received some type of funding with the Nebraska Energy Efficiency School Loan Program? How many of you have participated in the school loan program?

_____ clarification? I know we've done some things in our district, but would we have gotten letters, grants or anything from anyplace else you're aware of?

(M) Possibly. One of the things I want to know is your awareness of that term so there are a lot of different programs they have that you might have gotten funding for.

(new person came in) superintendent.

(M) So I was asking if (repeats question). How many of you to your knowledge have received some type of funding from the Nebraska Energy Efficiency School Loan Program?

Is this the only program they have that loans money, I don't know the name of this program or we have just applied for it.

Is this to include grant money as opposed to loan money?

(M) This would include loan money only at this point. I'll talk about grant money in a minute, but just loan money. Have any of you applied for the loan money? O.K. (Name), your school has. Anyone else?

This is the deal that you pay something for the engineering firm to come and go through the school? (yes) That's as far as we've started.

We're at that stage too.

(M) The next step of this then, there's a grant program where you can receive up to X amount of dollars to do the analysis and that...how many of you have gone through and done an energy analysis, done the grant program with an energy analysis? Quite a few of you, O.K. What can you tell me about the Nebraska Energy Efficiency School Loan Program? What comes to mind first, what do you think of?

It was sure a lot nicer when they gave you the money, when you didn't have to pay it back.

Yeah, they make you pay it back.

(M) I've heard that a couple of other times this week.

Pretty well rested up?

Is there any deficiencies on those loans, like the student loan or something?

(M) I don't know, I'd have to check. So you think about it in terms of being a loan program, is that correct? That it's something you have to pay back. How did you first learn about the program, thinking back, how did you become aware of either the grant program or the loan program. Let's talk about the programs in general at this point.

Mailings from the Department of Energy.

(M) O.K. Mailings? Anywhere else?

I think we have a new superintendent this year and I believe he had experience with it where he was before.

(M) O.K. So he was familiar from another school.

One of those companies came in to me and _____.

Yeah, that's right.

(M) The analysis firms that approached you.

As a board member through our administration.

They're supposed to be the smart guys who are supposed to know it all.

(M) That's their rule. Have any of you noticed any things in the newspaper or any press releases, anything of that nature?

In regards to...?

(M) The Nebraska Energy Office grants or loan programs.

For the schools?

Haven't really seen much on the loan program, where I work, I usually see that the school has applied for it and received it.

(M) O.K. that's the type of thing I'm talking about too.

After the fact, the action that has been taken has been publicized here.

(M) So you notice either in your school, you've put it in the newspaper or you've noticed other schools that have put it in the newspaper when they've received the grant. O.K. Are you aware of any other schools, and now let's talk specifically about the loan program, a couple of you have made applications, but are you aware of any other schools who have received loans under the program? I don't see any, you're all nodding "no." Have any of you talked with anyone who's perhaps applied for or gotten a loan through the energy efficiency loan program?

We had an engineer come to our school board meeting, he gave us an audit and it, he'd done about six schools in the eastern part of the state as reference.

(M) So again the engineer was coming...that's good feedback. O.K. I have a statement here to read to you so we're all talking about the same things. Obviously, what we're trying to determine first is what you know about the program, what your awareness is, where you've heard about it or didn't hear about it, you may or may not be aware that you can get grants or loans from the Nebraska Energy Office to pay for a school building energy analysis or audit to finance the purchasing of more energy efficient heating and cooling equipment for your school, so we're talking about grants or loans to do an energy analysis or audit. Would you be interested in learning more about this program?

Yeah, I think so.

(M) Three of you? How many of you were aware that there are grants or loans to do energy analysis?

One or the other?

(M) Yeah. 1, 2, 3, 4, 5, 6 - 12. So you've been aware that you can get grants to do the analysis.

But if we've already had them done, there's no reason to do them over again, is there?

(M) It would depend on probably when you had them done, do you recall, and I'll ask this...how many of you have done an analysis within the last 2 years? 1, 2, 3, o.k., so the rest of you, it would have been more than 2 years ago. Under some of the old grant programs, you had to have a more recent analysis. Some of the newer programs now, you can utilize your previous analysis and don't have to go back, it depends on what you're applying for. There's no quick, hard and fast rule about that but often an analysis that's been done by a private firm four or five years ago, might be applicable, depending upon what you're wanting to do.

I think you're on to a point there where there's been confusion. That is on the technical assistance studies. I think there's been a great deal of confusion about those studies, when you can use them, what they had to include, how long they were good, to me there's a lot of confusion about those. Now we've had technical assistance studies done on each of our buildings. Whether those are valid now, they have not been during the past two years, whether they're valid or not now, I have no idea.

And some of it, in our case, we had the technical analysis done, but then we didn't have any work done.

(M) You didn't go ahead with some of the improvements.

We didn't go ahead with some of the things because of the payback probably, but..

My question would be, if the grants or loans change, do their objectives change because if they don't change with their objectives, why should the analysis not be valid? At any time, you know, because your building's there and if you're going to have an analysis of energy, unless that grant is specific for something that wouldn't tie into your building, otherwise that, it isn't but it ought to be, is what I'm saying.

(M) There have been various programs where the objectives of the analysis vary and so depending on the type of analysis you have done, it may or may not apply, but going back to what (Name) said, do any of the rest of you feel there's some confusion about what you need to do as far as an analysis to apply for the loan program? Has that been an area of confusion in the past for any of you?

Not aware of it, but it could be because we haven't applied for it.

(M) Those of you that have had an analysis done, but have not gone ahead and applied for a grant or loan, (Name), you said you'd had one completed, why didn't you go ahead? Do you recall why?

Probably some of the things we had originally planned on doing when we got the analysis to begin with, I guess down the road that wasn't, it wasn't something that we were ready to do and we just let it go. I think it was a couple years ago that we did the analysis and then one of our roofs went bad and we wound up having to do that within a very short time and that wasn't really involved in the analysis in the beginning, and we went ahead and did that roof.

(M) Any of the rest of you after ...

What we had written the analysis for in the beginning was weatherization, and the when it got time to do the roof, they insinuated that the roof wasn't a weatherization project, it was more of a maintenance project.

(M) So it didn't quite qualify under the program at that particular time.

We wrote two different ones and the reason I bring this up on ours, we had a technical assistance study or analysis done, applied for and received funds under the old weatherization grant program. Then we needed to have some boiler work, we bought new boilers to put in, we had to go through the federal institutional grant program, we had to redo the technical assistance study because the federal program would not accept what was done under Nebraska Weatherization, so there's, here on one side you've got the federal regulations for their institutional grants and over here we had the weatherization through the Nebraska Energy Office.

So we ended up with two and the second one was very costly. One good study I would think would qualify for everything.

Or is this just a good place where the architects can get their fingers in.

Or engineers....

(M) Have any of you experienced or heard from others, have you had any experience with engineers or architects, I know you said a lot of them had called on you in the past with this program. We've heard of experiences in other parts of the state, I'm curious whether the same thing is true here around (town). I guess what I'm asking in terms of the analysis you get, I'll look at it two ways, do you feel you get your money's worth and those of you that have had analysis, do you feel that when you got the reports back they were helpful, understandable.

They were required and we put up with it.

We'll know better when the project is done and see if we save as much money as they told us we were going to save too. They put it on paper that you're going to save this much money if you put this much insulation in your roof, but we won't know that for a year or so.

You'll be very straightforward with it?

You want to get a suit for liable, is that it?

(M) (comments about tape recorders and people from energy office present) They want your honest opinions and we've gotten a lot of good opinions in the groups and our goal is to figure out how we can improve these kinds of programs and get....

Well, with that in mind, then, I guess I would try to paint the picture in regard to the fact that we looked at the grant and we know what the grant entails, so we get a report from them to meet the needs of that grant so we can get the grant, again, that's why I say, if that grant changes it's objectives, and then that analysis isn't any good, but it would appear to me if we twisted that around and made a good analysis and then as the grants come, try to take the analysis that fit the grant instead of the other way, and I understand the process and we've got to meet those guidelines and the federal government is strict, if you don't do it, you don't get it. And so you have to set up your analysis, you have to set up your program in that direction. I guess what I'm saying is maybe it's just pretty tight. They need to let you have a little leeway so that some of these things are not compounded and we're really wasting money. If we have two analysis and come with the same things only one emphasizes one, one the other, you know, we've spent that money foolishly.

I would think it would be important especially to school districts if once you have that analysis done, that unless something changes within your school as far as weatherization or that you actually do some work, that analysis should be good for quite a number of years. It's a shame if you come back 2 or 3 years from the time you did the analysis and they don't let you use it for anything.

(M) I didn't mean, I think in many instances they are valid and can be used and under the federal program, the requirements for the analysis were very rigid. The Nebraska School Loan Program is established under state law and so maybe I should clarify that, that the loan program is being funded out of severance taxes for gas and oil that's pumped in the state. That's where the money for the school loans come from, is from and that was passed by the legislature. Now years ago there were 50-50 matching federal grants, there were 80-20 matching federal grants, and those were under federal funding. The program that we're thinking about tonight primarily is the school loan program which, and I know some of you are aware of this maybe better than I, so correct me if I make a mistake here, I think I have a fairly good understanding of it but some of you have been through this much more extensively than I have. Under the school loan program, an analysis is made of what you want to apply for and a savings is computed and then that savings or that payback period determines the terms and the payback period for the loan, if you will. So that's the program we're talking about is the loan program where it's state funds and it's a revolving fund. Now given, I got your unaided response first, now I've given you more aided information. What problems if any have you heard about or experienced regarding the Nebraska Energy Efficiency School Loan Program? (silence) No one's heard any major problems, a couple of you if I remember right, 2 of you said you have applied, (Name), your school has, is there anyone else that's gone through the loan....

We just paid for the engineers to go through and do the study. That was just a month ago so...

Yeah, we just applied for our loan this spring, so I'm not sure...

_____ we just talked about doing several projects.

Whatever the deadline was, we applied for it the day before, I think.

(M) Let me ask you this then, the rest of the group, and I want to get some feedback from the maintenance people here too, because I know some of you probably aren't as aware of this, if your school hasn't gone through it, so even if you say, no, I didn't know anything about it, that's helping information. Are you aware that up to \$2,500 per building is available from the state energy office to pay for an energy audit? How many of you are aware that there's \$2,500 per building and this is a grant, available to do

an energy audit? 1, 2, 3, 4. Anybody else want to 'fess up here? Two of the four of you are people that have gone through the loan program, recently are applying.

Except that the building per se, they put two of our in as one, I don't know if they could.

We only have one building so that's not a real problem.

(M) One \$2,500 grant

If you apply for this grant first and you get the \$2,500 and then get the engineer....

(M) No, the \$2,500 is available as a grant before you apply for the loan.

There's no qualifications for that.

Is that retroactive if you already had it done? (laughing)

(M) I doubt it. But it's worth asking.

Worth looking into.

Everyone that applies for that will be granted the \$2,500?

(M) Well, the instructions I have here say "is available," I suppose that they would want to look at the application but it's my understanding these grants are fairly easy to get if you apply for them, that's my understanding.

I think maybe the audit has to meet certain requirements of the energy office, you know.

What would they consider a building? Our gymnasium is attached to our main building, is that one building?

(M) I think if it's a self-contained attached structure, it would be. I'm not an expert of this, I would encourage you to call the energy office tomorrow and get their answer. We'll be taking a break here midway and I may be able to get the answer for you on that. What I'm hearing is a lot of you are not aware that's available. Now if the reason is, this is a fairly new kind of program, this state program, the federal program that many of you were involved in 6, 8 years ago is different. This is the loan program now we're talking about for schools and as we went around, there were 4 of you out of the 14 of us, only 4 of you realized it was available, and 2 of those 4 are currently involved in applying for a loan so that would explain that, but those of you that have not applied for a loan program....
Given the \$2,500 per building is available from the State Energy

Office to pay for an energy audit, would you be willing to reexamine or reanalyze your current energy usage knowing that such funds are available? I didn't see too many raise their hands right away. Kind of hesitant.

I don't see why you shouldn't, what have you got to lose? That's a terrible way to say it, but what have you got to lose?

Unless it costs more than \$2,500.

The engineer makes sure _____

You get an engineer's estimate before you go ahead with the audit, I think we had estimates from 4 or 5 engineers, how much they would charge to do our audit and then, you know, and they were all close, they know how much is allowed, the estimates were all quite close to \$2,500.

Can I ask another pointed question? Are you just going to run analysis for the analysis or are you going to have something in mind when you run that analysis?

(M) Good question. The intent of this analysis would be to compute what your energy savings would be if you made this or that improvement. Then the outcome of that analysis would be, you'd have a decision, that you could apply for a loan to make some of these changes, and use that analysis to determine your payback period, or you might not want to apply for the loan, you might decide, well, we'll just, it's worth it for us to go ahead and do it ourselves because there'll be a savings. But the purpose of the analysis is to conserve energy and there's no requirement that you go ahead with the loan process. The goal, the reason to have this money available is to help you conserve energy. Does that clarify it?

I kind of think, I don't know, our situation was kind of, do what we wanted to do, but you had to have to look at it, they kind of come geared to what you want, they kind of come and study what you want studied, I mean, they don't take the whole picture, I mean, we've had it before, so but your engineer is basically going to look at what you're going to tell him to look at anyway.

(M) Is that because perhaps the \$2,500 doesn't allow to have everything looked at or.....

I don't know, I mean, that's what we get reported to us at the school board, you know. When he was there, maybe he did look at a lot more stuff. We thought there was a couple of things yet that could have been, looked like they were savings, the payback would be pretty good on it and he didn't even report back on it to them and we kind of mentioned it to them. So I don't know if it's just a case of they're kind of snowed under with a lot of stuff and they kind of just hurry up and get it out.

I think too, some of the people that they have come out to look at your building, I'm not sure if they're engineers or not. They may come from the engineering firm but I know that the two guys that came out to look at our building, probably an average size high school, we're a small Class C school, they weren't there more than 3 hours. They went back and wrote a 45 page book back to me about and then charged us \$3,000 and whether they got the right information outside of what I gave them for the fuel costs and the amount of BTUs and that kind of thing over the last year, I'm not sure what else they did except take down the footage and that was all in the blueprints.

(M) So it appeared sort of boilerplated to you.

I guess that's what I'm kind of saying is that, I mean, it's too bad that we gotta have these kinds, I can understand why they gotta have the reports, but why maybe if we're doing it, maybe we're not getting really what we _____

(M) Would like to get out of it....

Because in our case we've got those old elementary wings that have the great big windows in them from 1958 that the whole side of your building is almost all windows with the pull-down openings. They got cracks in them that big in the winter and you wind up putting new insulation in to keep them closed. To replace those windows was something different, the payback on that thing was something like 15 or 16 years, almost 15 years, beyond the point where it was going to pay back. Well, it just doesn't seem like that's possible. That's probably the biggest heat loss we should have in our building and when they got through with their analysis of it, it was not a major item.

(M) Their analysis didn't show it to be as major as you thought it was going to be.

Right. And maybe it isn't.

Maybe they were selling windows.

You wonder about that.

That's what we're applying for now is windows and they're single plated, steel frame things that you just, well we know what we've done in other parts and it's just gone from too cold to too hot and I know the paybacks got to be quicker than, because they're talking 18-20 years and I know it's got to be faster than that.

(M) One of the things now that the analysis, this is different than it was historically because the firm that does the analysis under the loan program is not eligible to do the capital improvements so the firms that do the audits, the analysis are not

in the construction part of the program. You've got to hire a different firm to do the remodeling and improvements. That was not true in the other program.

That's a real conflict.

(M) Given that, what do you think of that? Does that...

That makes sense because in the old program there was definite conflict. Couple of Lincoln firms you know and I know that they just raked in cash.

(M) Now the other thing under the loan...yeah, there were, we've heard in the east part of the state and last night in the northeast, the same things, there was a lot of concern about that. We were getting an analysis that fits what they want to do and one of the things now, too, with the newer program, it must be done by a registered engineer but schools that have registered engineers on their own staff can do an internal analysis and apply that analysis if it's signed by a registered engineer to the Nebraska Energy Office so you can have your own engineering people do it if you have some, or a local registered engineer do it so that the analysis part of it has changed somewhat. Given the fact now that there's \$2,500 per building available, this is the way the analysis is conducted. How many of you would consider or think about at least, going ahead and doing it? 1, 2, 3, 4, 5, 6, 7. Prior to this evening, of those 7, how many of you were not aware that this \$2,500 was available? 1, 2, 3, 4, 5, 6, 7, 8, 9. So almost all of you that would now be interested were not aware of it. We've learned awareness of this new program is an issue. It's something that the word hasn't gotten out yet and there's some confusion about what qualifies and what doesn't is what I'm hearing.

Are there any guidelines that they send out in regard to this?

(M) The best guideline is to contact the energy office and ask for their assistance because these issues are so complicated that you can't really say, this qualifies or this _____.

It would be nice if the energy office, when they send those things out would have them listed, 1, 2, 3, 4, 5 instead of sending out the book of the energy regulation that's probably 40 or 50 pages long and you have to go through and read it to find all that stuff, because most of us aren't going to read it.

(M) So you're saying _____

If they had a cover page that would say ...

Well, if they'd just send a letter and say, we have this program, you know, one page ...

_____ right, these things are available and this is how you call us to apply for them or get more information or whatever it is and just kind of hit the important things that they're sending it out to the schools, that the schools would really be interested in, because a lot of times we get the information but it will come in a 9 x 12 manila envelope and you reach in there and you've got material that 1/2, 3/4 inch thick and you usually open it and set it back up on the shelf and it's still there.

There is a lot of data, I don't interpret, you have R10 and R20 factors, well, one tells me that's twice as good as the other but that's not necessarily true.

_____ (M) I'm going to ask you to help us write that letter. If you could write a one-page letter about this program now that you're aware of it, what would be the 3 things you'd want that one-page letter to say?

One thing, just make it simple.

You've probably got everything in a 40-page booklet, like he was saying, that you could condense down into one page that most people could understand. That's the problem, I feel, I go into the superintendent's office two or three times a day and the paperwork that all the superintendent's getting is unbelievable. I don't see how they can begin to get through it to get to some of these programs. And a lot of it, I feel, is foolishness. I think a lot of these things could be condensed down into a lot smaller form.

I think on your letter though, if you have down there as far as the \$2,500 grant is available....

(M) So that's probably the first thing.....

There's a grant available to do an energy audit....

And underline for free.

Yeah, underline grant.....

Put down there it's limited, that speeds them up a little.

(M) With limited availability.. o.k.

First come, first serve, that speeds up the process.

State what the purpose of it really is for and

(M) The purpose is to help you save energy, not just to apply for a loan.

Condense the explanation of what it is for.

What kind of information you're going to need, are you going to need your utility bills for the last five years or just what it is you're going to have to have by way of research to base it on.

(M) What kind of information is going to be required to begin that analysis, is that what ... O.K. Anything else?

I would ask the question, could they state where these grants or where these loans are available? Sometimes, you know, if I'm into a district, it's my first year, I'm not aware of all it's problems, and I need to talk to the custodial staff, but you need to know if the school has had that grant before or in that area or what's the upgrade, or maybe there's something new in the field that we haven't been exposed to so you know, this has given me a suggestion of what to look at to apply for these grants as well, and the grant money is there, you wouldn't be out here telling us if you didn't want it to be utilized. So we need some areas of direction from the energy office itself.

I don't know if the schools would notify the energy office that they have either applied for the grant money, are having a grant done or get the money or whatever, if the energy office themselves would follow up and say, o.k., you would have that grant done and these are the things that were available that you could get fixed, what can we do to help you? I realize they're busy and they probably can't do that with 500 school districts, but it would sure, I'm sure we'd get more projects underway if they took a little initiative and said o.k., now you did this, now how can we help you go a step farther because a lot of them will look at that and they may look at a 10 or 15 year payback and you know, sometimes when you look at that it doesn't look like a very big amount of dollars and so you might let it go.

(M) The payback sometimes doesn't look very big, so you are not going to apply _____

There's a lot of money that you're going to have to put out and it doesn't seem like over the next 20 years it's going to make that return to you and so you let it go.

(M) Now the grant money, I want to clarify this, is available for analysis but the federal grant programs are no longer, there are not federal grants available. The main thing that's available now is to do the analysis for \$2,500. After that, this is an energy school loan program so I wanted to make sure you got that.

But I think that should be on the letter.

And they should mention because the loan program is at no interest. Make sure we're aware of that.

(M) Good point.

It's a no-interest loan.

(M) It's a no-interest loan that is paid back out of the savings that you've made.

Directly, it's a dollar for dollar projected savings, take 30 years to pay it off.

You have a projected savings, you're supposed to save it in 14 years, you have 14 years to pay back the loan.

That sounds like an awfully good deal, one that doesn't come across my desk too often, it's usually, there's a string attached somewhere along the line. If you could somehow communicate that....

I think the string ...

(M) The no-interest part is an important as (Name) is saying ...

That'll get their attention very rapidly.

No interest.

The string for a school board is if it's worth it, you need to have done anyway. I mean in our case, this is where we had to do and this program was available, we could apply for the loan, we're putting on a new roof and we're getting the loan for the insulation, we're increasing our insulation in our new roof and we needed the roof and by going with this program, we could get the insulation put in too and it was something we were going to do, or going to have to start doing either piecemeal or the whole roof, one or another in the next year, and so for us, the availability of the loan was very.... but if you didn't need to do the work, then to go ahead and do it just 'cause you could get an interest-free loan, then that isn't practical either. It'd have to be for things that you really need to be doing. I would think, like in your case, with the windows or something, if those really need to be replaced, then if you can get some help in replacing them, it will help your school.

(M) (Name), you have a good point, no-interest was something I saw a lot of you, so this letter we're designing talks about a \$2,500 grant that's free to do an analysis that, per building, also that the purpose of this is to analyze your energy usage and to help you be more efficient, the purpose is not that you have to apply

for a follow-up program. The purpose is to help you save money and then the follow-up is if you wish to go ahead, there are monies available to give you a loan at no interest. Anything else (Name)?

Yeah, I was just going to say that "if" is pretty important, I think you don't want to give the impression that if you do the \$2,500 grant you've got to do something else, some boards are not going to be able to do that, or do it right away, and I think you need to clarify that, that it still is your option, after you've done the audit to go ahead and make the improvements or not make the improvements, at least that's the way I understand it.

Isn't there a year's time on that, 3 to 5 years you're supposed to try and, isn't there or not?

(M) I'm not sure. I think you would probably have a certain span where you have to go ahead with those applications or you may have to redo it.

I think it was 5 years.

(M) Because these analysis in terms of payback, have to be updated enough to determine the payback period, but I know that a lot of people have applied for the audits, the technical assistance grants and not gone ahead with the other parts of it, so there's no requirement.

Sometimes payback is not great enough that you can go and be qualified.

On a 1, 2, 3, 4, 5, basis, I'm just jotting down here that I think this one-page letter would be number 1, that a grant is available for a technical assistance study, whatever you call that, number 2, that it's made application for the grant is made to the Nebraska Energy Office. Three, that you will need to have these or report probably your previous consumption, whatever the requirements are, there may be 2 or 3 things there, you'd need to report whether or not you've had a previous technical assistance study done, when it was done, perhaps what that showed. I think you'd need to inform in the letter that the intent is to save energy and energy costs, that you need to have it done by an independent engineer and that all this provides a basis for a no-interest loan to do replacement of windows, heating, insulation, whatever it is, and then it seems to me there's still one other basic thing that comes through that I think we've all tended to forget, we still have an energy problem and I think through the years, we've tended to forget that. Five years ago, we were talking about a shortage of natural gas, we were talking about all kinds of energy shortages, you don't hear that anymore, people have tended to forget that we still have an energy problem in this country that may be a growing one, and to me that's got to be

conveyed to people, maybe that's too theoretical and who cares...I think it's got to be brought out to people that we still got a problem.

(M) And it's not in people's top-of-mind today, I heard another group, asbestos, you know, there's other things on that list, you know.

That reminds me, the engineers that come to do that, look at your technical assistance, would have to have asbestos training or else they'd walk around your building and look in the pipes and in the boiler room and all that stuff.

Kill two birds with one stone, have both of them looked at the same time.

Yeah.

(M) Now, we've got the copy, if you will, the content of this letter and this information. Given that, and this is the first group that's been this specific, you guys are really giving me good information, this is probably the first time we've gotten this specific in one of the groups, what would attract your attention. Are there ways in addition to sending a letter where this type of information would get your attention. How else besides direct mail could the energy office reach people like you?

Could the direct mail be directed more towards the school board, I mean, more than just to the superintendent's office, could it come to all the maintenance people and to the school board president?

(M) How do the rest of you feel about that?

Even beyond that, all the school board members.

Maybe communication through the administrators groups, or the business manager groups, their professional organizations.

I think on a VCR for 10 minutes that I could show my board like Hoffman and Brown came out with the asbestos, that baby just took the board right there and had them right _____.

(M) This is a video tape recorder?

Video tape that they can present on audits or on different areas that this can be carried out and you could apply to that ... right for it and get it and show it to your board. I think that'd be a real asset.

When we started our process, we did have a man from the energy office came and spoke to our board, when we were first looking into whether we wanted to do this or not, but I'm sure they don't

have the time, they aren't that heavily staffed I don't think that they can go to every school and give an individual presentation but a VCR would be very effective.

(M) I going to take (Name's) idea of sending it to the maintenance and engineering people. How do you administrators feel about that? Do you want us to go around you and send it to the maintenance people?

I mean including, not instead of.....

(M) I'm not picking on you, I'm being devil's advocate here.

You send three things over _____

I don't have a problem because he knows he has to come back and get permission before he can go ahead. We got our arrangement worked out well.

What I'm saying is, Mr. (name) gets a stack of mail this high everyday, and he sometimes, and I'm sure their all in the same situation, if I get one letter a day, I look at it, I take note of what they got in there.

(M) I heard one administrator say, you know, that probably would get more attention than if it comes to my desk, I've not heard anything from administrators that they're really upset by that. The one's I've listened to have said, I think that might be all right because, like you say, any type of funding is going to go through the administration anyway, but it would be that you would then have a way to say, this is available, if I do the work, we had one engineer in one group who had put together the audit and done the analysis and he presented it to the board and I'm wondering, you know, we wouldn't want to offend anyone by doing a direct mail to engineers, but it's also something I want to ask, based not on your particular school, but what you know about other administrators across the state, do you think that would offend...?

It would offend some because I think some get very uptight if a board member has the same kind of information that they have, I mean, and I'm...

(M) YOU're looking at it from that perspective, too, that's a good point.

Well, that point's well taken. You see, the board members don't work directly with the staff all day like we do and you have got a lot more information than the board has and the board has a letter that says this, and you have all that other information and you go up to a board member and sit here and argue because he's got this and this is right and he doesn't have the rest of it, and so it can create a situation that you got to be careful of.

I think basically that when you mail out to board members it should say, be a little bit aware of this. Give the ball to the administrator, that's where we _____.

I think that's great.

On one other thing, I don't know whether it's been done in the past but at the State School Board convention, you can have a workshop or a program on it, I don't think it's been done in the past, I've been to them every year for quite a number of years and haven't seen....

(M) That's a good suggestion.

And I think another area, meetings just like this where maybe the energy office could come out to an area, invite the superintendent and a couple, three of their board members to attend to find out information about the grant or the loan, whatever it happened to be and I've always found that most administrators that I know are quite willing to take a couple, three board members and go to a meeting and sit there and listen and talk about it when it's over without having any other conflicts at all.

(M) Some of those things have been done but not as frequently, recently probably. There've been regional meetings and there've been some booths where there will be a representative at a school board association meeting or administrator, Nebraska State Administrators Association, there've been people there, but more of that could be done too, I'm sure.

I have a question, this whole thing, you get everybody geared up, is there an unlimited amount of funds for the program?

(M) There's never an unlimited amount of funds. But there are funds.

Yeah, but I mean,

Are they the kind of funds that if we don't use them we're going to lose them?

That's normal economic status, they'll find another avenue to use it if we don't.

(M) Well, I can't answer, there are funds available for technical assistance obviously, or we would be researching how do we do a better job of informing you. The amount of funding is a function of how much money is generated from the severance tax from gas and oil in this state but historically, there have been funds available, certain parts of the state have taken advantage of those funds moreso than other parts of the state and we're trying to find out, is it an awareness issue, are the needs different in different parts of the state, that type of thing. But there are,

you know, it's unusual to be turned down for a technical assistance grant if it meets the (respondent: That's the grant, or the loan?) Now the loan programs again are a function of how much money is in the revolving fund but there have not been a great deal of number of applications for the loan program so there are funds available there too.

You get everybody involved and geared up to get a grant, and what I'm saying, is lots of times this all will work out if (town) or something _____ or (town) if you even get it in the local paper and find out that they're doing something well, then the next thing, I go to the school board and say, hey, what about this, well they're doing something you know, and gets out, it spreads itself out and gets around but I'm wondering if you get it spread out, if there's so everybody gets a chunk, if there's enough funds, if you're going out to sell the whole program, if when you get it all sold and you don't have nothing to give out.

(M) It's my understanding at this time that there're funds available, as far as the limit and (Name), you'd asked if there's a limit on the loan, that's a function of the projected energy savings, that's what determines the amount of loan you can qualify for so, if your analysis shows that in 10 years you can save \$30,000, then that's what you're eligible for in terms of improvements. I'd like to take about 5 more minutes and then we're going to take a break but I want to present a concept to you. When you hear the Nebraska Energy Efficiency School Loan Program, it has the connotation of being a loan, we know it's interest-free, we talked about that, and that the loan is given to you, the money is given to you and then on, say you're spending \$3,000 a month for utilities on this part of your school and the analysis shows that you will save \$1,500 a month, or let's say a year, not a month, you'll save \$1,500 a year if you make these improvements, then you end up paying back the loan out of those savings so \$1,500 that you used to pay for utility bills, your utility bill, instead of being \$3,000 is now \$1,500 and the other \$1,500 goes to the Nebraska Energy Office to pay off your loan, and you keep doing that until that loan is paid off. You pay for it out of your energy savings, have I explained the concept? O.K. Questions?

Can that vary from year to year? You're from Nebraska, you know we can have a winter where we're going to use as much after the energy savings or after the weatherization as we did before because of the types of weather we have over a 3 or 4 month period. We might not have that extra \$1,500 that year to pay, can that be drug on to the next year or....?

It's based on the analysis.

(M) It's based on the analysis at that over that period.....

Whether you save it or not, you really don't know for sure because the weather does differ or varies.

You wouldn't save it anyway, you'd just be updating your billings because you're going to pay the money back and it'd be the same as paying, it's an economic cycle for the state.

They did when they did our audit, based on the fact that we've had mild winters the last two years, they did our audit based on our energy bills and stuff from the year's that we've had a little more harsh winter you know, because they really couldn't do a comparison till like this past winter because it wasn't over yet but the winter before was an extremely mild winter in Nebraska so they went back to I can't remember what year they used to base our savings on, they did use that. If we continue to have mild winters, we won't save that much but if we have a couple bad winters, which we're about due for, we'll save more maybe.

I do know for a fact though that everything we've done, it has saved money on energy.

(M) And it's the amount you save that's key because if you have a bad winter, you're expenses are going to go up a certain amount but you're still going to save on top of that increase. My question to you is this...instead of terming it a school loan program, another idea might be to talk about it in terms of a shared savings program where basically if in your situation the payback is 7 years, the savings that you will make will pay for the improvement in 7 years, you would, instead of having 7 years to pay back the loan, you would have 14 years to pay back the loan, so half of the savings you would accrue, the other half would go to the energy office, it would be a shared savings program, where the payback is 7 years, the payback period is 14 years and we would talk about it as a shared savings program. What is your reaction to that terminology?

It's all rhetoric

Yeah

Payback period, 10 years, whatever you want, set your monthly payment on that, that's the way it works. The other to me is just a play with words.

(M) That's what I...

It's going to cost you regardless, I mean this is no....the way I look at it...

It's going to cost you the same either way isn't it, the way you said it, the way I interpret it.

(M) That's correct.

The only thing is, if interest rates go up, you can afford to do it at a no-interest rate a lot easier than you can at _____.

But you were saying extending the date.

Extending the payment out....

Yeah, extending the payment out for a longer period of time, well, why not, I mean why wouldn't a school go for it, I mean, they could put the money on interest and still.....

(M) I'm just trying to get your top-of-mind, where you're coming from and then I'll.....

This here, like a lot of our taxpayers tell us, it's cheaper for us to go borrow money to run our school than it is for them to take our money to pay the taxes. Sometimes it's hard for me to figure it out too. That's what they tell me.

We're looking at technically a lease-purchase type situation here indirectly. I guess my question is, can we legally spread out a loan that long without a vote of the people?

Airports do it all the time through the airport loan program on building facilities at airports to the Department of Aeronautics and they've got the same kind of program for facilities there and their's is I think a standard 10 year payback, whatever you borrow, you pay back in 10 years, period. Airports authorities are committed to long periods of time the same way.

My question comes back, we have x number of school buildings in the state of Nebraska, we do technical assistance studies on every building in the state of Nebraska, period. Then what happens with this severance tax money that keeps coming in, at what point can that become grant money or are we going to continue like, at (town) we've done two technical assistance, now should I apply for \$2,500 for three more buildings to do three more technical assistance, that's spending taxpayers money that I don't think needs to be spent. But it seems to me at some point you reach saturation, you've inspected every building in the state, you know what its got, but you still have this money coming in through the severance tax on the gas and oil. I don't how much is brought in every year, I don't know.

(M) The severance tax is used for the loan money too, not just the grant.

Right, but you see, at some point we get all these studies done, then we don't have to give out the money for the studies anymore, now we can start granting money for projects. How much

_____?

My understanding, and I'm not sure I'm right about this, but that at any time the legislature could decide that they wanted to use the severance tax money for something other than the Nebraska Energy Office especially if the Nebraska Energy Office especially if the Nebraska Energy Office isn't finding enough people to use this money, they'll put it elsewhere. So, maybe after everybody had a grant and had updated their buildings, the legislature at that time might say, well, we will use that money somewhere else. Even in a year or two they might decide that this money isn't being used wisely and discontinue the whole thing.

(M) They both run at the same speed don't they?

Well, I agree you know, that you're either going to spend money over and over again on these analysis, or you're going to reach a saturation point.

Yeah, but if you got all the analysis done, then the thing would be to go and apply for your (the grants) grants, I mean, if all your analyses are saying the same thing, then the sensible thing is to apply for a loan, fix what it is you want to fix instead of going for another....

The loans will start being paid back too so that's really an accurate point.

(M) Yeah, there'll have to be an actual analysis of how this would all work but at the present time, the fact that there still is some screening of what qualifies for a loan and what does not, indicates that those loan monies are being managed as carefully as possible. The whole idea of the no-interest loan is to create revolving funds that can be reused and that the situation I think is how to get the word out that these are available. That's really what we're about tonight and then to also get your reactions to need, or lack of need, or where you might use it or not use it. I'm going to take about a 5 minute break and we're, with your permission I'd like to maybe go an extra 15 minutes, I'm about 2/3rds of the way through here and I've got a couple of other areas but we'll take a 5 minute break.....(moderator comments)

(M) The first part of our session, we talked a lot about program awareness and I've kind of, we looked at it unaided and then I gave you some information and aided you about the loan program, now I'd like to get into some specifics about the program itself, in terms of your intentions, what you might or might not do, given what you know about the program now. One question I have and it relates to informing you about what is available, what applies and does not apply, and I'm thinking about, we talked a little bit about the maintenance group and informing your maintenance engineers about this program so that they might be able to assist you in terms of identifying what could or could not be done. How would you feel

about the possibility of if there were a seminar offered in your own internal maintenance engineering staff where they could and attend a workshop or seminar to learn more about this program, do you think school districts and school boards would be willing to pay if there was no tuition charge, to pay travel expenses and allow time for them to attend this type of program?

What would be the main purpose of them attending it?

(M) The goal would be to again increase awareness about the program, what is available or not available and how perhaps in schools they could apply for these funds.

Why couldn't they work together with the community college on this custodial school?

(M) O.K. that's a good...tell us a little bit more about that, maybe some, the custodial school.....

Maybe everyone isn't aware of it, but every year they have a custodial school, they have 25 or 30 sessions of one kind or another they have to choose. I'm sure that if schools or superintendents or administrators were aware that this was one of the sessions, that they would encourage their custodians to sign up for that.

(M) So go through the school on it in terms of offering it. Do you feel the superintendents and school staff would be willing to pay travel expenses and allow them to take time to do that if they realized.....?

I think they always do.

(M) O.K. Have any of you that have been in maintenance engineering area, have any of you attended any of those programs, that the (town) school?

At (town)?

(M) Yeah.

(town) out in this area. (silence)

(M) Those of you that on boards or administrators, have you sent people to them in the past?

Yes.

(M) How've you found them to be? Are they, do you get good feedback from your staff?

Most of them are just on the maintenance, different techniques of the maintenance of a building, floors, _____ small motor repair, or something _____.

(M) I heard (Name) saying that if it was promoted, that this type of workshop, seminar would be going on about the technical assistance grants, that might be something helpful.

I really don't think that would, I went to these schools for 18 years and I really don't think they fit in with the custodial school. The superintendents for the most part are going to be the ones applying for these, I mean if the custodians are made aware of them, but they're still going to have to sit down and talk to the superintendent and the superintendents the one that's going to make out the paperwork on them. At least I, you know, I'm sure that the rest of them feel like I do, I don't want to be filling out the paperwork towards energy grants when I've got things that need to be done in my buildings.

(M) That wasn't my intention that you be burdened down with paperwork, it was awareness that....

The awareness, but those are....

That's what I understood you were getting at.

Those are well 6 to 7 hour class or it'd take one day.

They wouldn't have to be though, would they?

Well, that's the way they're all set up. That'd be a long time to sit and listen for me, you know....

To become aware.....(laughter)

I think what he's saying is that that would be incorporated with the other classes that were offered, they could pick and choose whatever they want to go to and that's what they do now anyway.

They have classes in electricity, they have classes in various other energy type.....

I guess my question is on the smaller level school like we are, how far can we spread that custodial man. He's awful thin already. You know, we got two custodians and they're running your school, you got them both working pretty hard. You can't afford to send them off every time you turn around, you don't get your work done.

Well, and the other factor comes back to the point that it's going to be engineers, hopefully quote the "independent" engineer who says these are things you could do in your school to save energy. I may guess that we could do any number of things and I may have

an engineer come in and say, yeah, but that's not feasible to do that, and so I don't know that the custodial staff can be of any help that way at all, just a matter of making them aware, superintendents are aware.

Can the engineer apply for that grant for your school?

(M) No the school has to be the applicant.

And the inspector cannot be the firm doing the work.

That would be a real good merry-go-round, if the engineers could apply, that'd be a merry-go-round and a half, folks.

(M) Let's look at this in a little bit more global sense then, 'cause you're giving me the feedback I think we were wondering about there, that maybe that isn't the only type of assistance that would be helpful for awareness and application, but what kinds of ongoing assistance would you be interested in after you've applied or you're thinking about applying, what kinds of assistance would you like to have in learning more about the program, you've become aware that this program exists, now you've got to decide whether to go ahead with it or not. What kinds of information would be helpful to you?

Well, you need a list of approved types of work that are approvable and types of work that are not approvable.

Maybe a little assistance in writing these grants wouldn't hurt a bit because there's a technique to writing them and some of the larger schools that have a grant man on their staff that doesn't do nothing but write the programs, and they have a nice technique of plucking 'em off real slick, you know, and I don't have that much time.

The firm that did our audit helped us apply for our loan and that was part of the audit price was writing the loan application and helping us with it.

It might be helpful to have a list of schools that have participated, if the school wanted to do some research about who's a good engineer to get ahold of who won't rip you off, you know, in effect, I heard it said that was a concern, who's a contractor to do windows or roofs or whatever. I appreciate knowing that and what other schools can I talk to that have had experiences with that.

(M) I think you've hit a point there. Who are people in the area who've done this type of analysis before that other schools have used. Who are other people in the area that have applied or been involved in this that you can talk to, is what I hear you saying. Obviously, you know, there wouldn't be any way of recommending certain companies but you could certainly list companies who have done this in the past.

Well, I was thinking, of schools, you know, we talk to one another and if I know that (town) has done something, we could call them rather than just start calling people at random.

'Cause each one of these engineering firms will come in with a whole list of schools, they won't tell you whether it was good or bad, that they worked with.

Of where they've been, right.

But you could tell me if you'd hire the same guy again or not.

Right.

There's a danger probably in two or three words. There's a danger that when this gets started, we'll have the same experience we had with the asbestos, these companies came out of the woodwork, never heard of them before.

Oh yeah, there's a lot of new firms _____

Just for that purpose. That's one of the hidden values of being behind the _____ to do that.

(M) Yeah, well, and one of the things that cautions here is that the company that does your analysis cannot do the improvements so that handles some of that, I want to keep mentioning that. Do you feel the current application procedures for the current and, again, we're talking about a no-interest loan program, are too burdensome or do you feel that the application process needs to be streamlined?

Let her answer that.

I really don't know, like I say, the gentleman that did our audit helped us with the application procedure and I don't really know how complicated it was.

When we decided to have our project done, they did the paperwork basically.

(M) How many of you again, I want to be sure, how many of you have gone through and applied for some type of program in the past, not just, I'm going to ask this two ways, I'm just going to double-check myself, not just the loan program but how many of you have applied for programs in the past? Including grants.

Any kind. State or federal.

(M) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 o.k., so three-fourths of you have applied and out of that only 2 have applied for the loan program, is that correct? You're in the process of going through it. So you're involved in the application process now. Do you get any feedback?

We ain't got that far yet. We just went through the...

(M) O.K. The TA I got ya.

The engineer will be down Monday night and talk to us about it.

(M) Because the application part of this, we were wondering, are there any obstacles there, where people would like, you're saying assistance in helping with the application process might be useful, some of you are saying you're not that far yet, and others of you _____.

What it sounds like is the engineer knows pretty much what you can do and what you couldn't do cause he's already told us lots....

I guess what I'm saying is too, you know, sometimes they get set in their ways handing out grants and if you write the grant in this area, you get it, if you write one in this area, it'd be a cold day in the middle of July when you get it, you know, and there's so sense of us sitting there writing up a grant if it isn't a good chance of it going through.

What information coming out, you know, on the loans is what to look for.

(M) During the break, I checked on and I wanted to get back with a couple of the questions that you had raised. As far as the loan program goes at this point, people who have applied for the loans, there've been some modifications made in the application and maybe what they applied for didn't get totally funded or that part of the application had to be changed to qualify but no one has been turned down for a loan after they've done the analysis so if you want to go ahead and apply for the loan, there may be some things in terms of what qualifies for a loan or does not qualify, you know, your comment about the insulation qualified and you did the roof yourself. There are loan monies available. In terms of the other question, I checked about gymnasium, you know, what if I have a gymnasium that's attached to a school, is that one building, one \$2,500 or not?

(M) (continued) Apparently, the way this works is it's per building but it can also be per building or per heating system, so if your gymnasium is under a separate heating system, that could qualify for one analysis, if your classrooms were under another heating system, it might qualify for two.

Apparently that has a whole lot to do with it. Our situation is that way because our consumption, our meters in the building that we turned in, were feeding more than one building we came out \$2,500 and the first proposal I received to do a study was way over that \$2,500 _____.

(M) So you had an experience where you were contemplating doing the analysis, but it was going to be more than what (that's right) ... and because you had one system feeding so much.

I was fully prepared you know, the engineers proposal would at least meet that \$2,500 but this one was about double plus ... this was an architect and of course, he has to apply it for the engineers, you know, directly through an engineer, it could be more reasonable, it depends. I don't know whether to believe it or not.

(M) I think if you get involved in cases like that, it would be worth calling the Energy Office to get clarification that it may be _____

(M) It may be that you know, you could qualify _____

I'd throw this out, can you put the analysis up for bids?

(M) Oh yeah, I think you'd want, I guess you can get a second opinion certainly on anything you do.

I think we had four bids on to do our audit ...

Because they can walk in and close the door behind you and it hurts occasionally.

We had one engineer come earlier, you know, much earlier than the one that we hired. He was wanting \$7,500 right now, come to find out this other one done it for \$2,500.

There's a big difference in price.

(M) I want to be sure, you know, I am not part of the energy office, I'm the market research person and I'm presenting this information probably in much simpler terms than the energy office, you need to always call them and check, but one of the things I'm learning in all these groups is that there is a lower, there's a low level of awareness among most of our participants about the

specifics of these programs. Don't feel like you're the only ones because, this is my third group and I hear this all the time, what qualifies, what about this situation, what about this? I'm not an expert, I'm not an employee of the energy office so I just say, you know, give them a call and ask but the information I'm getting is that the requirements for the technical assistance grants are not as rigid under this program, the school loan as they have been under the federal program, which is a 50-50 program or there's another state program, another state grant program that's for hospitals and schools that's an 80-20 program, that's a grant program. This is yet a third program and the TA, the technical analysis for the loan program is not quite as rigid as it has been under the previous programs. The goal is to save energy, it's not just to have you apply for the loan, but it's to give you information that maybe you can use. If you got back the results of an energy analysis which showed you could save money, given what you have tonight, how likely would you be to go ahead and apply for a loan?

Depending on how much money we could save I would say in a reasonable period of time, if it

(M) The numbers would be something you'd want to look at.

Yeah, I think you would want to look at numbers but if you could save quite a bit of money, more than what you've done so far, then I think, I would want to go ahead and apply.

(M) O.K. (Name), any others? (Name)?

In our district at least, I'm sure we would look at what we could save versus and also how it fit in with kind of a long-range maintenance plan. Now you're not going to change the windows if you know darn well that the roof needs it and something else needs it in the next five years, you're going to do what needs doing the worst, but a little like you said, if you're going to plan to do that anyway, and can get some assistance with it or some loan assistance, that would really, I think we'd be likely to look at it.

There's another thing too, if you could do these projects in this type of situation a little piece at a time, but maybe by bringing or doing a bigger group of it at one crack, you could get a better bid so you may could do it cheaper and less problem and you could do it all at one time and this is just one way that you don't, it's just like you say, buy it and pay it in a time savings thing so you spread it out.

I think we, 'cause we had planned to do our roof originally in two sections, but we could save enough money by bidding it all and doing it all at one time and then using energy loans for the insulation and stuff and going ahead with the whole roof, that we hadn't at all really planned to do when we started. Right now, in

case you're interested, roofing is very cheap. That's what they tell us, it's cheaper than it's been for 10 years.

Well, the actual savings is not going to be, you're not going to realize the actual savings for 10 or 12 years until you have the loan paid off 'cause you're going to spend that much on it anyway, all you're doing is upgrading your facilities until the time that's paid off, which is excellent, I have no problem with it, but we're not going to go out here and see a big savings immediately. Our operating budget is going to remain the same because you gotta pay the loan back.

(M) We've talked about savings and you'd want to look at the numbers. How much savings, let me paraphrase this based on what I heard at a couple of other sessions, we haven't gone into it as much tonight. Some other people have said, there's still a lot of paperwork with this, I've got to get the engineer and I've got to get the forms filled out and the superintendents and administrators say, I gotta take the time to do that, it takes time, my time is valuable, and then, yeah, it's a no-interest loan but we still aren't going to save anything until we get the loan paid off, all those things considered, how much savings do you think you'd need to have to really get your attention? How much, what are we talking about in terms of dollars? How big a loan, how big a savings do you need to make this worthwhile? Are we looking at \$20,000, \$10,000, \$5,000?

The money part wasn't really what we looked at, we looked at something that would we wanted to implement right away with something that would pay back the fastest, payback, you know, we have like three things under a 7 year payback, supposedly, which

That might be more important that the total dollar because if it's a 30 year payback or a 20 year payback, that's not nearly as attractive to me, personally, as a 5 or 7.

(M) So you're looking at some really immediate savings with rather quick payback.

Yeah, I'm _____

Also too, if you're in the building that's already 45 - 50 years old, you're probably not real interested in a 30 year payback, because the life of the building is only going to be probably 70 years.

(M) Well then let's assume most of these are around the 10 year payback or 5 - 10 year payback, let's say a 10 year payback. How many dollars of savings do you think it takes on a 10 year payback to make it worth your time to do ahead and do it? (silence)
Is \$3,000 a big enough savings?

Spread over a period of 10 years? Probably worth it, yeah.

(M) Is a \$5,000 payback over 10 years, does that start to get _____?

Looks better than say \$1,000 a year _____

I think there's a reluctance on the part of some boards to not want to encumber another board for a number of years down the road too. And even though theoretically, you're in a savings plan, say that you don't want to definitely encumber them for \$1,000 or \$2,000 for each budget year for the next 20, I think they are reluctant to do that.

(M) So \$10,000 is kind of the number that hits you as

Off the top of my head, I would think four figures.

(M) If it's less than four figures, it's probably not worth the paperwork. Because part of this, once you get the loan, and we didn't talk about this tonight, but each year you submit consumption information that is used to compute your savings and this goes under the term of a score board for you but each year you are required to submit utilization information that then goes to the energy office and they compute your savings so you have to put together your energy usage and _____

Is that a big pain?

Well, this is my first year, I looked at last year's and we had a mild winter so.....

Utility bills, because our electrical and natural gas both.

But you know, kind of what you're saying, I think it can vary from school to school, I mean you can take a big school, (town) might not even, I mean \$10,000 they wouldn't even look at it, where we might look at \$5,000 or \$2,000, I mean, I think a smaller school will look at something smaller than what a larger school will look at.

Somehow it seems like (Name's) point from earlier is important to me here because if gas would somehow double between now and next year, all of a sudden the numbers that would reach up and grab us might change dramatically. Like he said, we kind of evolved into a false sense of security and energy isn't such a big deal and it's not taking the bite it did a few years ago out of our budgets, but that could change and all of a sudden we might

(M) And the savings would be, get that loan paid off rather quickly wouldn't you? I think what (Name) is saying, what we're

trying to identify is, you know, in our explaining this program, if you can put together forms, in that one-page letter, if you save this amount of money, then you'll have it paid off in x number of years. We're looking for the dollar amount that will get people's attention and what you're saying in a smaller school, \$5,000 savings probably is significant, whereas in a larger school, it might take \$10,000 or \$15,000 in savings before it becomes significant. Am I interpreting you correctly, those of the rest of you from smaller schools?

Maybe you better break it down into per student capacity or something like that.

(M) To get a common denominator.

Figure it on out.

(M) That's a good thought.

On a percentage basis, a percent of your total utilities, that would vary according with your school sizes and the number of buildings. You know, like you could realize a 20% savings over a 8 year period.

What you run into is like our buildings, we got two, and one is 18 years old and the other one's 45. There's a lot of difference in what you could save one to the other.

(M) Well, I told you an extra 15 minutes and it's 10 till. I have a little paperwork here to take care of and I appreciate you're staying a few extra minutes. What I'd like you to do and this is for my purposes.....(closing comments)

Kearney Focus Group Participants

Mr. Richard Raecke

Mr. Lyle Veal

Mr. Dick Hodge

Mr. Jerry Glaystein

Mr. Larry Johnson

Mr. Patrick Nelson

Ms. Judy Mead

Mr. Clark Abrahamson

Mr. Ron Hadwiger

Mr. Cliff Hemmingway

Ms. Janet Buck

Mr. Hank Edmondson

Mr. Bob Schanow

Mr. Myron Samuelson

Mr. George E. Bauer