D.R. Wastchak, L.L.C. Daran Wastchak

Residential Energy Efficiency & Building Science Consultants











D.R. Wastchak, L.L.C.

Outline

- Company History
- Looking at the Numbers
- Services Provided / Sources of Revenue
- Company Structure
- Keys to Success





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Company History

- Fall 1995 EPA Grant to ASU Del E. Webb School of Construction
- Summer 1997 Notified by EPA that grant is not renewed
- <u>Fall 1998 to Spring 1999</u> Transition management of Energy Star from public to private sector with refundable grant from Southwest Gas
- March 1999 Started D.R. Wastchak, LLC (3 employees, 2 clients, doing just Energy Star testing)
- June 1, 1999 Officially left ASU
- 2001 By year-end:
 - Eleven (11) Employees
 - 14 builder clients
 - 120 subdivisions
 - 5,860 homes labeled as Energy Star in 2001

The Numbers

Energy Star Subdivisions (Phoenix Metropolitan Area)

As of December 2001

	Energy Star		EFL/Living & Energy Star		Subdivisioins Committed for 2002	
Builder	Subdivisions *	Homes	Subdivisions	Homes	Energy Star	EFL/Living
Astante Luxury Communities	2	74			1	
Beazer Homes	21	2,986	2	165		
Centex Homes	2	258	2	188	4	
Continental Homes	34	5,017			6	
Countrywalk Homes	2	77				
Golden Heritage Homes			4	444	3	
Hacienda Builders	17	1,354			3	
Pulte Home Corporation	3	263	14	1,366		3
Republic Homes	1	108				
Royce Homes			1	122		
Shea Homes for Active Adults			2	293		
Trend Homes	8	1,570			4	1
US Home	1	154			4	
VIP Homes			4	378		1
Total Subdivisions 120	91		29		25	5
Total Homes 14,817		11,861		2,956		
Percent of Total	76%	80 %	24%	20%		

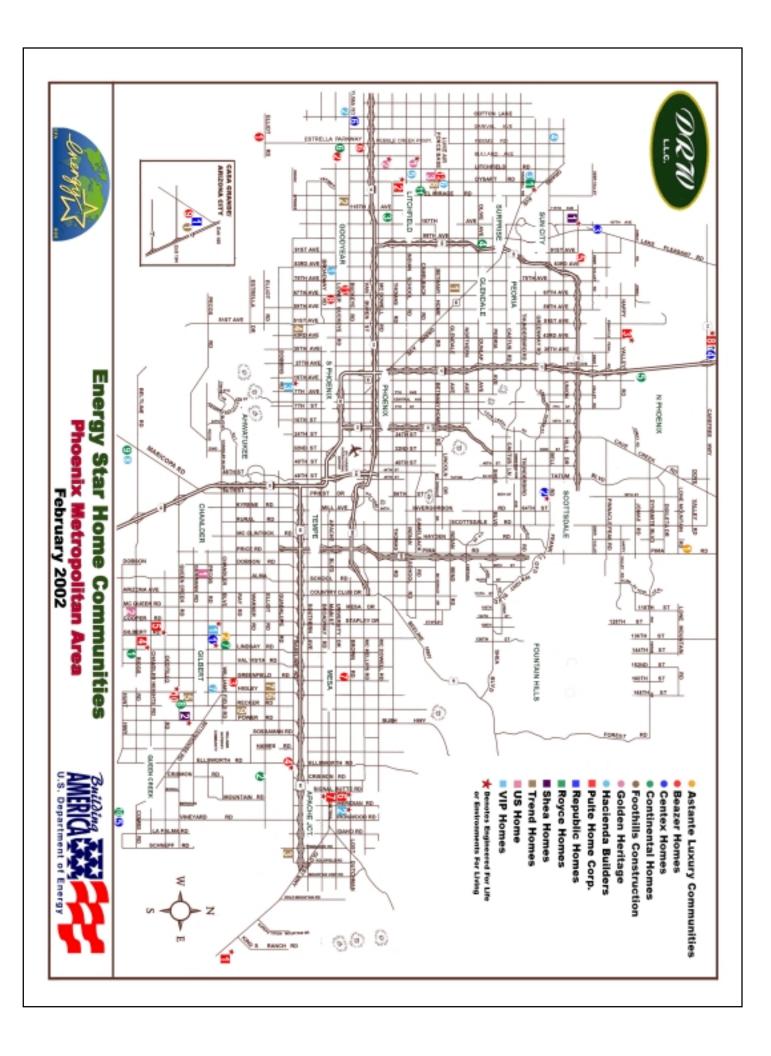
^{*} Subdivisions were at various stages of construction during 2001

The Numbers (cont'd)

2001 Energy Star Certifications

Phoenix Metropolitan Area

	Homes Labeled		
Quarter	DRW	DRW / BAIHP	
January - March	72	980	
April - June	46	1,202	
July - September	1,506	0	
October - December	1,997	57	
Totals 5,860	3,621	2,239	







Services Provided / Sources of Revenue

- 1. Testing and inspections for Energy Star Homes program
- 2. Testing and inspections for Engineered For Life and Environments For Living programs
- 3. Plan evaluations for Energy Star and Engineered For Life programs
- 4. Diagnostic Investigations at problem homes (for private individuals and build warranty and service departments)
- 5. Research under Building America program
- 6. Sales & Marketing training, Building Science Seminars, Guest Lecturing
- 7. Private consulting
- 8. HERS Ratings for Energy Improvement Mortgages (EIM's)





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Keys to Success

- Organization
 - Good systems for tracking data
- Managing cashflow
 - Good accounting
 - Balanced pricing for services
 - Forecasting of work load increases and decreases (cycles) Working capital
- Balanced and efficient growth
- Employees
 - Good people treated fairly
 - Enjoy their job, Opportunity for advancement
 - Properly trained and supervised
 - Don't burnout
- Reputation: integrity and respect
- Knowledge, expertise, continuing education
- Client relationships customer service
- Trade partner relationships fairness, appreciation