

Council Business Meeting

August 02, 2022

Agenda Item	Rogue Valley Home Energy Score Collaboration	
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HOME ENERGY SCORES

Residents have more information; homes save money, energy, and carbon.

SUMMARY

- Rogue Valley Association of Realtors, City of Ashland staff, and the Climate Policy Commission have developed a collaborative, voluntary program that provides reliable information to homebuyers and sellers about a home's energy use and estimated costs.
- The Home Energy Score has a proven track record and is among the lowest-cost policy options to decrease energy use and protect Ashland residents from unnecessary future energy burdens.
- If successful, the program has an opportunity to spread to other parts of the state.

POLICIES, PLANS & GOALS SUPPORTED

CEAP Goals Supported

Overall Goal 1. Reduce Community GHG Emissions.

Overall Goal 2. Prepare Ashland to be more resilient to climate change.

CEAP Strategies Supported

- Direction for the Home Energy Score is specifically outline in Ashland's Climate and Energy Action Plan
 - BE-2-2. Require building energy scores to identify and incentivize cost-effective energy efficiency improvements.
- Home Energy Scores support the following elements of the Ashland's [Climate and Energy Action Plan](#)
 - Overall Goal 1: Reduce Community GHG Emissions.
 - Overall Goal 2. Prepare Ashland to be more resilient to climate change.
 - Strategy BE-1. Support cleaner energy sources.
 - Strategy BE-2. Encourage increased building energy efficiency.
 - Strategy BE-4. Improve demand management.
 - Strategy CC-1. Educate and empower the public.
 - Strategy CM-1. Reduce consumption of carbon-intensive goods and services.
 - Strategy CM-2. Support sustainable and accessible local production and consumption.
 - Strategy PHSW-2. Promote a sustainable local economy that minimizes emissions and vulnerability.
- Supports all [City of Ashland conservation and sustainability programs](#)
- Comprehensive Plan – Housing Element 6.08. Environmental stewardship and sustainability
 - Policy 20: Promote building and site design that supports energy efficiency, renewable energy generation, and water conservation in new residential developments.

PREVIOUS COUNCIL ACTION

- Home energy scores are included as an action item BE-2-2 in Ashland’s 2017 [Climate and Energy Action Plan](#).
- A home energy score program is included as a viable policy option in previous [annual climate progress reports](#).
- Climate Policy Commission Chair Rick Barth mentioned the home energy score program in his [presentation](#) to Council on March 14 of this year (slide 13).

ANALYSIS

What is happening?

Rogue Valley Association of REALTORS (RVAR) and City of Ashland have developed a collaborative, voluntary program to provide reliable information to homebuyers and sellers about a home's energy use and estimated costs. Oregon Department of Energy endorses the ‘Home Energy Score’ program and is providing technical support. The group wishes to keep the City Council informed of this program.

The group’s activities up to now include:

- Stakeholders hold discussions to assess opportunities for regional home energy scores.
- Group collaboratively designs draft outreach materials for homeowners and buyers.
- Establish a scholarship fund to grow the local assessor workforce
- Reach out to established local inspectors to encourage participation
- RVARs offer home energy score classes to members

Why implement home energy scores now?

Ashland’s Climate and Energy Action Plan identifies HOME ENERGY SCORE as a key climate action tool for the City. In [November 2021](#) the Climate Policy Commission and city staff began reviewing a proposed HOME ENERGY SCORE framework. Following this discussion, a stakeholder group of commissioners, staff, and local real estate professionals began to assess opportunities for a local home energy score program. As a result, the participants designed the voluntary, region-wide home energy score program described here.

What will happen next?

Future activities of the program may include:

- Group will conduct additional outreach to grow the local labor force of certified assessors.
- Outreach materials will be printed and distributed.
- A City and/or regional program webpage will be developed.
- RVAR members will be offered additional training and continuing education.
- City staff and RVAR will continue to develop the collaborative, voluntary, region-wide program.

What are the implications of home energy scores?

Future impacts will include:

- Homebuyers, sellers, and owners have access to information on home energy use that is credible, comparable, and easy to understand.
- Increases market transparency by allowing new home buyers to have insight into the full costs of owning a home.
- Encourages use of reliable, consistent home energy efficiency information in real estate transactions to inform decisions, and build market value for comfortable, energy efficient homes.

- Helps integrate energy information into financing products to help drive the market for comfortable, energy efficient homes.
- Supports the Climate and Energy Action Plan by reducing residential carbon emissions--one of the largest emissions sources in Ashland.
- Local jobs will be created.
- Energy consumption and operating costs will be reduced.
- Protect residents from future energy burdens.
- Increase use of the City's existing energy efficiency incentives.

BACKGROUND

What is a Home Energy Score?

A Home Energy Score documents information about a home's energy performance. It is commonly used as an informational tool for real estate transactions, or by homeowners who want more information about their home. This information is designed to enable more knowledgeable decisions about the full costs of operating homes and to motivate investments in home improvements that lower utility bills, reduce carbon emissions, and increase comfort, safety, and health for homeowners. Home Energy Scores are low-cost (around \$125 per home), are administered by a state-certified assessor, and take about an hour. In addition to a numerical score, the complete Home Energy Score Report supplies information about the home's projected operational costs, likely carbon emissions, and suggestions for cost-effective improvements.

How do you get a Home Energy Score?

1. Homeowner contacts a certified assessor to schedule a home assessment.
2. The assessor evaluates a home's performance and issues a score, similar to the bright yellow Energy Guide label found on home appliances. The assessor will look for air leaks, check insulation levels, inspect windows and doors, make sure heating and cooling systems are well-maintained, check lighting, and more.
3. After the assessor reviews your home, the homeowner receives a home energy report. The report walks through a home's score and recommended improvements to save energy and money.
4. For homes being listed, the assessor will upload the Energy Score to a regional database for easy use by the realtors and homebuyers.

Why were home energy scores created?

The Home Energy Score was developed by the United States Department of Energy and was designed to improve housing stock, increase energy efficiency, and reduce environmental impacts. The State of Oregon endorses the Home Energy Score, and mandatory requirements have been adopted by several Oregon cities, including Portland, Milwaukie, and Hillsboro. The Home Energy Score has a proven track record and is among the lowest-cost policy options to decrease energy use and protect Ashland residents from unnecessary future energy burdens. Any resident or homeowner can choose to get a Home Energy Score and the associated benefits.

What do the score numbers mean?

If your home scores a 5, it is expected to perform comparably to an average home in terms of energy use. If your home scores a 10, it ranks among the 10 percent of homes expected to use the least amount of energy. A home scoring a 1 is estimated to consume more energy each year than 85 percent of homes. Scoring a 1 does not mean your home is poorly built. A beautiful home with up-to-date equipment can still get a low score if the square footage is high or if there is insufficient insulation. A low score just means there is significant room for improvement to reduce a home's energy use. Scoring a 10 does not mean your home cannot improve. Even a home that uses less energy than most of its peers may benefit from additional energy efficiency or renewable energy investments.

Features of the Home Energy Score

- An energy efficiency score based on the home's envelope (foundation, roof, walls, insulation, windows) and heating, cooling, and hot water systems
- A total energy use estimate, as well as estimates by fuel type assuming standard operating conditions and occupant behavior
- Recommendations for cost-effective improvements and associated annual cost savings estimates
- A "Score with Improvements" reflecting the home's expected score if cost-effective improvements are implemented
- Shown on a simple one-to-ten scale, where a ten represents the most efficient homes.

FISCAL IMPACTS

Total program cost to date is \$2,000. In 2022, the home energy score program has required approximately 40 staff hours, as well as a portion of the Climate Policy Commission's time and energy. Additional funding needs are not expected at this time.

STAFF RECOMMENDATION

No specific action is needed at this moment, but staff recommends City Council voice support for the collaborative, regional home energy score program. Staff additionally suggests that City Council acknowledge the Rogue Valley Association of REALTORS® for their collaboration and for funding a substantial portion of the initiative (member training, fellowships for assessors, promotional brochures, and more).

ACTIONS, OPTIONS & POTENTIAL MOTIONS

N/A

REFERENCES & ATTACHMENTS

- Attachment 1. Sample home energy score report
- Attachment 2. HES flyer



OREGON
DEPARTMENT OF
ENERGY



U.S. DEPARTMENT OF
ENERGY

THIS
HOME'S
SCORE **8**
OUT OF 10

THIS HOME'S ESTIMATED
ENERGY COSTS

\$976

PER YEAR

HOME PROFILE

LOCATION:

1352 NW Constellation Dr
Bend, OR 97703

YEAR BUILT:

1950

HEATED FLOOR AREA:

1,000 sq.ft.

NUMBER OF BEDROOMS:

2

ASSESSMENT

ASSESSMENT DATE:

06/03/2019

SCORE EXPIRATION DATE:

06/03/2027

ASSESSOR:

U.R. TestingGBR6
Acme Assessments

PHONE:

555-555-5506

EMAIL:

tst-gbr6@
greenbuildingregistry.com

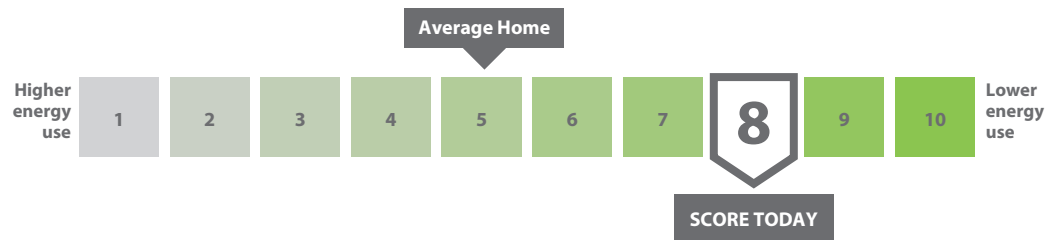
LICENSE #:

15864

*Flip over to learn how
to improve this score
and use less energy!*



Home Energy Score



Official Assessment | ID# 223154

The Home Energy Score is a national rating System developed by the U.S. Department of Energy. The Score reflects the estimated energy use of a home based upon the home's structure and heating, cooling, and hot water systems. The average score is a 5. Learn more at HomeEnergyScore.gov.

HOW MUCH ENERGY IS THIS HOME LIKELY TO USE?

Electric: 4,935 kWh/yr (\$0.11/kWh)..... \$564

Natural Gas: 542 therms/yr (\$0.76/therm)..... \$412

Other: \$0

Solar Generation: (\$0)

TOTAL ENERGY COSTS PER YEAR \$976

How much
solar energy
does this
home
generate?

___ kWh/yr

THIS HOME'S CARBON FOOTPRINT:



Carbon footprint by fuel type: Electric: 2.0 Natural Gas: 2.9

- Actual energy use and costs may vary based on occupant behavior and other factors.
- Estimated energy costs were calculated based on current utility prices in your area.
- Carbon footprint is based only on estimated home energy use. Carbon emissions are estimated based on utility and fuel-specific emissions factors provided by the OR Department of Energy.
- This report is valid for eight years from the assessment date. A free reprint of the report is available from us.greenbuildingregistry.com with updated utility and carbon information annually.
- **This report meets Oregon's Home Energy Performance Score Standard.**

Score
today:

8

Score with priority
improvements:

9

Estimated energy savings
with priority improvements:

\$15 PER
YEAR

Estimated carbon reduction
with priority improvements:

2% PER
YEAR

TACKLE ENERGY WASTE TODAY!

Enjoy the rewards of a comfortable, energy efficient home that saves you money.

- Get your home energy assessment. Done!
- Choose energy improvements from the list of recommendations below.
- Select a contractor (or two, for comparison) and obtain bids. Check with your local utility for a list of contractors in your area.
- To find out more information about the state of Oregon Home Energy score program visit: oregon.gov/energy/home-energy-score

PRIORITY ENERGY IMPROVEMENTS | 10 YEAR PAYBACK OR LESS ¹

FEATURE	TODAY'S CONDITION ³	RECOMMENDED IMPROVEMENTS
Water Heater	Natural gas	When replacing, upgrade to ENERGY STAR, minimum 0.67 EF (Energy Factor)

ADDITIONAL ENERGY RECOMMENDATIONS ²

FEATURE	TODAY'S CONDITION ³	RECOMMENDED IMPROVEMENTS
Attic insulation	Ceiling insulated to R-30	Insulate to R-38 or R-49 if code requires it
Duct sealing	Un-sealed	Reduce leakage to a maximum of 10% of total airflow
Envelope/Air sealing	Not professionally air sealed	Professionally air seal
Solar PV	N/A	Visit www.energytrust.org/solar to learn more
Air Conditioner	N/A	
Basement wall insulation	N/A	
Cathedral Ceiling/Roof	None	
Duct insulation	Un-insulated	
Floor insulation	N/A	
Foundation wall insulation	Insulated to R-0	
Heating equipment	Natural gas furnace 90% AFUE	
Skylights	N/A	
Wall insulation	Insulated to R-7	
Windows	Double-pane, low-E glass	

1. To achieve the "Score with Priority Improvements" all recommended improvements in the Priority Energy Improvements section must be completed. These priority improvements have a simple payback of ten years or less.

2. Additional energy efficiency improvements may take longer than ten years to make a return on investment but can have a significant impact on the comfort, efficiency and environmental impact of your home.

3. Today's Condition represents the majority condition for that feature in the home.

Rogue Valley Home Energy Scoring

"Miles Per Gallon" For Your Home!

Know the score. Outsmart energy waste. For more information visit www.ashland.or.us/climate



THE PROGRAM

The Rogue Valley Association of REALTORS® and the City of Ashland have teamed up to assist home buyers and sellers on the importance and value of a Home Energy Assessment. These Home Energy Scores (HES) will provide credible and comparable information about a home's energy performance and the opportunity to save money and reduce greenhouse gas emissions with cost-effective energy efficiency upgrades.



Above-average scores save homeowners \$\$\$

THE SCORE




Homes will be scored by professional energy assessors on a ten-point Scale:

- 10** Lowest energy use
- 5** Average energy use
- 1** Highest energy use




The HES was developed by the U.S. Department of Energy and is comparable to a miles-per-gallon rating on cars.

[Click here](#) to watch a short video about Home Energy Scores.

Sellers Perspective:

-  Helps sellers more easily showcase energy efficiency improvements.
-  Provides Sellers with a means to recoup prior investments made in energy-efficient features.
-  Provides sellers with an opportunity to understand potential cost-effective improvements before preparing to list the home for sale.

Buyers Perspective:

-  Allows buyers to have a realistic picture of the full costs of owning a home.
-  Provides buyers with a list of recommended improvements to consider when they move in.
-  Provides buyers with an estimate of the energy savings and an updated score if any of the recommended upgrades are made.

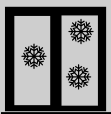
HOW IT WORKS



Takes about 1 hour to complete.



Analyzes numerous components of a home (windows, insulation, water heating, HVAC systems, etc.)



Uses home characteristics instead of occupant behavior so that one home score can be compared to others.



The Rogue Valley Association of REALTORS® and the City of Ashland urge you to learn more about your home's energy use.

Learn more about the value of Home Energy Scores at:
www.oregon.gov/energy.