

#90

EXECUTIVE SUMMARY

Energy Rated Homes of America

Uniform Energy Rating System

For many years Americans have been familiar with the U.S. EPA's miles per gallon ratings which clearly identify the fuel economy of cars. More recently Americans have become attuned to the bright yellow energy guides found on refrigerators, freezers, and air conditioners in household appliance showrooms. Illogically, however, homes are generally not rated for their fuel economy. The lifecycle energy costs of a home, like a car or appliance, are important values which to date have been invisible to consumers, and as a result home buyers assess their decisions based only on homes' first costs.

Energy Rated Homes of AmericaTM believes that by rating homes consumers will be better armed to make critical home buying decisions. This in turn, will push the entire "shelter industry" (from builders to appraisers to real estate agents to lenders) to focus more on homes' energy efficiency, an awareness that will inevitably reduce household energy consumption and make housing more affordable.

Based on ratings from ERHA's Uniform Energy Rating System TM, lenders can be confident that homes classified as "efficient" will indeed have lower utility bills and that their home owners will have more money to spend on their monthly mortgage payments. A host of innovative lending practices are being piloted and implemented that take advantage of the transferability of these savings into mortgage payments. Thus lenders are easing and "stretching" home owners' debt-to-income ratios for energy-efficient homes.

Rating sheets for homes developed from the Uniform Energy Rating System provide an "as-is" rating for the home based on a 100-point scale. An "improvement-options" rating also provides an indication of how homes would rate as well as potential savings if they followed a set of fully detailed retrofit measures, in an improvement sheet. Thus the process of rating a home not only provides a score, but provides the home owner with cost effective and suggested improvements. Furthermore, the funds necessary to carry out these improvements can be added to mortgages, allowing inefficient homes to be upgraded and the cost of improvements financed over the life of the loan.

To date, Energy Rated Homes of America's Uniform Energy Rating System has been implemented in 12 states using a variety of implementation strategies. Sometimes the program is run by a utility or the state itself, but typically the program is run by a non-profit group and funded through a combination of home owners, builders, and utilities keen on coupling ratings with their new and existing home construction programs.

Print Executive Summary

Download entire 23 page Profile

The Results Center Profiles: www.ecomotion.us/results

ENERGY RATED HOMES OF AMERICA Uniform Energy Rating System

Sector: Residential

Measures: Measures include CFLs; water

heater tank wraps; ceiling, floor, and pipe insulation; efficient refrigerators and freezers; high efficiency space & water heating equipment; air leakage reduction;

and controls

Mechanism: ERHA provides national

administration of the UERS, a system of agreements allowing the shelter industry to incorporate a uniform energy rating system into the marketplace. ERHA helps members to start up the UERS program, maintains a data bank of houses rated under the UERS, and provides oversight of

the program

History:

UERS first developed in 1983 in Pacific Northwest. In 1987 administrative responsibilities turned over to ERHA in Arkansas

CUMULATIVE ERHA DATA

Data bank ratings (5/18/94): 15,626 Costs (1990-93): \$471,583

The Results Center produced 126 profiles of the most successful energy efficiency and renewable energy programs in the United States and around the world in the early and mid 1990s. With the support of the John D. and Catherine T. MacArthur Foundation, Ted Flanigan directed a research team at Colorado-based IRT Environment to produce and distribute these exceptional examples. Thanks to strong demand for solid case studies, The Results Center was supported by dozens of major utilities and energy associations worldwide. Today, The Results Center is managed again by Ted Flanigan, now at California-based EcoMotion Incorporated, a firm focused on strategic consulting, information dissemination, program design, outreach services, and aggressive implementation. To nominate highly successful programs, contact: The Results Center, c/o EcoMotion, 15375 Barranca Parkway, F-104, Irvine, CA 92618, (949) 450-7155, or TFlanigan@EcoMotion.us