



6. ENERGY EFFICIENCY: Homebuilders and efficiency advocates push for overhaul in residential energy use (07/28/2010)

Darius Dixon, E&E reporter

Increasing the energy efficiency of private homes through changes in the nation's building codes is an essential tool to direct meaningful reductions in energy costs and greenhouse gas emissions, asserted efficiency advocates at a congressional briefing yesterday.

The best opportunity to introduce energy-efficient technologies into a home is during its construction or its sale, or when it is otherwise vacant, panelists said. Given the number of homes currently on the market due to foreclosure -- or the threat of it -- this may also be an opportunity to implement an overdue efficiency overhaul.

Advocates on the panel, hosted by the Environmental and Energy Study Institute, argued that a federal program was needed that factored the energy-efficient upgrades made to a home directly into its appraisal rather than the patchwork of standards established by individual states.

The energy and climate bill sponsored by Reps. Henry Waxman (D-Calif.) and Ed Markey (D-Mass.) that passed the House last year also set efficiency targets for building. In that bill, 50 percent energy reductions were expected by 2014 and 2015, for residential and commercial building, respectively.

Neil Brown, a staffer for Sen. Richard Lugar (R-Ind.), highlighted the fact that similar building efficiency standards were also included in the energy bill introduced by the senator early last month.

A push for home energy efficiency reporting

Residential energy consumption represents about 17 percent of U.S. greenhouse gas emissions and more than 20 percent of the country's overall energy use, according to U.S. EPA and the U.S. Energy Department, respectively.

Rep. Brian Baird (D-Wash.), chairman of the House Science and Technology Subcommittee on Energy and Environment, said he personally favors a mandatory reporting scheme of a home's average utility costs. Such measure, he said during his opening remarks, would be "transformative" to the housing market.

If not mandatory, Baird said, utility reporting should be available on a voluntary basis and presented alongside the cost of a property on real estate listings.

"If you're comparison shopping" in the current market, he said, "you don't have a way to say, of two otherwise identical houses, [that] the one with the lower utility bill is your better buy." "You ought to have a way to do that." Baird suggested that energy efficiency rating for a home should become as common as fuel efficiency labeling on automobiles.

Unlike the battery technology that currently limits the production of advanced electric vehicles, however, making homes and other buildings more energy-efficient does not require leaping over similar technological hurdles, said Kateri Callahan, president of the Alliance to Save Energy.

"We're not asking for new technology," she said. The central problem is effective implementation in a market where the average turnover of a home can be a lifetime.

A struggling economy creates hurdles to efficiency

Proving that the cost of energy efficient installations will be more than made up for in future savings is already a difficult sell. But with an economy in distress, making such a pitch far more difficult.

The problem extends not only to potential home buyers but also to current homeowners who are not interested in moving. With an unstable employment outlook, or the risk of possible foreclosure, owners will shy away from making costly investments in a home they may not be able to maintain in the near future.

Improving building efficiency codes is an important tool for tackling this particular energy problem, said Clayton Traylor, senior vice president of Leading Builders of America, an organization that represents 16 companies responsible for roughly a third of all

homes built in the United States last year.

Factoring in the energy savings directly into the price of a house is central to protecting homebuilders. But, he said, "We just don't have our system of purchasing and financing houses aligned in such a way that it facilitates that." The current system, Traylor added, is actually "a deterrent to energy-efficient homes."

His company and efficiency advocates, Traylor said, have been working with Sen. Michael Bennett (D-Colo.) on new energy legislation, called the "SAVE Act." SAVE, to be released in the coming weeks, Traylor said, would redesign the home mortgaging infrastructure and pricing.

When asked if the nation's banks were on board with such an overhaul of their practices, Traylor said, the response he's gotten has been simple: "Tell us this will work, and we'll give it some serious consideration."

He added: "That's about as a good a reaction as you can hope to get from the lending community."

Advertisement



ClimateWire

ENVIRONMENT
& ENERGY DAILY

Greenwire

Land Letter

E&ENEWS PM



The Premier Information Source for Professionals Who Track Environmental and Energy Policy.

© 1996-2010 E&E Publishing, LLC [Privacy Policy](#) [Site Map](#)
