

THE WHITE HOUSE
Office of the Press Secretary

FOR IMMEDIATE RELEASE

March 2, 2010

FACT SHEET: HOMESTAR ENERGY EFFICIENCY RETROFIT PROGRAM

WASHINGTON--In his State of the Union address, the President called on Congress to pass a program of incentives for homeowners who make energy efficiency investments in their homes. Today, while touring a training facility at Savannah Technical College, the President outlined more details of a new "HOMESTAR" program that would help create jobs by encouraging American families to invest in energy saving home improvements. Consistent with the President's call for a HOMESTAR program, the Senate Democratic leadership included a proposal of this kind as part of their [Jobs Agenda](#) released on February 4, 2010. The President looks forward to continuing to work with Members of Congress, business, environmental and labor leaders to enact a HOMESTAR program into law.

Background on the HOMESTAR program

With unemployment in the construction sector near 25% and with substantial underutilized capacity in our manufacturing sector, the HOMESTAR program has the potential to jumpstart our economic recovery by boosting demand for energy efficiency products and installation services. For middle-class families, this program will help them save hundreds of dollars a year in energy costs while improving the comfort and value of their most important investment – their homes. In addition, the program would help reduce our economy's dependence on oil and support the development of an energy efficiency services sector in our economy. Key components of the HOMESTAR Program include:

- • **Rebates delivered directly to consumers:** Like the Cash for Clunkers program, consumers would be eligible for direct HOMESTAR rebates at the point of sale for a variety of energy-saving investments in their homes. A broad array of vendors, from small independent building material dealers, large national home improvement chains, energy efficiency installation professionals and utility energy efficiency programs (including rural utilities) would market the rebates, provide them directly to consumers and then be reimbursed by the federal government.
- • **\$1,000 - \$1,500 Silver Star Rebates:** Consumers looking to have simple upgrades performed in their homes would be eligible for 50% rebates up to \$1,000 - \$1,500 for doing any of a straightforward set of upgrades, including: insulation, duct sealing, water heaters, HVAC units, windows, roofing and doors. Under Silver Star, consumers can chose a combination of upgrades for rebates up to a maximum of \$3,000 per home. Rebates would be limited to the most energy efficient categories of

upgrades—focusing on products made primarily in the United States and installed by certified contractors.

- • **\$3000 Gold Star Rebates:** Consumers interested in more comprehensive energy retrofits would be eligible for a \$3,000 rebate for a whole home energy audit and subsequent retrofit tailored to achieve a 20% energy savings in their homes. Consumers could receive additional rebate amounts for energy savings in excess of 20%. Gold Star would build on existing whole home retrofit programs, like EPA’s successful Home Performance with Energy Star program.
- • **Oversight to Ensure Quality Installations:** The program would require that contractors be certified to perform efficiency installations. Independent quality assurance providers would conduct field audits after work is completed to ensure proper installation so consumers receive energy savings from their upgrades. States would oversee the implementation of quality assurance to ensure that the program was moving the industry toward more robust standards and comprehensive energy retrofit practices.
- • **Support for financing:** The program would include support to State and local governments to provide financing options for consumers seeking to make efficiency investments in their homes. This will help ensure that consumers can afford to make these investments.

The program will result in the creation of tens of thousands of jobs while achieving substantial reductions in energy use – the equivalent of the entire output of three coal-fired power plants each year. Consumers in the program are anticipated to save between \$200 - \$500 per year in energy costs, while improving the comfort and value of their homes.

BACKGROUND ON PARTICIPANTS IN TODAY’S PRESIDENTIAL EVENT

- • **Business Leaders**
 - ○ Larry Laseter, President of Masco Home Services. Masco is a Fortune 150 company specializing in products and services for the home building and home improvement business, including windows and doors, installation, and contracting. After being hit particularly hard by the recession (40% reduction in workforce over a several year period), Masco created Masco Home Services (MHS) a year ago with the intent to provide residential energy efficiency retrofits to American households. Laseter is a Georgia resident, and MHS will open a Home Performance branch in Atlanta in May.
 - ○ Mike Lawrence, Vice President and General Manager for Insulation Systems, Johns Manville. Johns Manville is a leading manufacturer and marketer of insulation and roofing materials for commercial, industrial, and

residential applications. Johns Manville is based in Denver, CO and has manufacturing facilities in Georgia as well as California, Montana, Arizona, Indiana, Ohio, Virginia, Texas, and New Jersey.

- ○ *Mark Andrews, CEO, North America, Knauf Insulation.* Knauf Mark was named to a newly created North American CEO position in January 2010. Knauf's US headquarters is in Shelbyville Indiana, and Knauf has manufacturing facilities in Indiana, Alabama, and California.

- ● **Local Efficiency Contractors**

- ○ *Patrick Shay, Green Swap.* Patrick is an architect and co-founder of Green Sweep, an energy efficiency company that works with residential, commercial and industrial customers on cost saving clean energy and energy efficiency upgrades. Pat is also a Chatham County Commissioner and chair of the Chatham Environmental Forum, which is addressing energy, climate and other sustainability issues in the Savannah Chatham area.
- ○ *Howard Feldman, Coastal Green Building Solutions.* Howard is a co-founder of Coastal Green Building Solutions. He is a builder, renovator and a certified RESNET HERS rater, which means he evaluates homes and businesses for energy efficiency opportunities and upgrades. Howard's company works in both Georgia and South Carolina. In addition to Patrick Shay and Howard Feldman, several other Savannah-area contractors and small businesses who would create jobs if this program were passed are in attendance.

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