

Energy Transparency for Home Buyers

Coalition for Energy Transparency: Conservation Law Foundation, CT Green Building Council, Operation Fuel, Neighborhood Housing Services of New Haven, People's Action for Clean Energy (PACE), Sierra Club. Updated 2/6/2023.



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CURRENT CHALLENGE

When buying a home, prospective buyers don't know how energy efficient the residence is - even though buying a home is usually the most significant investment of one's life. Without energy use information, home buyers are more likely to face higher than expected energy bills, and to default on their mortgage.

OUR SOLUTION

Tell prospective home buyers how energy efficient the residence is.

- Disclose energy efficiency of home to prospective buyers in real estate listing.
- Develop standardized platform for disclosing energy efficiency using energy scores from Energy Star, the U.S. Department of Energy (DOE), Home Energy Rating System (HERS), Northeast Energy Efficiency Partnership (NEEP), and/or other sources.
- Scores can be shared in red/ yellow/ green, A-F grades, estimated energy costs, or another scale that is readily understood by consumers.
- Alternatively, anonymous utility data showing monthly costs and usage could be provided.

How?

- Phase in the requirements so property owners and realtors have time to adjust.
- Require voluntary, then mandatory compliance; statewide enforcement to follow.
- Energy scores are already standard for Energize CT Home Energy Solutions (HES) energy audits.
- Multiple listing service (MLS) fields are compatible with CT HES databases and can easily be populated by CT utilities.
- Provide trainings to real estate community for seamless integration in home buying process.

BENEFITS

- Affordable, predictable housing and utility costs *keep CT residents in their homes.*
- Nationwide, communities with energy transparency requirements experience lower rates of mortgage default.
- Transparency incentivizes property owners to improve their homes' energy use, saving money for consumers, and reducing greenhouse gas emissions as required by CT statute.
- Energy transparency enables sellers to capture the market value of energy efficiency investments, instead of relying on neighborhood comparisons of less efficient homes.
- Energy efficiency saves consumers money and increases comfort and resiliency.

REFERENCES

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