RESNET
Residential Energy Services Network

National Average Cost of Home Energy Ratings

February 27, 2009

Published by:

Residential Energy Services Network, Inc.
P.O. Box 4561
Oceanside, CA 92052-4561
http://resnet.us/

Setting the STANDARD for QUALITY

Average National Cost of a Home Energy Rating

Introduction

Home energy ratings provide a standard measurement of a home's energy efficiency. Ratings are used for both and new and existing homes. In new homes rating often verify energy performance for the ENERGY STAR homes program, energy efficient mortgages, and energy code compliance. Homeowners who want to upgrade the home's energy efficiency can use the energy rating to evaluate and pinpoint specific, cost-effective improvements. For existing homes, homeowners can receive a report listing cost-effective options for improving the home's energy rating. An energy rating allows a homebuyer to easily compare the energy performance of the homes being considered.

Ratings involve an on-site inspection of a home by a residential energy efficiency professional, a home energy rater. Home energy raters are trained and certified by a RESNET accredited home energy rater training provider.

The home energy rater reviews the home to identify its energy characteristics, such as insulation levels, window efficiency, wall-to-window ratios, the heating and cooling system efficiency, the solar orientation of the home, and the water heating system. Performance testing, such as a blower door test for air leakage and duct leakage, is usually part of the rating.

The data gathered by the home energy rater is entered into a RESNET accredited computer program and translated into rating score. The home receives a score between 1 and 100, depending on its relative efficiency. An estimate of the home's energy costs is also provided in the report.

The Survey

To aid program managers and policy makers RESNET conducted a survey of accredited rating providers across the nation. Providers were

asked to report the average cost of a rating on a standard size home. In addition providers were also asked to project what the cost of the rating would be if demand for rating services doubled.

Securing a true cost for ratings is complicated because in most instances the inspection and testing services are bundled into consulting services to builders and homeowners on setting goals of improved building performance and the most cost effective strategies of meeting the targets. In addition the size of the home and the complication of the home's design can also affect the cost of the inspection and testing.

All costs provided did not reflect any subsidies provided by utilities.

Rating providers in the following states participated in the survey:

- Arizona
- California
- Connecticut
- Florida
- Georgia
- Kentucky
- Massachusetts
- Missouri
- Montana
- New Jersey
- New York
- North Carolina
- Oklahoma
- South Carolina
- Texas

Results of Survey

The national average of the cost for inspection and testing and producing an energy performance rating of a home was $492.00.

The costs ranged from a high of $1,000 to a low of $165. The range of one standard deviation was $700 to $300.

In addition, many of the providers who responded may have based their cost on a new construction rating model that involves initial plans analysis coupled with one or more site visits. However, an existing home rating that strictly represents the "as-is" situation would likely be more economical. The cost of a return visit(s) to test and/or confirm completed work in an existing home program would likely be considered as part of the cost of completing the upgrade work, and are included in the cost of

the initial rating.

The survey found that the cost of a rating is in line with the cost of a home inspection.

Providers were also asked to provide an estimate of cost reduction if demand for ratings doubled. The average estimated reduction was 32%, which would result in an average rating cost of about $340, suggesting that there is significant price reduction potential that could be attained through growth in the home efficiency industry.

Acknowledgements

RESNET wishes to acknowledge the assistance provided by the Accurate Rating Network by Hathmore Technologies, Advanced Energy Corporation, Americas Home Energy Rating Organization, Builders Energy Rater, Building Performance Contractors Association, California Home Energy Efficiency Rating System, Conservation Services Group, East Kentucky Power Cooperative, Energy Efficient Homes Midwest, EnergyLogic, Energy Wise Solutions, Florida Solar Energy Center, Fox Energy Specialists, HERS Raters of Texas, LLC, Home Energy Group, ICF International, MaGrann Associates, National Center for Appropriate Technology, Southface Energy Institute, Southwest Gas Corporation, TexEnergy Solutions, Vermont Energy Investment Corporation and the Wisconsin Energy Conservation Corporation.