

Testimony in Support of LD 1101 by Julia Bassett Schwerin, Agents for the Built Environment

Senator Lawrence, Representative Zeigler, distinguished members of the Energy, Utilities and Technology Committee of the 131st Maine Congress. Thank you for your service to the people of Maine. Thank you for the opportunity to appear before you again to advocate for a bill that we believe is needed in our state, LD 1101, An Act to Support Lower Home Energy Costs by Establishing a Home Energy Scoring System.

My name is Julie Bassett Schwerin, and I am a Green Broker designated by the National Association of Realtors for over ten years, a licensed real estate Broker for over 17 years, a member of the Greater Portland Board of Realtors Board of Directors, and co-chair of the Sustainability Advisory Group, a member of the Maine Association of Realtors Board of Directors, a residential and commercial Broker affiliated with Advisors Living Real Estate, a member of Passive House Maine, the Maine Energy Code Coalition, the Maine Green Bank Coalition, and an advisor to the NorthEast Energy Efficiency Partnerships Home Energy Label Information Exchange.

I created and teach a three ceu course for real estate agents on how to represent buyers and sellers of homes with green features in Maine over the last seven years and have also taught real estate agents in Vermont how to use the fields in the MLS to market and find homes with green features. I have co-produced 17 CEUs of sustainability courses for Realtors to date, and will co-produce at least another nine in 2023 on our core topics: reducing greenhouse gasses in the building sector in accordance with the Maine Won't Wait goals, making buildings use less energy through weatherization, electrification and renewable energy, and making buildings healthier and more valuable due to these investments. I come before you representing Agents for the Built Environment, an advocacy group, with the Realtors signed below, and not the National, Maine or Greater Portland Associations of Realtors nor our real estate companies.

Weatherization and electrification are an essential part of making buildings more affordable, more comfortable to occupy, with *reduced housing expenses*, while also lowering carbon emissions to stop climate change from destroying our coastal heritage, our fisheries, our farms, and our ecosystems. Weatherization is also a very significant way of increasing a building's value through asset appreciation. Investing in air sealing and insulation has a proven ROI. Unfortunately, weatherization has no curb appeal. You have nothing to show for it except a folder of utility bills. Many of us in the real estate community want a residential energy score that is uniform across the state and is voluntary with an easy to understand comparison building to building.

Like MPG for automobiles, a residential energy score would allow a landlord/owner/seller to show tenants, appraisers, and buyers how a given building can be a better financial deal. Unlike a car's MPG, however, a building's energy efficiency score can be improved with attention to air leakage and insulation.

In preparing a home to be sold, the real estate broker and the home owner prepare a disclosure form with important information for the buyer, such as: Does this home have a wet basement, is it prone to flooding, does it need a new roof, how old is the furnace? These are important questions which tenants/buyers currently get answered. However, the critical question of how efficient is this home (a common buyer/tenant question and concern) cannot be honestly and objectively answered without an energy score. In addition, energy scores assist greatly in understanding which remedial measures are priorities to address for each unique building to make it more efficient.

Maine has the eighth oldest housing stock in the nation with over half built prior to 1980. These older homes built prior to the existence of energy codes will benefit dramatically from weatherization,

insulation, and electrification. Efficiency Maine is working tirelessly to reach the goal of 100,000 heat pump rebates (new installations) by 2025 and they are ahead of schedule. With respect to weatherization, Efficiency Maine's goal is 17,500 weatherization rebates by 2025 and 30,000 by 2030. That is fantastic, but it is only 7% of our older housing stock. Roughly another 30,000 homes are receiving fuel oil assistance with LIHEAP funds and these are often the older homes that need weatherization the most.

Fortunately, most of the 6,500 homes that will be built this year in Maine will conform to the 2015 building energy code and will be sufficiently efficient to be heated solely with air source heat pumps and have no fossil fuel combustion gas indoors. However, there hundreds of thousands of single family homes built before there were any building energy codes. We have to encourage and motivate more people than 30,000 to weatherize their homes by 2030. Way more! We have to incentivize homeowners to prioritize the invisible benefits of energy efficiency and energy labels are proven to do that.

In many cities and states, energy scores have proven to raise awareness that the cost/benefit ratio of weatherization is positive. Energy scores are a way building owners can reign in their operating expenses and increase their cash flow.

Air sealing and insulation have no curb appeal. Building energy scores also unlock "invisible" investments in weatherization on resale, refinance, and rental, generating more money in transactions. This bill provides for a uniform, voluntary scoring system for the state to use to provide transparency to buyers and renters.

Who benefits? Studies have shown aging housing stock is concentrated among people of color and LMI residents. By design, a home energy score incentivizes the path to home weatherization by providing consumers a uniform, simple to understand guide. A home energy score report points to improvements, their cost, and their utility savings; a new score is created once the work is completed so consumers can quickly and readily see the benefits. Once the work is completed the homeowner then enjoys a more comfortable and healthy home environment, lower utility bills, and moves residential housing in Maine closer to the Maine Won't Wait reduced emission goals. A home energy score report would also highlight any State and/or local rebates, tax credits, grants and funding that are available.

As demonstrated and proven in some dozen states and cities across the country, home energy scoring is a low-cost program delivering a win-win for all involved.

Heating, cooling, and lighting of buildings are responsible for almost 1/3 of Maine's total greenhouse gas emissions. By actively encouraging homeowners to weatherize, electrify, and solarize, home energy scoring will help reduce the outsized contribution building energy makes to climate-changing carbon emissions. These are the reasons we ask you to support LD 1101. Thank you for your consideration.

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