

Q: How does a builder learn about the techniques that make an Energy Star home?

A: A builder works with a HERS (Home Energy Rating System) rater who guides him/her through the process. In addition, the account manager for our area will visit and review the technical specifications.

Q: Who pays the HERS rater? What does the HERS rater cost?

A: The builder pays the rater. As for the cost, again it depends. In our area, the cost is about \$1000.

Q: That's a lot of money. Are there incentives?

A: Yes. NYSERDA (NYS Energy and Research Authority) provides incentives to builders based on the level of Energy Star reached. For Tier 1 (the proposed level), a builder would receive \$750 back to offset the initial \$1000 HERS rater cost. However, most builders find that they easily reach higher levels and receive higher incentives.

Q: Where can I find more information?

A: The account manager for our area is Rick Derikart. His contact info:
(518) 378-2152 richard.derikart@csgroup.com
Also, visit <http://www.getenergysmart.org/>.

For your convenience, builder packets are available in the Building Department at the Town Hall.

PROPOSED ENERGY STAR PROGRAM QUESTIONS & ANSWERS

Compiled by the Conservation Advisory Council

Q: Why mandate Energy Star standards?

A: Adopting Energy Star standards will protect homebuilders and potential homeowners in Red Hook in the following ways:

- Increase desirability of our local real estate market
- Educate consumers that related Energy Star changes may not cost more when building
- Provide assurance that homes are energy efficient
- Realize short and long term cost advantages in energy savings
- Eliminate the costlier option of retrofitting homes for increased energy efficiency
- Provide assurance that homes are energy efficient
- Increase opportunities for local builders and create a level 'playing field' for them
- Give local builders a competitive advantage to market themselves as experienced energy star builders in other communities
- Designate Red Hook as a leader in sustainable building practices, thereby increasing probability of future funding programs
- Reduce greenhouse gases by about 4500 lbs. per house per year

Q: How much extra does an Energy Star house cost to build?

A: According to the Get Energy Smart website, “Some new homes in New York already meet ENERGY STAR standards without additional costs, depending on the construction practices of the builder.”

Estimates are from \$0 to several thousand dollars. One estimate is \$2000 for a 2500 sq. ft. house. Another estimate is an additional 1% to 3%. Note that solar panels and geothermal systems are NOT part of ENERGY STAR requirements.

Q: How does someone save money by buying an Energy Star house?

A: The monthly savings in energy costs exceeds any monthly increase in mortgage cost. Although these are only estimates, here are some examples.

	Monthly	Annual	30 Years
Energy Savings*	\$65	\$780	\$23,400
Additional Mortgage cost: \$2000**	\$12	\$144	\$4,320
Net savings	\$53	\$636	\$19,080
Additional Mortgage cost: \$4000**	\$23	\$276	\$8,280
Net Savings	\$42	\$504	\$15,120

*Based on \$4,000 annual household energy costs, 30% reduction in heating, hot water and AC costs, and 600 kWh electric use reduction

** Based on a 30-year, 5.75% mortgage, zero down, \$280,000 home

Q: Is there any help for the homebuyer?

A: Yes, there are special mortgages called Energy Efficient Mortgages (EEM). Local lenders as well as national lenders participate in the programs that offer EEMs.

From the Energy Star website (www.energystar.gov)...

“FHA EEMs allow lenders to add 100 percent of the additional cost of cost-effective energy efficiency improvements to an already approved mortgage loan (as long as the additional costs do not exceed \$4000 or 5 percent of the value of the home, up to a maximum of \$8000, whichever is greater). No additional down payment is required, and the FHA loan limits won’t interfere with the process of obtaining the EEM. FHA EEMs are available for site-built as well as for manufactured homes.”

For first-time buyers, there is a SONYMA program that decreases mortgage cost and provides closing costs for an energy efficient home. Some local lenders are participating.

There is also a \$500 cash incentive for qualifying households meeting a threshold income level.

Q: How do you become an Energy Star builder?

A: There is no cost and no required certification. First, complete the EPA online partnership agreement. Second, sign and mail the New York Addendum.