



# Improve Energy Efficiency with ENERGY STAR®



## Background

HUD's July 2005 Notice to public housing agencies (PHAs) recommends ENERGY STAR as the standard for PHAs, encourages PHAs to implement energy saving activities, and informs PHAs that expertise is available through ENERGY STAR for implementing energy efficiency initiatives. HUD's Five-Year Energy Action Plan and a recent Memorandum of Understanding with the U.S. Department of Energy (DOE) and the U.S. Environmental Protection Agency (EPA) emphasize that ENERGY STAR qualified products should be selected whenever energy systems, devices, and appliances are replaced. This supports the President's National Energy Policy.

HUD offers specific incentives for energy efficiency improvements so that federal capital funds can be applied to other needed repairs. Housing authorities should consider the Frozen Base Incentive and the Additional Subsidy Incentive for financing ENERGY STAR qualified products or practices. Upon HUD approval, the capital leveraged through these incentives can be used to implement any approved cost-effective energy or water saving measures. Energy auditing can also be funded with these incentives.

## Why Choose ENERGY STAR?

PHAs can reduce the burden of energy costs, increase comfort and reduce health risks to residents by incorporating ENERGY STAR. Get started by:

- Specifying ENERGY STAR qualified products
- Conducting home sealing
- Considering Home Performance with ENERGY STAR
- Constructing ENERGY STAR qualified homes (e.g. through HOPE VI)
- Following recommendations for energy-efficient HVAC systems

## Specify ENERGY STAR Qualified Products

Choosing energy-efficient appliances and equipment conserves energy, reduces operating costs, and improves comfort. PHAs should always consider ENERGY STAR when purchasing since more efficient equipment often pays for itself with energy savings and, in some cases, water savings. This offers PHAs a valuable opportunity to reduce operating costs.

PHAs must comply with 24 CFR Part 85 procurement requirements. PHAs should purchase ENERGY STAR equipment (e.g., refrigerators and air conditioners) when the energy savings to the authority are sufficient to repay any initial higher costs over the expected life of the equipment. ENERGY STAR provides specific information about products that will result in reduced energy use.

## Conduct Home Sealing

Sealing air leaks and adding insulation can save 20% or more on heating and cooling costs. These measures will also help to eliminate chilly drafts and improve comfort for housing residents.

## Adopt the Whole-House Approach of Home Performance with ENERGY STAR in Existing Housing

Home Performance with ENERGY STAR is an innovative whole-house approach to improving the comfort and energy efficiency of a home. Rather than labeling a particular product, or even a home, Home Performance with ENERGY STAR is linked to the building performance. Home Performance with ENERGY STAR has several key components including a home energy inspection and diagnostic testing, targeted advice on fixing the energy

### About ENERGY STAR

ENERGY STAR is a government-backed program helping businesses and individuals protect the environment through superior energy efficiency. Established by the EPA in 1992 for energy-efficient computers, the ENERGY STAR program has grown to encompass more than 40 product categories, from appliances and lighting to heating and cooling equipment, as well as new homes and whole-house improvement processes. The program is jointly managed by DOE and EPA.

and maintenance problems of the housing, links to contractors who can perform any or all of the recommended work, and a quality assurance inspection. While the goal of Home Performance with ENERGY STAR is saving energy, it addresses a variety of customer needs, from comfort and durability to health and safety. HUD requires compliance with 24 CFR Part 85 for all procurements.

#### **Why choose ENERGY STAR?**

- Lower utility bills
- Improve comfort for residents
- Increase project value
- Reduce air pollution and improve the environment

Home Performance with ENERGY STAR is still in the development stages in most parts of the country. The program is being piloted in 12 locations as of the date of this fact sheet. The establishment of a local program depends on a sponsoring entity such as a city agency, state agency, or utility.

#### **Construct ENERGY STAR Qualified Homes**

In new construction, PHAs can specify that the residence be built to meet the ENERGY STAR guidelines for new construction (approximately 30 percent better than the model energy code or 15 percent better than governing code, whichever is more stringent). Several states have begun requiring new affordable housing be built to ENERGY STAR specifications. Any single- or multi-family residential home that is three stories or less in height can qualify to receive the ENERGY STAR label.

#### **Follow HVAC Efficiency Guidelines**

In multifamily buildings, space heating accounts for one-third of the total energy usage. Choosing ENERGY STAR qualified equipment is an important step to saving money. Correct sizing and installation is key to maximizing cost savings and equipment performance. Use the ENERGY STAR Guide to Energy-Efficient Cooling and Heating to get the most out of your HVAC system.

#### **Procurement Note**

PHAs must follow established procurement guidelines when making purchases (Reference [24 CFR 85.36](#)).

#### **Resources**

Visit the ENERGY STAR Website: <http://www.energystar.gov>

- Find information on qualified products in 40 categories including purchasing tips, a manufacturer list, and a savings calculator. Search for special offers or rebates currently available on ENERGY STAR qualified products in a specific area. Locate contractors, homebuilders, raters, and other professionals.
- EPA, DOE, and HUD have agreed to a bulk purchasing initiative. Learn how to purchase through this initiative at <http://www.hud.gov/offices/pih/programs/ph/phecc/federal.cfm>.
- For more information on Home Performance with ENERGY STAR contact Carol May, working in support of ENERGY STAR for EPA, at 202-343-9787 or [may.carol@epa.gov](mailto:may.carol@epa.gov).
- For additional information on energy issues for public housing contact the PIH Energy Conservation Clearinghouse at 1-866-275-6228 or <http://www.hud.gov/offices/pih/programs/ph/phecc/>.

#### **Contacts**

Questions relating to this fact sheet may be directed to John Miller, P.E., Senior Engineer, U.S. Department of Housing and Urban Development, Office of Public and Indian Housing, at (202) 708-0614, extension 4237 or [John\\_H\\_Miller@hud.gov](mailto:John_H_Miller@hud.gov).

#### **References**

1. HUD PIH Notice 2005-25 (HA), issued July 13, 2005.
2. Memorandum of Understanding between the U.S. Environmental Protection Agency and the U.S. Department of Energy and the U.S. Department of Housing and Urban Development, Dated and Signed July 7, 2002.
3. HUD's Energy Action Plan, April 2001, prepared by Department Wide Energy Task Force.

Copies of these publications may be obtained from the PIH Energy Conservation Clearinghouse Web site: <http://www.hud.gov/offices/pih/programs/ph/phecc/>