

Fram Energy

Bringing the energy transition to rental homes



The problem: we are leaving renters behind in the energy transition

Rental homes seldom have solar panels, often have outdated HVAC systems and tend to be poorly insulated. As a result, on average, rental tenants have >37% higher energy cost /sq ft than homeowners.* This gap leads to exacerbated energy inequity and poverty in disadvantaged communities who are more likely to rent, unmitigated emissions from 44 million rental homes in the US, and 11bn wasted dollars annually.**

Key drivers of this problem

Why does this lag in deployment of energy retrofits for rental homes exist?

1. Knowledge gap: property owners miss knowledge and experience on energy retrofits, so are hesitant to invest.
2. Split Incentives: while the property owner pays for upgrades, it's the renter who benefits from lower energy bills. Incentives are misaligned, so the upgrade is not done.

Fram's solution

Fram tackles the problem at its root. We:

1. Tackle the knowledge gap by generating a retrofit "menu" for a specific property, driving confident decision making.
2. Tackle split incentives by equitably dividing energy savings between owner and tenant

What sets us apart

Our solution makes sure that every dollar saved on the energy bill benefits the renter and their landlord. This means that our solution **actually gets buildings permanently upgraded** (in contrast to community solar), with **retrofits beyond solar** (in contrast to other startups), without **upfront cost for the tenant** (in contrast to solutions that offer "tenant fixes").

Advancing underserved communities

Our solution brings the benefits of the energy transition- energy savings and a healthier living environment- to the communities that need it the most.

Key innovations underlying our product

1. Our proprietary database and model

We are building the largest and most complete database of multifamily building energy performance, in order to become really good at predicting the efficiency of retrofits.

2. In-house innovative energy billing software

We realign incentives by splitting energy savings between owner and tenant. Our billing software positions Fram as the tenant's virtual utility to collect electricity payments. Our interface enhances tenant financial health by lowering energy bills and building credit score through energy payments.

Our partners include:



	1. Retrofit menu	2. Splitting energy savings
User Journey	We present a menu of retrofits for a specific property, comparing CAPEX, NOI boost, ROI, incentives and construction timeline. The property owner can combine and assess options.	Our tenant billing interface solves split incentives by equitably dividing energy savings between the owner and the tenant, operating like a virtual utility towards the renter.
Fram Enablers	Multifamily energy performance model + interface	Energy performance model, Tenant billing application
Problem addressed	Lack of retrofit knowledge and experience	Split incentives/business case doesn't pencil out

* NRDC ** NCBI