

# HPCN Contractor Management Case Studies

# Agenda

- What is contractor management?
- Why does it matter?
- Case studies with key takeaways

# What is Contractor Management?

- Ongoing management of HPCN member companies and trained individuals
- Confirm if members are abiding by
  - HPCN Code of Conduct
  - Best practices training
  - Network Agreement

# What is Contractor Management?

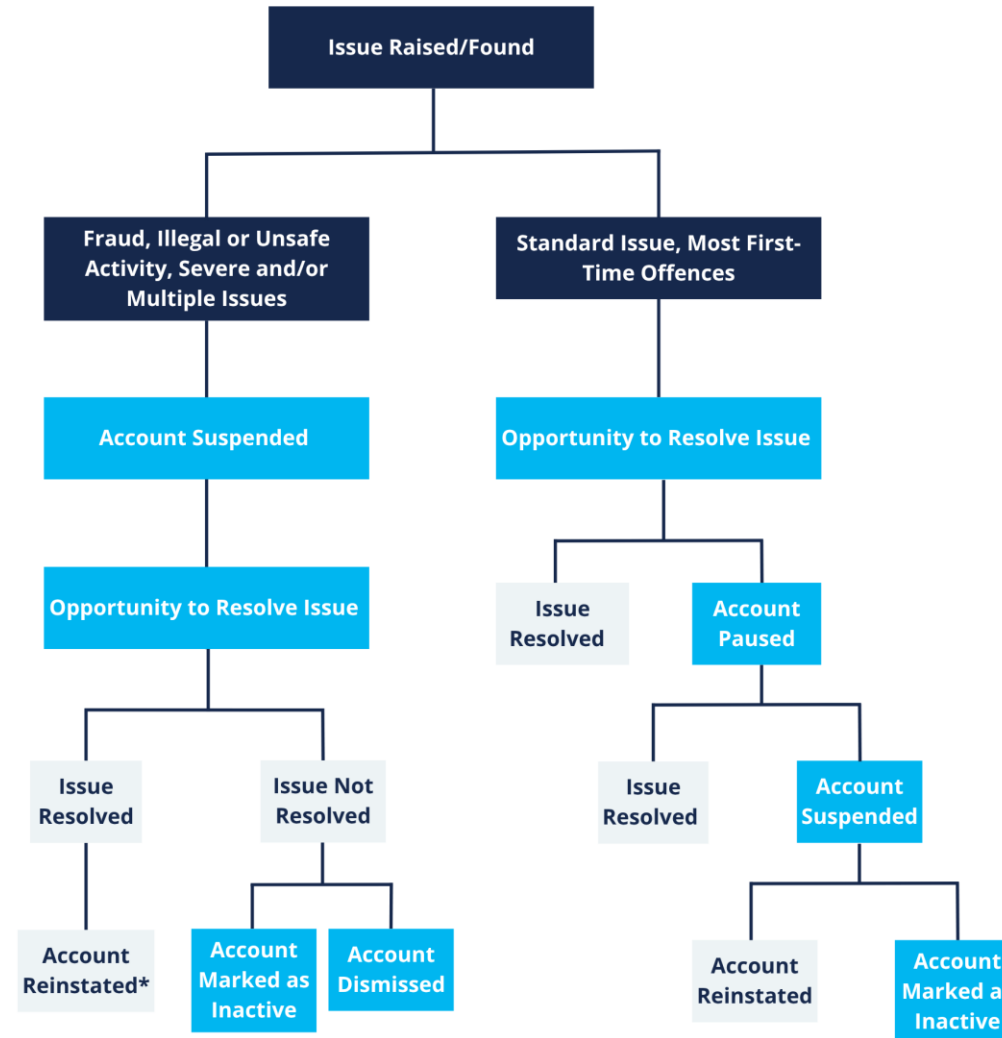
## What We Monitor

- Business and employee conduct
- Quality workmanship and sufficient HPCN-trained individuals
- Up-to-date and accurate business documentation and public contact information

## How We Monitor

- Homeowner complaints
- Manual audits
- Information sharing with rebate program partners, including their site inspection data

# Protocols



\*After suspension period is complete

# Why Does it Matter?

- Improve quality workmanship and standards of doing business
  - Better quality installations for homeowners
- Protects
  - the reputation of the industry > grow industry
  - rebate program investments in energy efficiency
  - your investment in training your team and doing business the right way
- Catch the “bad apples” and disincentivize them from participating in the market

# Contractor Management

## CONTRACTOR MANAGEMENT CASES RESOLVED

**10** Quality Workmanship or Code of Conduct Issue

**6** Replace Trained Employee

**6** Advanced Training Incomplete

**3** Rolling Spot Checks

## COMMON TRENDS IN QUALITY WORKMANSHIP & CODE OF CONDUCT ISSUES



Improper Heat Pump Installation



Not Responding to Customer Complaints



Lack of Commissioning for HVAC systems



Delay in Providing Paperwork for Rebates



Misleading Rebate Eligibility



Attempting to Defraud Rebate Programs

# Case Study #1

- Company's only HPCN-trained installer left + multiple quality workmanship complaints received
- Required to replace original trained installer + train the installers who were on site for the quality workmanship issues
- Missed their deadline and were paused
- Company continued to claim rebate eligibility to their customers
- Claimed they didn't know they were paused

# Case Study #1

## Key Takeaways for Contractors

- Ensure you have HPCN-trained individuals per crew
- Keep your contact details up-to-date and stay engaged with your HPCN membership
- Direct homeowners to rebate websites and HPCN search tool to confirm HPCN membership

## Lessons Learned for HPSC

- Additional staff resources to increase audits - ensure sufficient trained individuals per company
- Advocating for rebate programs to better support customers to understand eligibility requirements and work with HPCN contractors

# Case Study #2

- Multiple homeowner complaints received in a short period of time
- Company suspended for 6 months, given direction to train or re-train installers and submit business improvement plan
- During the 6 month suspension, it's discovered that the company is working fraudulently with another HPCN member to circumvent their suspension
- We extend the company's suspension an additional 12 months
- Company serves suspension, takes required action, and membership is reinstated

# Case Study #2

## Key Takeaways for Contractors

- Always follow best practices training
- Ensure all staff are aware of HPCN Code of Conduct
- Abide by HPCN and rebate program eligibility and contractor management requirements

## Lessons Learned for HPSC

- Onboarding new technical experts to increase capacity for quality workmanship reviews

# Case Study #3

- An umbrella corporation bought multiple smaller businesses
- The smaller businesses had been HPCN members and we received homeowner complaints against them
- The umbrella corporation was not addressing the outstanding complaints in a timely manner
- HPSC had little leverage to ensure the new ownership took accountability

# Case Study #3

## Key Takeaways for Contractors

- Shared ownership or affiliation between HPCN members comes with a responsibility for both companies to abide by requirements

## Lessons Learned for HPSC

- Added new language to the HPCN Network Agreement to better enforce Contractor Management protocols if a company is sold, merges, or is managed by an umbrella corporation