

SWEEP ANNUAL WORKSHOP
NOVEMBER 3, 2005



***ENERGY STAR Labeled Homes:
What, How, and
Lessons Learned***

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National Director, ENERGY STAR for Homes*



ENERGY STAR

What?



WHAT IS ENERGY STAR:
EASY TO CHOOSE ENERGY EFFICIENT



The national, US government-backed

***symbol for
energy efficiency***

while assuring same or better performance

Not Green!

WHAT GROWTH FOR ENERGY STAR: 'BRAND" AWARENESS

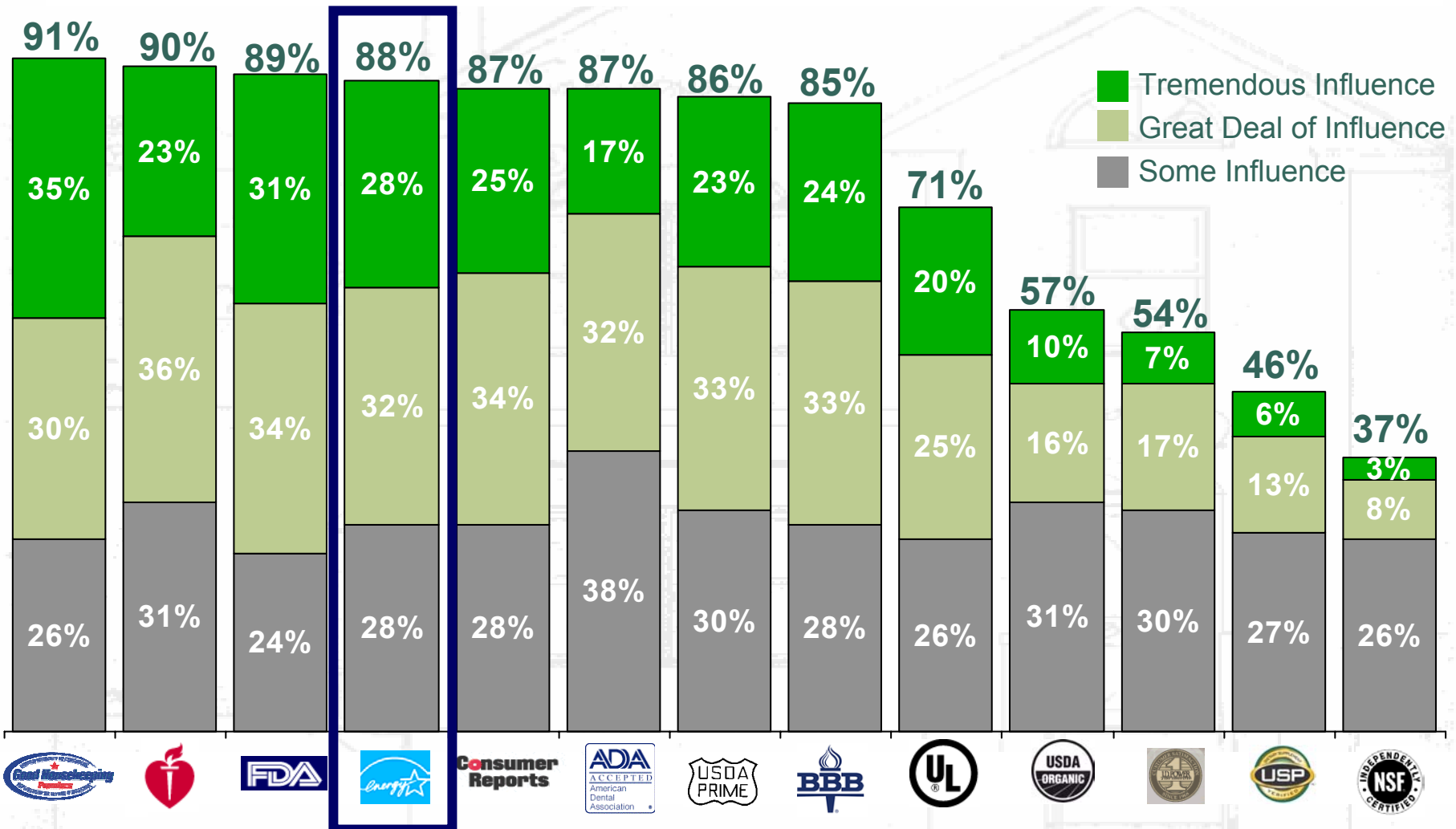


60%+ *awareness in 2004*

70%+ *households would recommend*

95% *likely to buy again in future*

WHAT GROWTH FOR ENERGY STAR: 'BRAND' AWARENESS



WHAT IS ENERGY STAR FOR HOMES: HOMEBUILDER PARTNERSHIP

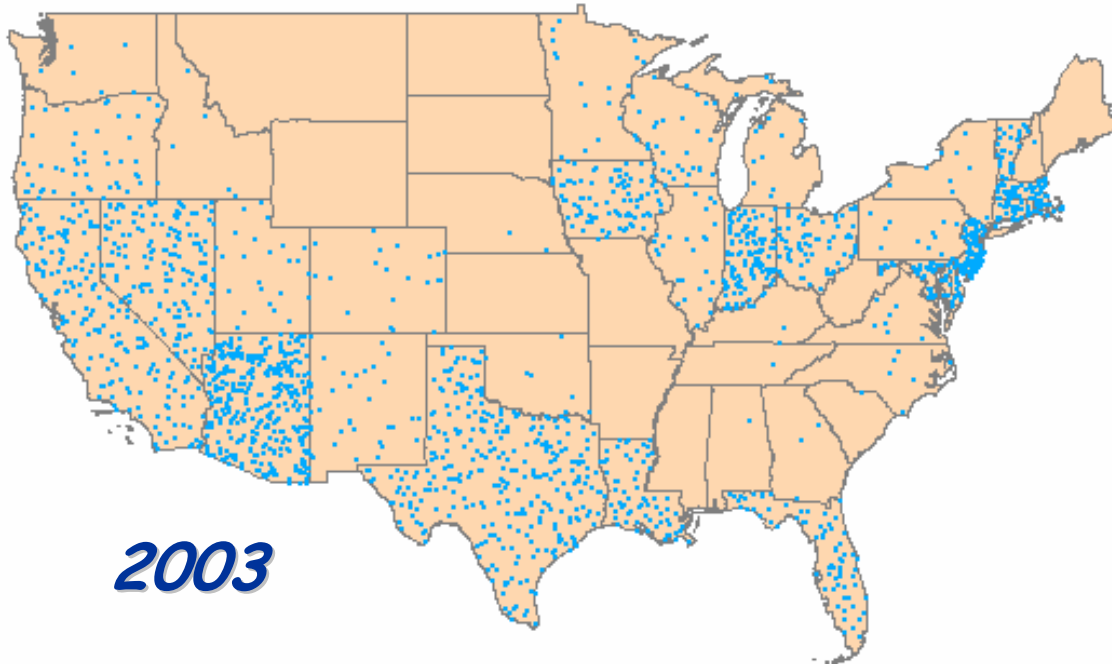


- *Voluntary*
- *Define Energy Efficient*
- *Recognition*

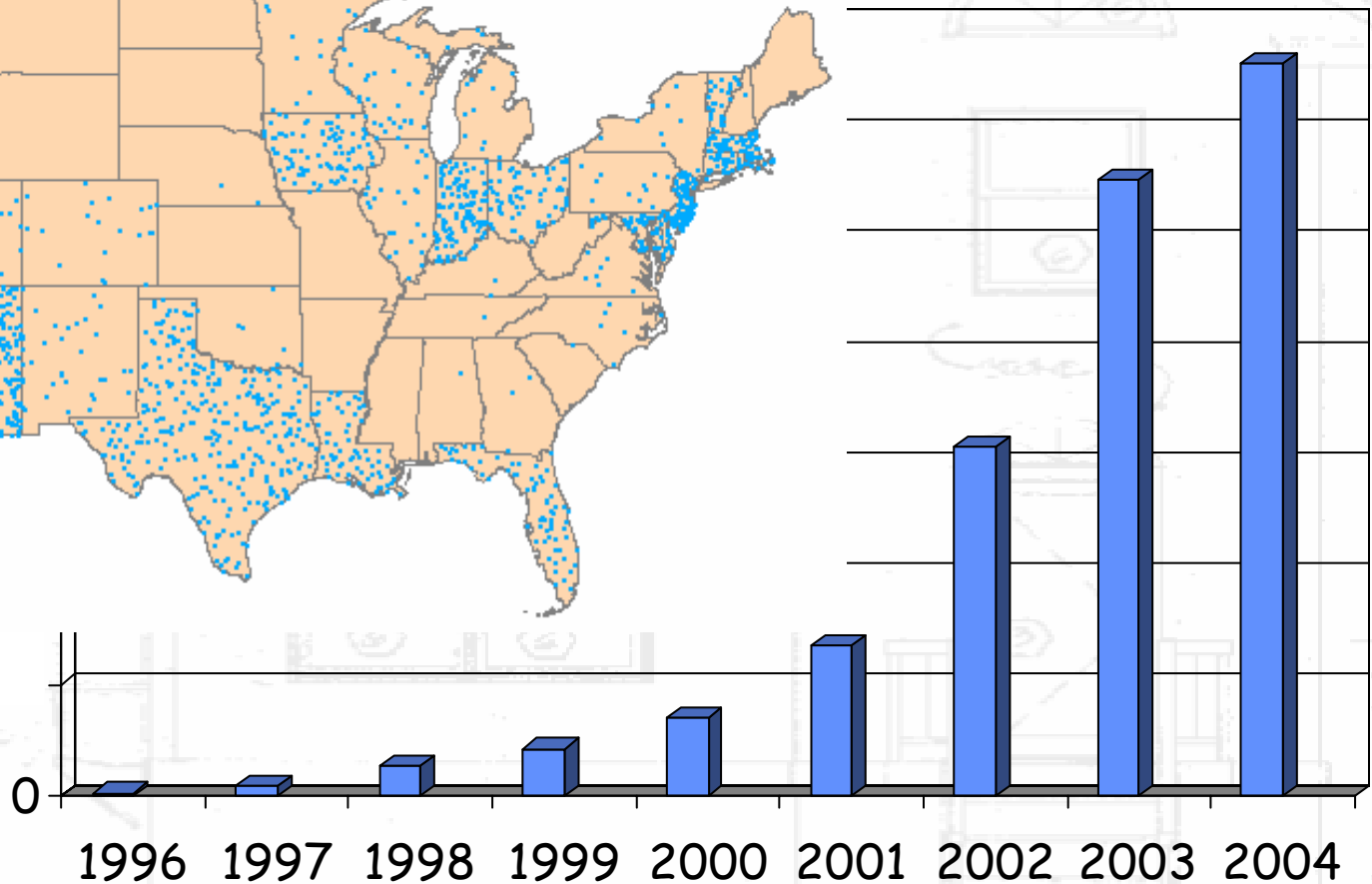
WHAT RESULTS FOR ENERGY STAR LABELED HOMES: GROWTH



Each dot = 50 labeled homes



2003





ENERGY STAR

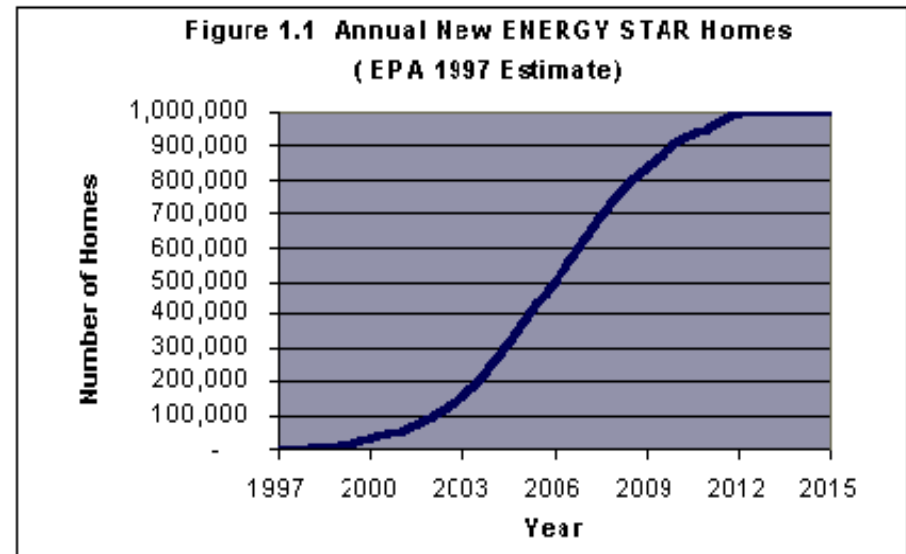
How?



HOW DESIGNED VOLUNTARY PROGRAM: BUSINESS STRATEGY

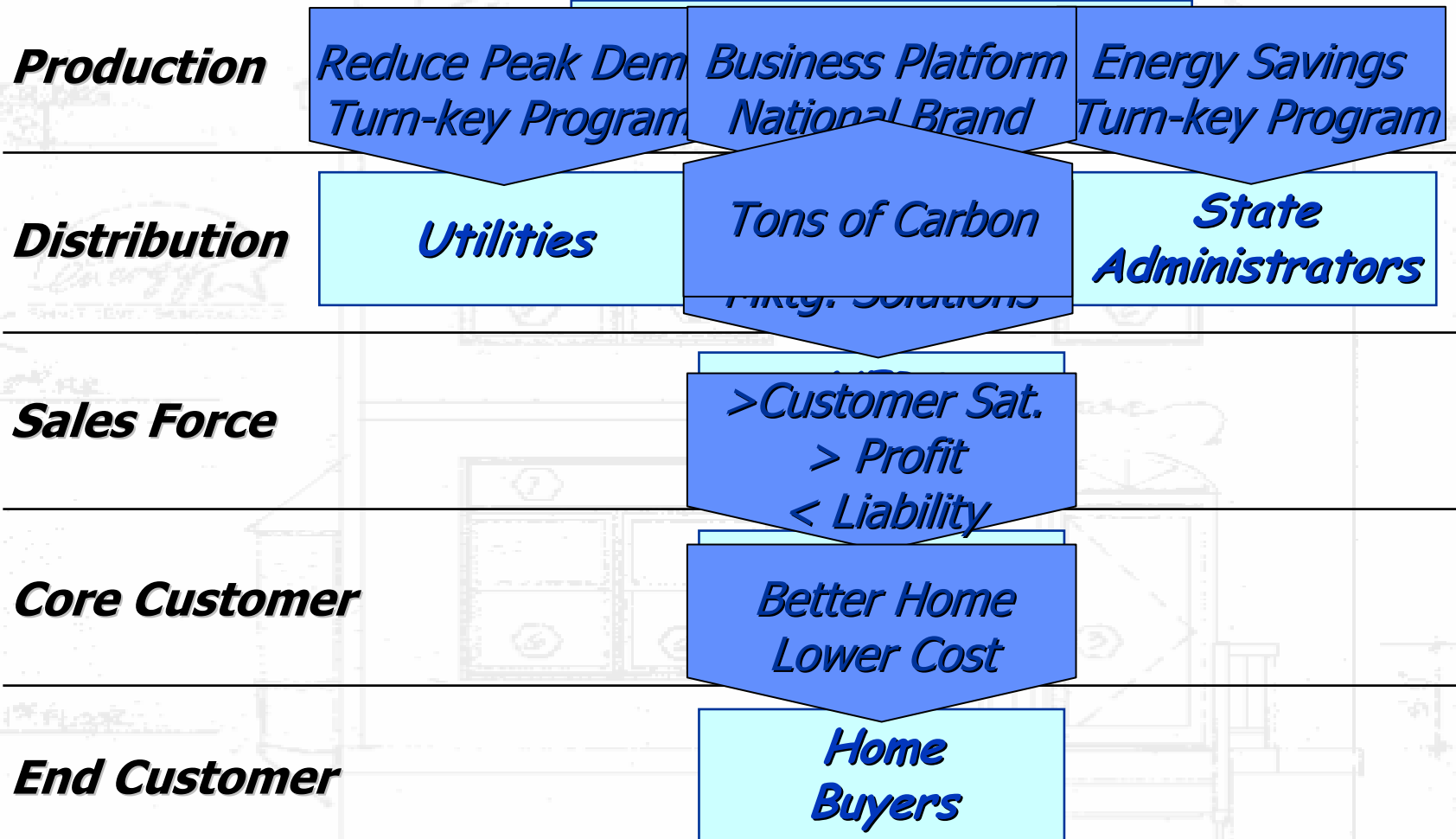


- *Core customer
Production builders*
- *Develop strong
distrib./sales chain*
- *Ensure compelling
value propositions*
- *Continually improve*



Source: EPA

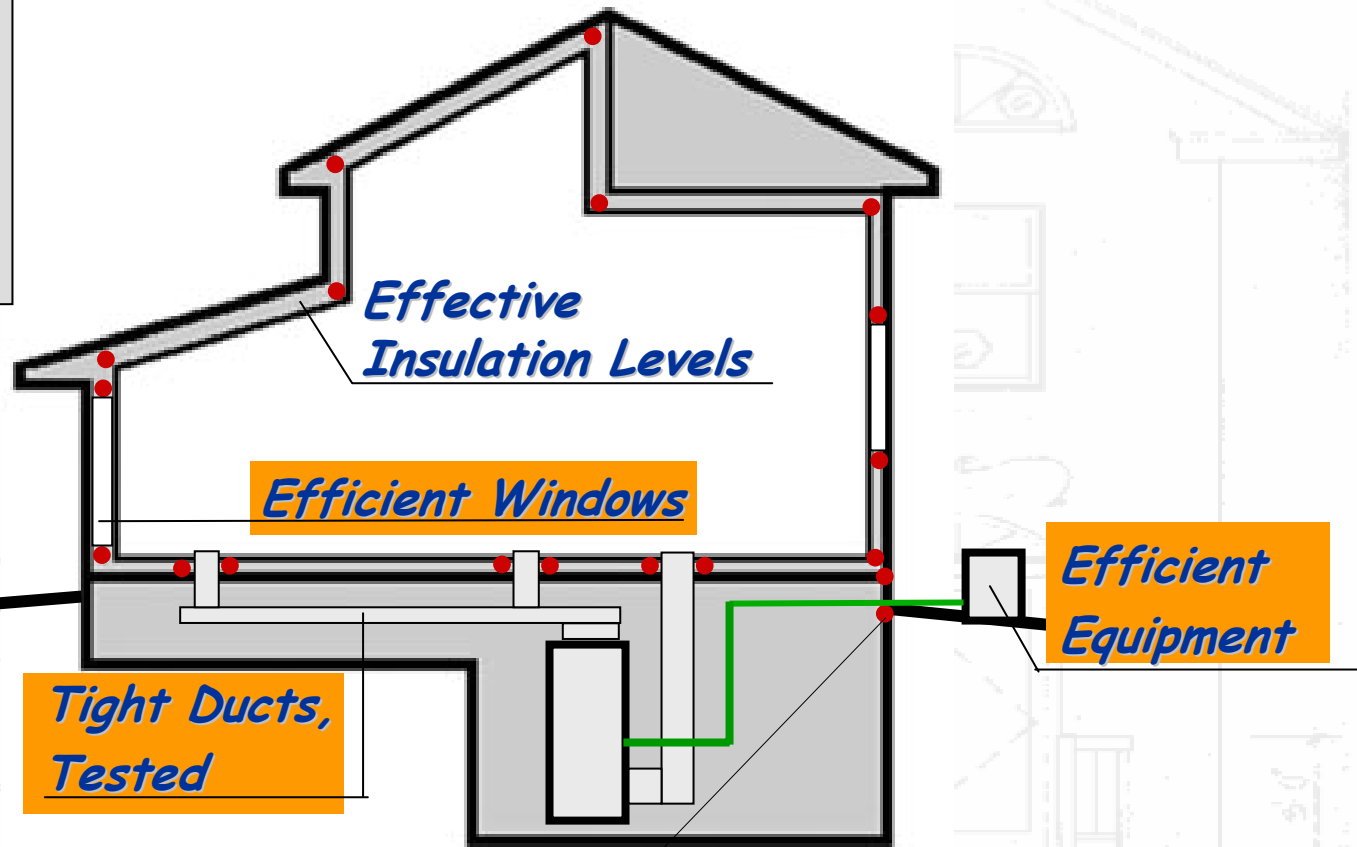
HOW DELIVER VOLUNTARY PROGRAM: BUSINESS MODEL



HOW DEFINE ENERGY EFFICIENT: OLD SPEC



*HERS Score
of 86 and
15% > code,
or equivalent
package...*



Build it Tight, Tested

HOW DEFINE ENERGY EFFICIENT: NEW SPEC



*Expanded
HERS Score
of 83/84, or
equivalent
package...*

*ENERGY STAR Qualified
Lighting, Fans, or
Appliances*

*IECC Insulation
Properly Installed*

Continuous Air Barrier

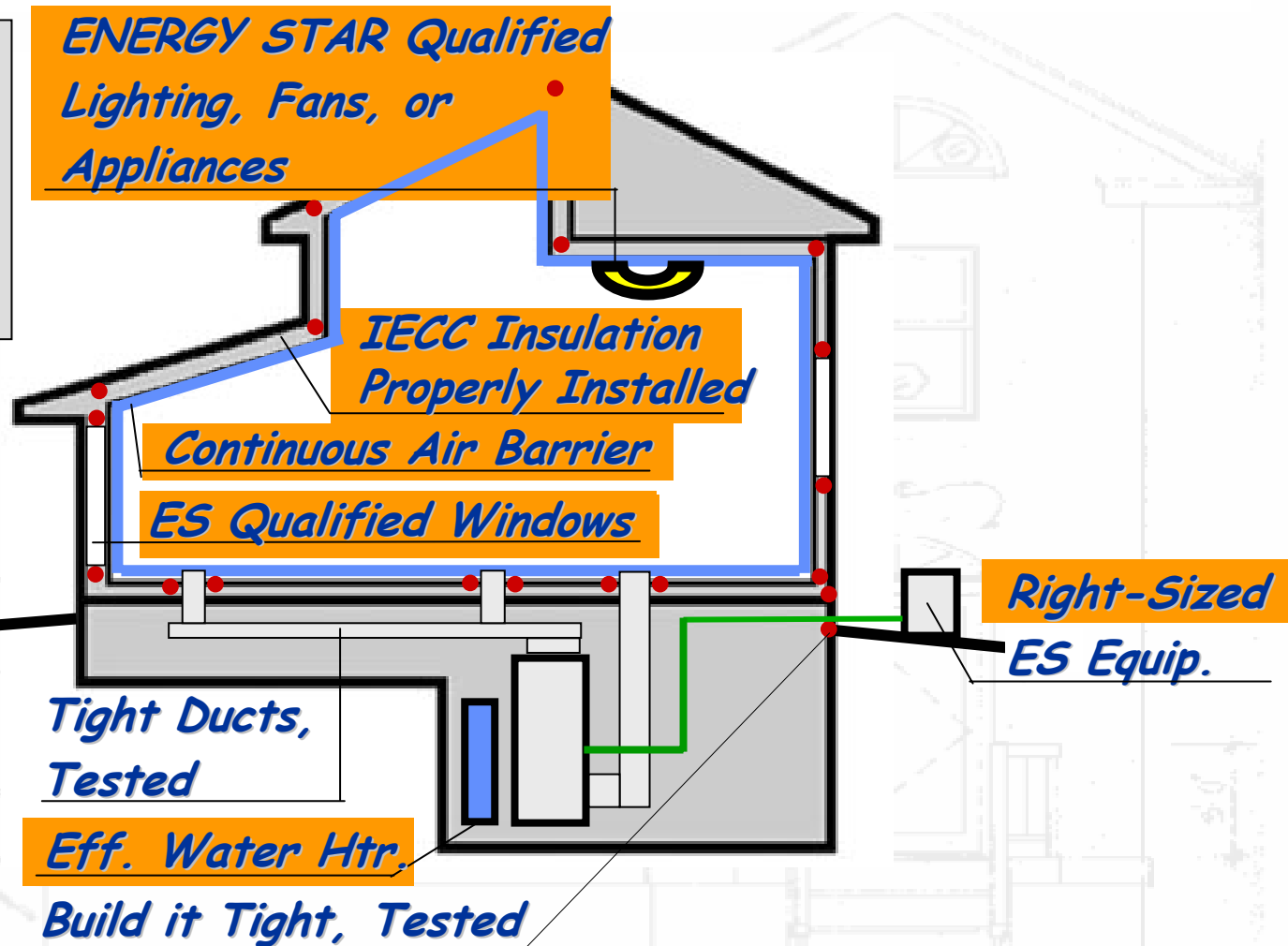
ES Qualified Windows

*Right-Sized
ES Equip.*

*Tight Ducts,
Tested*

Eff. Water Htr.

Build it Tight, Tested



HOW ADD QUALITY: ENERGY STAR INDOOR AIR PKG. SPEC



• **ENERGY STAR**
Qualified Home

• Moisture control

• Radon Control

• Pest Control

• HVAC Systems

• Combustion Venting

• Materials

Safe Materials

Mat. Prep/Install.

Combust. App.

Garage Isolation

CO Alarms

ENERGY STAR Qualified
Lighting, Fans, or
Appliances

IECC Insulation
Properly Installed

Continuous Air Barrier

ES Qualified Windows

Tight Ducts

Eff. Water Htr.

Build it Tight,

Water Man. Roofs

Attic/Clg. Interface

Water Man. Walls

Radon Resist. Con.

Ductwork

Screens/Shield

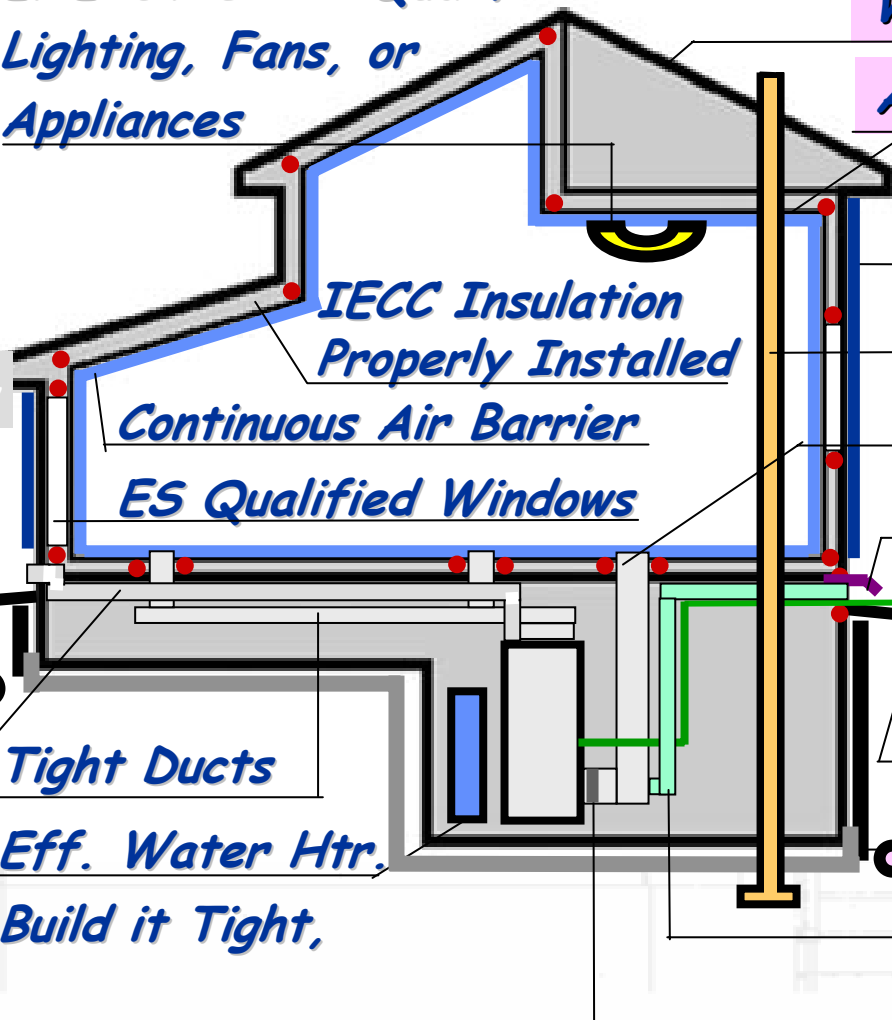
Right-Sized
ES Equip.

Htg./Cooling Equip.

Water Man. Fndn.

Ventilation

Air Filtration



HOW DEFINE ENERGY EFFICIENT: ENERGY STAR ADV. LIGHTING PKG.



<i>Category</i>	<i>% ENERGY STAR Fixtures</i>
<u>High-Use Rooms</u> Kitchen, Dining Room, Living Room, Family Room, Bathrooms, Halls, Stairways	50%
<u>Medium-Use Rooms</u> Bedrooms, Den, Office, Basement, Laundry Room, Garage, Closets, and all other rooms	25%
<u>Outdoor Lighting</u> Affixed to Home, Free-standing Poles excluding landscape and solar lighting	50%
<u>Ceiling Fans</u> [Where Provided]	100%

HOW PROVIDE RECOGNITION: ENERGY STAR MARKETING TOOLS



- *Logo/Label*
- *Web Site Listing*
- *100% Commitment*
- *Awards*
- *Outreach Campaign*
- *Sales ToolKit*

AN ENERGY STAR[®] QUALIFIED HOME

Address: _____

Built by: _____

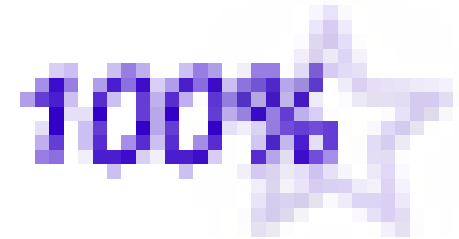
Verified by: _____

Date: _____

Optional information: _____

This home has been independently verified through an EPA-approved sampling protocol to meet ENERGY STAR's strict guidelines for energy efficiency. Each ENERGY STAR qualified home can keep 4,500 lbs of greenhouse gases out of our air each year.

www.energystar.gov



THESE BUILDERS DON'T JUST SEE A FUTURE HOME. THEY SEE A BETTER FUTURE.

- | | |
|----------------------|------------------------|
| Ashton Woods Homes | Guatafaon Custom Homes |
| Astante Luxury Homes | Habitat for Humanity |
| Beazer Homes | Hacienda Builders |
| Continental Homes | Hallcraft Homes |
| Elite Homes | Keystone Homes |
| Engle Homes | Maximum Homes |
| Environmental Homes | Royce Builders |
| Golden Heritage | Schuler Homes |

Visit them at www.arizonaenergystarhomes.com

BUY AN ENERGY STAR[®] QUALIFIED HOME. IT'S BETTER FOR YOU AND THE ENVIRONMENT.

ENERGY STAR qualified homes meet EPA's strict guidelines for energy efficiency. These homes provide greater comfort and durability while lowering utility costs. Energy efficiency also protects the environment by significantly reducing the greenhouse gas emissions that contribute to global warming. Learn more. Visit www.energystar.gov



Launch Pad

Long Checklist Flyer START HERE | Lighting Flyer Features Flyer | Environmental Message Flyer Benefits Flyer | Benefits Label Short Checklist Flyer | Sales Guidance Tool Cost Flyer

Follow the Instructions to build a Features Flyer

Features Flyer Image Insertion

Step 1: Choose 5 Features
Choose three images that correspond with the features you chose from Step 1.

Step 2: Choose a background by clicking this button

Step 3: Choose Background Image | Add Images | Create Flyer



HOW ENERGY STAR FOR HOMES WORKS WITH GREEN: GREEN HOME STAIRCASE



ENERGY STAR

Energy Efficiency

- Envelope
- Distribution
- Equipment
- Lighting
- Appliances

Indoor Environment

- Bulk Moisture
- Radon
- Pest Control
- HVAC
- Combust. Safety
- Materials
- Commissioning

Resource Efficiency

- Site Planning
- Water
- Materials
- Waste Man.
- Renewables

ENERGY STAR for Homes

Green Programs

HOW ENERGY STAR FOR HOMES WORKS WITH GREEN: GREEN AND ENERGY STAR COMPARED



Green:

- *'Shades'*
- *Defines overall green*
- *Varying regional/national programs*

ENERGY STAR:

- *Binary*
- *Defines specific attributes of green*
- *One national program*

HOW IS ENERGY STAR FOR HOMES MARKETED: SETTING EXPECTATIONS



Good News:

- ***Better Product***
- ***Lower Cost***

Bad News:

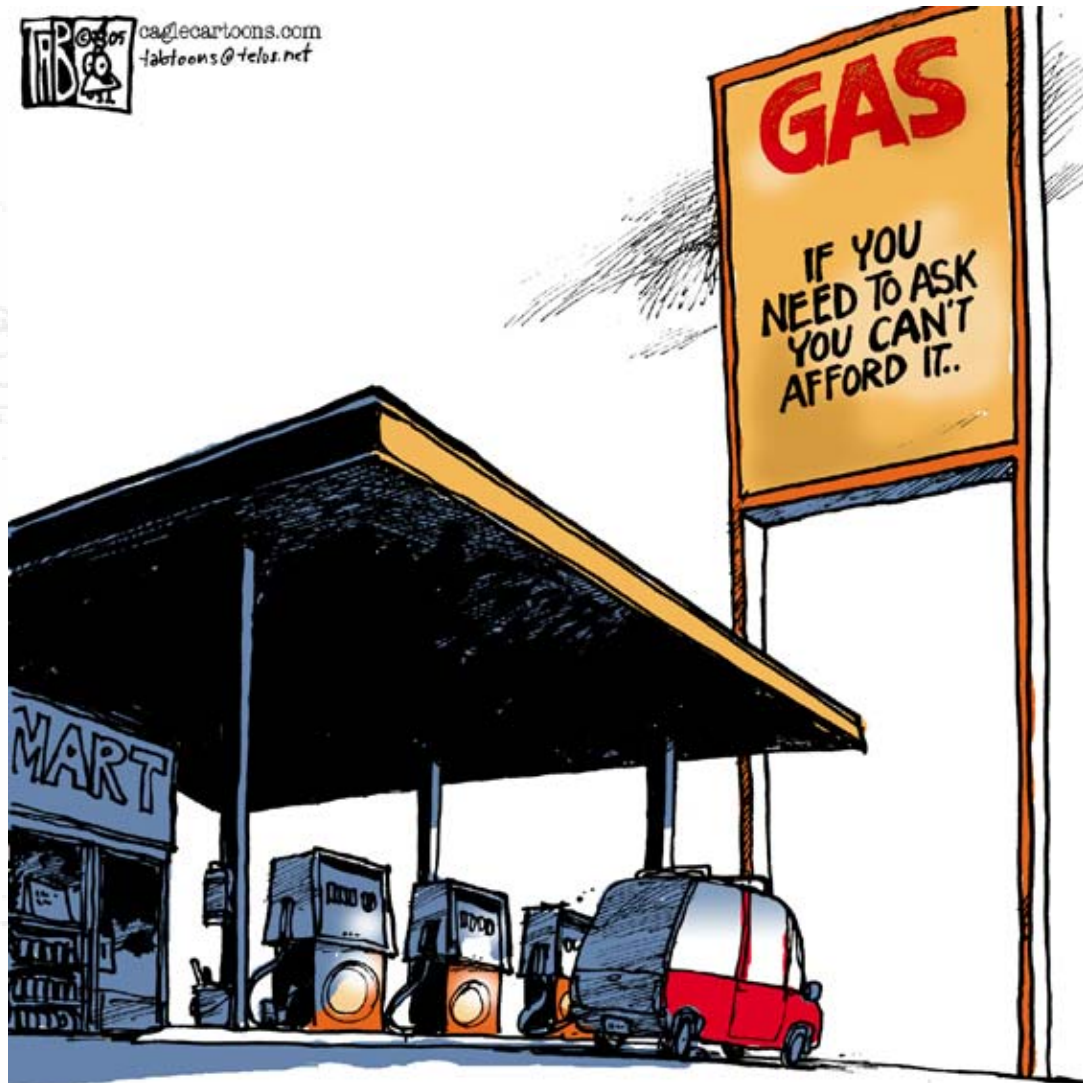
- ***People can't see it***
- ***People won't know to ask for it***

...Commitment to Sell is Critical!

HOW MESSAGE: TIME TO EMPHASIZE ENERGY SAVINGS



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HOW MESSAGE: WILL YOU BE PREPARED?



Small Cars in Focus As Gas Prices Rise

By MATT MOORE
The Associated Press
Tuesday, September
13, 2005; 11:52 AM
Power Information
Network expects the
number of compacts
and sub-compacts on
the U.S. market grow
to grow from 33 this
year to 40 in 2010.



HOW MESSAGE:
QUALITY ADVANTAGE
























"Our subcontractors send their best crews because they know their work will be inspected."

ENERGY STAR Partner Astoria Homes, Nevada

HOW MESSAGE: QUALITY ADVANTAGE



JD Powers & Associates 2005 Builder Quality Rankings

Major Market Total	112	Raleigh/Durham	113
 Austin	122	 Seattle/Tacoma	113
 Orange County (CA)**	122	 Denver/Colorado Springs	111
 Sacramento	120	 San Diego	111
 Houston	118	 San Francisco Bay Area	111
 Tucson	118	 Portland*	109
 Dallas/Ft. Worth	117	Atlanta	108
 Los Angeles/Ventura Counties**	116	 Detroit	108
 Minneapolis	116	Ft. Myers/Naples	108
Charlotte	115	Palm Beach	107
Chicago	115	 Baltimore*	106
Tampa	115	Albuquerque*	104
 Phoenix	114	 Orlando	104
 Inland Empire (CA)**	113	 Washington, D.C.	104
 Las Vegas	113	 Philadelphia	101
		Jacksonville	98

HOW MESSAGE:

INDOOR AIR QUALITY BENEFIT



ENERGY STAR

Homeowners are willing to pay for:

- ***Fresh, Filtered Air***
- ***Additional Protection***
 - *mold and mildew problems*
 - *radon exposure*
 - *annoying pests and termites*
 - *harmful formaldehyde and VOCs*
 - *combustion safety*
 - *wet basements*

... are you willing to take their money?



ENERGY STAR

Lessons Learned



LESSONS LEARNED:
MARKET RESEARCH



ENERGY STAR

- *Status of HERS Infrastructure*
- *Prevailing Builder Characteristics*
- *Prevailing Construction Practices*
- *Consumer Concerns*
- *Key Homebuyer Touch-points*



LESSONS LEARNED: PROGRAM DESIGN



- *Single-Tier vs. Multi-Tier*
- *Prescriptive vs. Performance Threshold*
- *Individual Verification vs. Sampling*
- *Regional vs. Individual Programs*
- *Financial Incentives as Last Resort*
- *Involve Stakeholders*
- *Internal vs. External Verification*
- *Preferred Financing Not a Driver*

LESSONS LEARNED:
MARKETING AND OUTREACH



ENERGY STAR

- *Involve Builders and Raters*
- *Frequency Trumps Single Events*
- *It's All About the Builder*
- *Point-of-Sale Solutions Critical*
- *Under Promise, Over Deliver*

ELEMENTS OF SUCCESS: EVALUATION



- *What Need vs. What Would Like*
- *No Substitute for 'Walking the Floor'*
- *Focus on Vital Few*



HOW TO GET MORE INFORMATION



On the Web at:
<http://www.energystar.gov/homes>

