



Southwest Energy Efficiency Project

Saving Money and Reducing Pollution through Energy Conservation

PRESS RELEASE

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For Further Information Contact:

Howard Geller: 720-313-9337

Steve Dunn: 720-363-0650

NEW STUDY FINDS NEARLY \$5 BILLION COULD BE SAVED BY BUILDING ENERGY-EFFICIENT NEW HOMES IN THE SOUTHWEST

(Boulder, CO) – The southwest region—including the states of Arizona, Colorado, Nevada, New Mexico, and Utah—is the fastest growing region in the country. About 2 million new single family homes are expected to be built in the region by 2020.

A new study issued today by the Southwest Energy Efficiency Project (SWEEP) suggests enormous potential for energy and cost savings by making these new homes highly energy efficient. “The average new home built today is energy wasteful – A typical household spends about \$1,900 a year on energy bills and contributes twice the amount of greenhouse gases to the environment as an average car.” said Howard Geller, Executive Director of SWEEP. “Highly efficient homes offer consumers greater comfort, durability and value than typical homes.”

The study found that making new homes in the region much more energy efficient, combined with increased use of renewable energy systems in homes, could save consumers \$4.8 billion net during 2008 to 2020. While construction costs for energy-efficient homes are usually higher, money saved through lower energy bills more than offsets those costs. Homes that include solar PV and solar water-heating, known as ‘zero energy homes’ are becoming more economical as the cost of renewable energy systems declines and more states and utilities offer incentives for renewable energy. High performance homes sell faster, have lower energy costs, and have higher resale values than ordinary homes. And it is more cost-effective to incorporate energy efficient features and renewable energy systems into new homes than to retrofit them later.

High performance homes consume 40-60% less energy than typical new homes. Constructing large numbers of high performance and net-zero energy homes in the southwest could save 2.7 billion kWh by 2020—enough power to serve 25,000 households annually for ten years—and reduce peak electricity demand by 1,400 megawatts. Emissions of carbon dioxide – a greenhouse gas that contributes to global warming – would be cumulatively reduced by 2.4 million tons by 2020.

To realize these benefits, the new report recommends that state officials, local officials, and utilities in the region:

- Offer a 3-tiered incentive package for high performance homes, including incentives for best practice and net zero-energy homes.
- Adopt updated residential building codes that achieve at least 15% energy savings over typical new building codes.
- Support high performance building practices by providing technical assistance, training and marketing and outreach support to the new homes industry.
- Educate homeowners about the features and benefits of high performance homes.
- Conduct evaluation and field monitoring studies to document home performance.

“Homebuyers are actively seeking energy-efficient, environmentally friendly homes because they offer greater comfort, energy savings, and overall value. Homebuilders can respond to this market by offering energy-efficient homes and net-zero energy homes as standard options,” commented Stephen Dunn, Senior Associate at SWEEP and author of the report. “States and local governments can help builders overcome the barriers to building more efficient homes by offering a coordinated package of financial incentives, builder training and education programs, and marketing support to raise consumer awareness about the features and benefits of energy efficient homes.”

High Performance Homes in the Southwest: Savings Potential, Cost Effectiveness and Policy Options examines the energy and cost savings potential from constructing more efficient new homes in five Southwest states, and makes policy recommendations to achieve greater energy savings in new homes. Copies of the complete study as well as the Executive Summary and a fact sheet with results by state are available on the SWEEP Web site at www.swenergy.org.

About SWEEP: The Southwest Energy Efficiency Project (SWEEP) is a public interest organization that promotes greater energy efficiency in the states of Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming. For more information, visit www.swenergy.org.