

personnel conducting energy efficiency ratings; (3) data collection and reporting; (4) quality control; (5) and monitoring and evaluation. They take into account local climate conditions and construction practices, solar energy collected on site, and the benefits of peak load shifting construction practices. They are designed not to discriminate among fuel types.

The Department proposes to incorporate by reference test procedures, U values and U_o values, and on site inspection procedures upon publication of this rule as final. These materials are listed below:

The "Home Energy Rating Systems Building Simulation Test (HERS-BESTTEST)", NREL/TP-472-7332, National Renewable Energy Laboratory. The U values and U_o values, of paragraph 502.2 of the Model Energy Code, 1993 Edition, Council of American Building Officials. "On Site Inspection Procedures", Guidelines No. 10, Home Energy Rating Systems Council.

Copies of these document may be reviewed at the Department of Energy, Freedom of Information Reading Room at the address stated above. Copies of these documents may also be obtained from the organizations and addresses listed below:

"Home Energy Rating Systems Building Simulation Test," NREL/TP-472-7332, National Renewable Energy Laboratory, 1617 Cole Boulevard, Golden, CO 80401-3393.

"Model Energy Code," 1993 Edition, Council of American Building Officials, 5203 Leesburg Pile, Falls Church, VA 22041.

"On Site Inspection Procedures," Guidelines No. 10, HERS Council, 1511 K Street, NW, Washington, DC 20005.

B. Section Descriptions

Subpart A—General Provisions

Proposed Section 437.1: Purpose

Proposed § 437.1 defines the purpose of part 437 as the establishment of voluntary guidelines to be used by Home Energy Rating System Providers to provide a consistent and uniform approach to rating homes for energy efficiency.

Proposed Section 437.2: Scope

Proposed § 437.2 specifies the types of homes that may be rated using the voluntary guidelines. Section 271 of the Act calls for the development of guidelines for "residential buildings" but does not define that term or otherwise dictate the types of homes to be covered by the guidelines. Consistent with the decision to base the proposed

voluntary guidelines on CABO-MEC, the proposed scope is limited to residential buildings covered by CABO-MEC.

Included are: (a) one and two family dwellings; and (b) all other residential buildings, three stories or less in height. As required by section 271, both existing and proposed homes are included in the proposed scope of the voluntary guidelines.

Proposed Section 437.3: General Definitions and Acronyms

Proposed § 437.3 provides a listing of all the general definitions and acronyms used in section 437. "Home" is defined in this section as a residence or dwelling unit in detached or attached structures of three stories or less. The rating industry as it exists today favors the term "home energy rating" and the Department elects to follow that convention. "HERS provider" is defined as a person or organization that develops, manages and operates a home energy rating system or "HERS". The rating industry as it exists today tends to use the term "HERS provider" to describe a person or organization that provides HERS generated ratings.

Proposed Section 437.4 Availability of Ratings

To respond to the statutory requirement "to ensure that residential buildings can receive an energy efficiency rating at the time of sale and that such rating is communicated to potential buyers," proposed § 437.4 recommends certain actions by people or organizations that are typically involved with the sale of a home or the creation of a mortgage.

The Department is of the view that informing home buyers of any available financing incentives related to energy efficiency will encourage consumers to take steps that will reduce energy use in this country. Consistent with that view, proposed § 437.4(b) provides for encouraging multiple listing services to include available home energy rating information. The Department understands that there is concern among stakeholders that buyers may need additional time to investigate available incentives and, if necessary, have a rating conducted. In doing so, the process of home selling might be delayed. However the Department believes that delays can be minimized by lenders with proper administrative procedures.

The Department also recognizes further concern that some existing homes may be viewed as less marketable as the result of a rating and therefore some homeowners may

oppose the concept of rating homes. However the Department is not proposing that such a rating should be prerequisite to listing a home sale.

Proposed Section 437.100: Rating Procedure

Proposed § 437.100 sets forth a standard procedure to be used by each provider who voluntarily follows the proposed guidelines. A site visit would be required to collect data that is used in making a comparison of estimated yearly energy consumption between the home being rated and a standard reference home of the same size and shape. Only the energy consumed for heating, cooling and water heating would be used in this comparison. The reference home would be defined under proposed § 437.103.

Proposed Section 437.101: Rating Point Score and Star Rating

This proposed section describes the calculation procedure for determining a point score and star rating. The procedure would use the estimated energy consumption of the rated and reference houses to determine a rating score between 0 and 100 points. A score of 0 indicates that the rated home consumes five times or more energy than reference home and is considered profoundly inefficient; a score of 100 indicates that the rated home has zero annual purchased energy consumption for heating, cooling and water heating.

In addition to a numerical score, the rating is expressed by a "star" value of between one and five stars (five divisions) with a sixth division called "Five Plus". This section identifies the relationship of the numerical score to its corresponding "star" value.

Proposed Section 437.102: Rating Report

Proposed § 437.102 lists the minimum information that each rating provides. Proposed paragraphs (a)(5) and (a)(6) of this section would require each HERS provider to report the name of the agency certifying the accuracy of the energy analysis tool and the margin of error accepted by that agency. Section 271 of the Act requires that the guidelines establish procedures for certifying the technical accuracy of energy analysis tools, but gives no definition as to what constitutes "technical accuracy." As proposed in section 437.200, these guidelines look to the accrediting agency to establish pass/fail criteria for energy analysis tools. The Department believes that the acceptable margin of error is an issue to be decided by the users of these ratings, such as consumers and lenders.