

SMUD News Release

Sacramento Municipal Utility District

• News Media Services

• 916•732•5111

For immediate release

October 29, 2009

SMUD gets 60 percent energy savings from an older house

SMUD Energy Efficient Remodel Demonstration program can dramatically reduce utility bills

The Sacramento Municipal Utility District (SMUD) hopes a new demonstration program will save owners of existing homes money and also spur a new spike in home remodels that really make a difference. The SMUD Energy Efficient Remodel Demonstration (EERD) program is a comprehensive, whole-house approach to retrofitting a home with energy-saving and energy-generating equipment and measures.

Partnering with green builders Jim Bayless and Scott Blunk of GreenBuilt Construction and the National Renewable Energy Laboratory (NREL), SMUD delved into a short sale home in Fair Oaks that was built in the 1980s before the building code was tightened. They remodeled it with the most energy-efficient insulation, windows and equipment, as well as renewable energy technologies like rooftop solar panels.

SMUD expects the home to get about 60 percent energy savings as a result and hopes to learn more from this and subsequent remodels to eventually structure a program where customers can choose different levels or packages of retrofitting at varying prices. Eventually, SMUD hopes to offer a combination of rebates and financing in those packages. Rebates for gas appliances are available from Pacific Gas & Electric, the local gas utility, as well as federal tax credits to incentivize customers to consider a SMUD Energy Efficient Remodel. The upgrades increase comfort, reduce maintenance, enhance value, and reduce carbon.

Since there are tens of thousands of older, less energy-efficient homes in the region, SMUD sees benefits not only for customers who do the retrofits, but also for the electric utility and the community it serves in the form of reduced power consumption, especially at peak demand times like hot summer afternoons. SMUD also sees EERD helping local contractors get new business and helping the region economically.

--more--



2-2-2-2 SMUD gets 60 percent energy savings from an older house

The Fair Oaks home now boasts a 2,295 watt rooftop photovoltaic (PV) solar electric system, solar hot water, a super energy-efficient hot water heater, heat pump retrofit (the home is all-electric), LED lighting, cutting edge whole house fan, improved insulation, high performance windows, tight ducts, shade trees, a centralized computerized climate control and power generation monitoring system, as well as other features. The upgrades are priced at approximately \$32,000 (excluding the solar PV and hot water system).

While that price may seem prohibitive, kitchen remodels alone easily exceed that figure with little or no return on investment. Energy-saving retrofits, meanwhile, when financed strategically, can deliver a return on money spent with the first reduced electric bill. In many cases, when the upgrades are financed, the monthly energy bill savings are larger than the monthly cost of the upgrades. The monthly savings go directly to the homeowner.

Backed by technical advice and financial incentives from SMUD, this home remodel is intended to demonstrate to the building and remodeling community, homeowners and the home-buying public that existing homes can be significantly improved with relatively affordable energy efficiency options and techniques. The demonstration program showcases the opportunity to incorporate upgrades as part of major remodels when buying any existing home, particularly foreclosed homes.

For builder Jim Bayless, the opportunities in new construction may have withered but the potential for remodeling with an energy efficiency focus abound. Bayless is an expert and a pioneer in building with an emphasis on sustainability. He built Fallen Leaf, one of the first housing developments in the Sacramento region to feature nothing but solar homes.

SMUD hopes the Energy Efficient Remodel Demonstration is the start of a renaissance in making older homes perform much better than they were built to do. SMUD is just coming off a very successful new home construction project partnership it called “Home of the Future.” With RJ Walter Homes, SMUD consulted on construction of a new home in Folsom that promises combined energy bills of about \$24. The Home of the Future utilized the latest and greatest renewable and energy efficiency measures. It serves as an example to the homebuilding industry and the home-buying public that it is possible to build a home that is truly “zero energy” in that it generates as much or more energy than it uses. It only made sense to try the same approach on existing homes.

--more--



3-3-3-3 SMUD gets 60 percent energy savings from an older house

As the nation's sixth largest publicly owned utility, SMUD has been providing low-cost, reliable electricity for more than 60 years to Sacramento County (and a small portion of Placer County). SMUD is a recognized industry leader and award winner for its innovative energy efficiency programs, renewable power technologies, and for its sustainable solutions for a healthier environment. For more information about Extreme Energy Remodel or any of SMUD's programs to help customers save money, visit smud.org.

#

