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FACT SHEET

ENERGY STAR® DELIVERS BIG FOR AMERICA:
$34 BILLION IN ANNUAL CONSUMER AND BUSINESS SAVINGS

The ENERGY STAR® program managed by the U.S. Environmental Protection Agency is a voluntary labeling program that helps individuals and businesses identify more energy efficient appliances, equipment, and buildings, and trust they are as energy efficient as they claim to be. Launched in 1992 under President George H.W. Bush, ENERGY STAR has helped American consumers, businesses, and industries save over $430 billion on their energy bills while reducing harmful carbon pollution by 2.7 billion metric tons.[1]

The ENERGY STAR label is widely recognized and trusted by consumers and businesses, helping to promote consumer awareness of energy efficiency. The label can be found on more than 70 different types of products, including major appliances, office equipment, lighting, and home electronics, as well as new homes and commercial and industrial buildings and plants. The program has more than 18,000 private partners, including manufacturers, retailers, builders, and utilities.[2]

THE THREAT

The ENERGY STAR program, with an annual budget of approximately $50 million, paved the way for $34 *billion* in annual consumer and business savings in 2015 alone. However, the Trump administration has proposed zeroing out federal funding for the 25-year-old program, which has long enjoyed bipartisan support, and instead financing it with fees charged to the companies using it.

CONSUMERS SAVE BIG

For every dollar Americans invest in energy efficiency through ENERGY STAR, they save, on average, $4.50 on their energy bills and prevent more than 35 pounds of climate-warming pollution.[3] In many cases, ENERGY STAR-qualified models also are eligible for rebates from the local utility, saving households and businesses even more.

Consumers overwhelmingly recognize and approve of ENERGY STAR: 89 percent of households recognize the label meant to represent the top 25 percent of the market in terms of energy efficiency and almost half of all U.S. households knowingly purchased an ENERGY STAR-labeled product between fall 2014 and fall 2015. Before a product can earn the right to use the label, it is subject to strict testing and certification requirements.

MANUFACTURING BENEFITS

This high brand recognition benefits manufacturers, as well. One study showed that consumers would even be willing to pay between $250 and $350 more for a refrigerator with an ENERGY STAR label.[4]

Meanwhile, almost 300,000 Americans are employed in manufacturing ENERGY STAR-rated appliances or other products such as energy-efficient building and lighting services.[5]

ENERGY STAR HOMES

Homeowners have saved over $5.4 billion on their energy bills and reduced climate-warming carbon pollution by more than 27 million metric tons since the ENERGY STAR New Homes Program began in 1995.[6] They saved over $625 million in 2015, alone.[7]

To earn certification, homes must be at 15 percent more efficient than those built to code and include additional energy-saving features to deliver a performance advantage of up to 30 percent compared to typical new homes.[8] More than 82,000 new homes earned the ENERGY STAR in 2015, bringing the total number of certified new homes to 1.6 million.[9]

For more information, please contact:
Noah Horowitz
nhorowitz@nrdc.org
Elizabeth Noll
enoll@nrdc.org

As of 2011, apartments in new multifamily high-rise buildings can earn the label if they are least 15 percent more efficient than the local building energy code. When combined with apartments in new multifamily low-rise buildings, more than 138,000 apartments have been certified to date.[10]

Energy Efficient Affordable Housing

ENERGY STAR works with a number of organizations, including Habitat for Humanity and the U.S. Department of Housing and Urban Development's HOME Investment Partnerships Program, to develop efficient, affordable housing. In 2015, more than 3,900 ENERGY STAR-certified homes were built within the affordable housing sector in partnership with HUD. In total, 131 chapters of Habitat for Humanity have partnered with ENERGY STAR to build over 14,000 efficient, affordable houses.[11] These projects lead to significant utility bill savings, which especially helps low-income families.

ENERGY STAR COMMERCIAL BUILDINGS

ENERGY STAR for Buildings & Plants provides information and resources to businesses and factory owners about how to save energy. Over 45 percent of the nation's commercial building footprint uses the ENERGY STAR Portfolio Manager software tool to measure, track, assess, and report on energy and water consumption, and materials waste, helping building owners and managers understand how buildings are performing over time.[12] K-12 schools represent one of the most common users.[13] A typical school district with 800,000 square feet of space can save $140,000 on utility bills per year—or the annual salary of 1.2 full-time teachers.[14]

More than 27,000 of the buildings using Portfolio Manager have earned the ENERGY STAR certification recognizing properties in the top 25th percentile of energy efficiency performance nationally.[15] These buildings:

- Saved over $3.8 billion in energy costs between 1995 and the end of 2015.[16]
- Use 35 percent less energy and generate 35 percent fewer greenhouse gas emissions, on average, than their peers.[17]
- See a significant rent and selling price bump as these buildings cost less to operate and provide superior environmental performance—attractive features for owners and tenants.[18] The effective rent is 6.5 percent higher and the transaction price is 12.9 percent higher than equivalent non-certified buildings, which equates to an estimated annual rent increase of $329,000, and an additional $5.7 million in selling value.

Meanwhile, ENERGY STAR-certified office space tends to have higher occupancy rates than non-certified spaces, a 10 percent to 11 percent increase compared to non-rated buildings.[19] Buildings maintain their premium even during times of recession.[20]

ENERGY STAR INDUSTRIAL

Over 1,000 manufacturing plants across America have joined the ENERGY STAR Challenge for Industry, pledging to reduce energy intensity by at least 10 percent in five years.[21] Cutting energy waste helps U.S. industries stay competitive in the global market by reducing costs, and thereby increasing profit margins. ENERGY STAR-certified industrial plants nationwide saved over $3.5 billion in energy costs between 1995 and end of 2015.[22]

ENDNOTES

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22 ENERGY STAR, *Facts & Stats.*