



THURSTON  
CLIMATE  
MITIGATION  
COLLABORATIVE

# Home Energy Score Model Ordinance

**TCMC Executive Committee Meeting**  
**January 27, 2025**

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# HES Policy Timeline





# Frequently Asked Questions (1 of 3)

- **Why doesn't this proposed ordinance cover other dwelling types?**
  - The HES model can currently only be run on the subject buildings included within the draft HES Ordinance. The US DOE is working to expand the model's applicability to stacked multifamily (like apartments) and manufactured homes, but that is not available yet. Staff anticipate updating the HES Ordinance in the future to expand the definition of subject buildings.
- **Why aren't there fines included in the violation section?**
  - The TCMC is utilizing a model from Island County, WA where a mandatory noise disclosure ordinance triggered a required field and form on the Northwest Multiple Listing Service (NW MLS) for Island County real estate listings. Approximately 90-95% of home sales in Thurston County are listed using NW MLS, so this method forces the vast majority of home listings to comply without the need for jurisdiction enforcement. With a national service provider, the HES could be automatically added to any NW MLS required forms using an API. Some jurisdictions with more capacity may adopt the HES Ordinance with additional language allowing for fines and enforcement.



# Frequently Asked Questions (2 of 3)

- **Why doesn't this proposed ordinance include time of application or lease for rental properties?**
  - A great number of rental units in Thurston County are stacked multifamily apartments, which currently cannot be scored in the Home Energy Score model. Also, there is no common system for listing rentals or accepting applications for rentals, so more strategy work as to how to oversee or enforce needs to be done. Staff have opted to delay expansion of the HES ordinance's applicability until the HES tool can be used and a strategy for listings has been established.
- **Why aren't you requiring energy efficiency improvements?**
  - The jurisdictions do not currently have the funding to subsidize the cost of energy efficiency improvements on a recurring basis. Requiring energy efficiency improvements without providing subsidization for low-income households would be unfair and unkind.



# Frequently Asked Questions (3 of 3)

- **Can I use a different efficiency assessment, like an old PSE home audit, to comply?**
  - No. The PSE Home Audits were not Home Energy Score audits and haven't been done in many years. This ordinance requires Home Energy Score audits specifically and intends to provide prospective homebuyers with an apples-to-apples score to compare between homes.
- **What is the cost of a HES audit?**
  - The average cost of a HES audit is \$150 - \$300 per assessment. The \$300 cost is for the BAYREN program which spans 9 counties in California and includes travel costs for assessors.



# HB 1015

- **Home energy labeling and disclosure**
- **Standards for home energy performance report**
- **Commerce will develop a state-wide format for the home energy performance report**



# Purpose

**Consumer protection and knowledge tool intended to help prospective homebuyers consider the full cost of homeownership, including energy costs, and identify ways to increase the energy efficiency in the home.**

"I hadn't heard of the HES at all, I love the idea that having a comprehensive idea of what you're looking at when you look at the data. It's not just climate, it also affects the affordability of low- and moderate-income people to buy those homes. They're going to have to make decisions, and we want to empower that."

-focus group participant in affordable housing industry



"if you want a program that has a bite to it in the marketplace, it has to be mandatory."  
-focus group participant

# The Requirement

- **Obtain a HES performance report for the dwelling unit(s)**
- **Include the HES score in all listings**
  - If possible to attach, attach the HES performance report to the listing
  - If not, include contact information to get the full report in the listing
- **Provide a copy of the HES performance report to all licensed real estate brokers/firms working on the seller's behalf, all prospective homebuyers, and licensed brokers/firms while the home is listed for sale**





# The Requirement for New Construction

- **New construction not exempt due to vesting concerns**
- **The HES score may be generated either from design specifications or an on-site inspection**
- **A single HES performance report may be obtained and replicated for subject buildings constructed within the same land division using identical design specifications with identical features**

"We do a lot of stuff we don't want to do and it doesn't make sense and it adds a lot of cost. Getting to meet energy code is really hard, we have to try new products that haven't been tested well, you don't know what problems you'll run into."

-focus group participant from home construction industry



# Exemptions and Waivers (1 of 2)

- Subject buildings on federal land or tribal land shall be exempt
- The Director shall exempt a seller from the requirements if the seller submits documentation that the subject building will be sold through any of the following:
  - A trustee's sale
  - A deed-in-lieu of foreclosure sale
  - Any pre-foreclosure short sale
  - Transfer of title pursuant to inheritance, involuntary transfer resulting from default on an obligation secured by real property, change of title pursuant to marriage or divorce, condemnation, or any other involuntary change of title effected by operation of law.



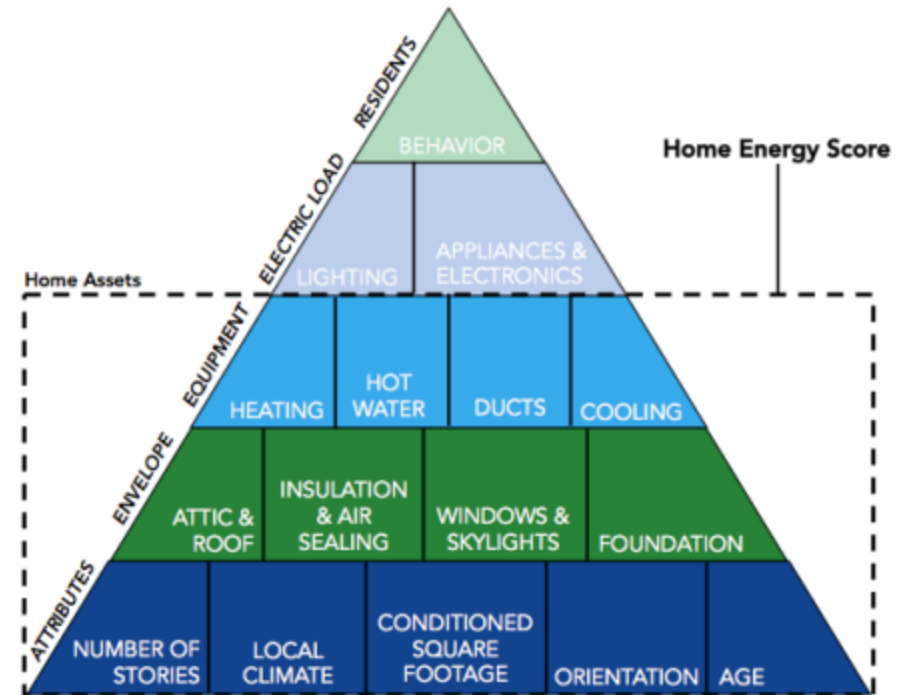
## Exemptions and Waivers (2 of 2)

- **The Director may exempt a seller from the requirements of this chapter after confirming that compliance would cause undue hardship for the seller under the following circumstances:**
  - The subject building qualified for sale at public auction or acquisition by a public agency due to arrears for property taxes;
  - A court-appointed receiver is in control of the building due to financial distress;
  - The senior mortgage on the subject building is subject to a notice of default; or
  - The seller is otherwise unable to meet obligations of this chapter as determined by the director.

# Expiration

The HES score is valid for 8 years after the assessment date, provided no changes to mechanical systems, building envelope, energy efficiency or square footage in the home has occurred.

Figure 3. Home Energy Use Pyramid





# Violation

**It is a violation of this chapter for any person to fail to comply with the requirements of this chapter or to misrepresent any material fact in a document required to be prepared or disclosed by this chapter.**

"If its not mandatory, its not going to happen."  
-focus group participant

"You've had a voluntary HES system so far – how much uptake has there been so far?"  
-interview participant



# Violation

"I wish there was another way to gain compliance to this versus enforcement and adding cost to municipalities and having that negative, if there was a better way to achieve the result without the negative and the cost."  
-focus group participant

- **Jurisdictions may opt to add monetary fines to the model ordinance in line with their fine schedules**
- **This requirement will be supported by a required field and form in the Northwest Multiple Listing Service (NW MLS) for sales in the adopting jurisdictions.**
  - Through a national service provider contract, the TCMC jurisdictions may be able to set up an API to auto-populate those required fields to make compliance easy and simple
- **NW MLS covers ~90-95% of all home listings in Thurston County.**



# Subsidy

**The jurisdiction shall independently fully subsidize HES audits as required by the HES model ordinance for low-income residents or exempt low-income residents from the requirements if no funding is available**

"make the incentives obvious, poor people aren't looking for rebates."  
"For every 1k cost added to a home you're pricing out 42 WA families."  
-focus group participant



# Effective Date

**This ordinance shall become effective on May 1, 2026, after passage, approval, and publication as provided by law.**

"if you're doing it, do it regionally."  
-focus group participant





# Small Changes to the Draft

- **Two minor grammatical fixes**
- **Section 2(C) 1. added "using methods developed by the United States Department of Energy"**
- **Section 2(C) added "the identification of efficiency measures that may be installed directly by consumers"**

# Decision Options

- **Recommend approval of the HES model ordinance in order for it to move forward to the jurisdiction parties for consideration.**
- **Recommend approval of the HES model ordinance, with modifications, in order for it to move forward to the jurisdiction parties for consideration.**
- **Do not recommend approval of the HES model ordinance.**
  - **If this item does not receive a recommendation from the EC, it may still move forward to one or more jurisdictions for consideration, but with less regional support.**



Address: **3235 Primrose Drive**  
**Colorado Springs, CO 80907**

Home size: **1,544 square feet**  
Year built: **1987**  
Air conditioned: **No**

# Questions?

Your home's  
current score **5**

Score with  
improvements **8**  
Estimated  
10 year  
savings **\$6,220**

