## Is It **Really All** About **Energy**? February 23, 2022

2022 Energy Design Conference



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## Why Do We Live in Houses?





## Food, Clothing, SHELTER

A **shelter** is a basic architectural structure or building that provides protection from the local environment.

Having a place of shelter, of safety and of retreat, i.e. a home, is commonly considered a fundamental physiological human need, the foundation from which to develop higher human motivations.

## Why Do We Live in In Houses?

Construction of a home is the initial stage of enclosing space and controlling an environment. Ultimately, a home needs to not only stand intact over time but needs energy to control natural processes to maintain the right environment as well as preserve the structure.

Are you planning for that energy control and use?

### Why Do We Live in In Houses?

- Protection from the elements: wind, precipitation, temperature
- Safety
- Place to sleep
- Place to cook
- Place to gather
- Place to work (esp. in 2022)
- Place to accumulate "stuff"
- Entertainment
- Tinker in a garage

# What Makes a House Livable?

Protection from the elements (the environment) means control of...



#### A House is a House is a House...



Water (?) Heat (?) Air (?)

## Water Heat Air

#### **Consequences of Water Are Readily Apparent**

## Water Heat Air

# Too tight? Energy transfer through walls, air & water vapor.



## Water Heat Air





Water

Heat

Air

### Air Loss:

"The DOE Windows and Building Envelope Research and Development Roadmap for Emerging Technologies shows that in 2010... in the residential and commercial sectors...infiltration accounted for greater energy losses than any other component of the building envelope, including fenestration and is responsible for over 4 % of all the energy used in the United States. Furthermore, the Roadmap shows that the addition of air barrier systems would have a payback that is much less than 5 years."

> ~ Oak Ridge Lab Energy Savings and Moisture Transfer Calculator



Water Heat Air



#### Weatherization Assistant Software

#### Annual Energy and Cost Savings

Index	Recommended	Components	Heat	ing	Cooli	ng	BaseLo	ad	Total
	Measure		(MMBtu)	(\$)	(kWh)	(\$)	(kWh)	<b>(S)</b>	(MMBtu)
1	Infiltration Redctn		16.6	166	0	0	0	C	16.6
2	High Eff Furnace	1	35.2	353	0	0	0	C	35.2
3	User-Spec Ceiling R	1	3.7	37	0	0	0	0	3.7
4	Horizontal Attic Scuttle		0.0	0	0	0	0	C	5.0
5	Wall Insulation	L1,L1 (2),L1 (3),L1 (4),L2 (6),L2 (7),L2 (8)	21.6	216	0	0	0	C	21.6
6	Kneewall Insulation	1	1.5	15	0	0	0	C	1.5

#### Annual Energy and Cost Savings

Index	Recommended	Components	Heati	ng	Cool	ing	BaseL	oad	Total
	Measure		(MMBtu)	(\$)	(kWh)	(\$)	(kWh)	(\$)	(MMBtu)
1	Infiltration Redctn		30.9	307	0	0	0		0 30.9
2	User-Spec Ceiling R	3	1.9	19	0	0	0		0 1.9
3	User-Spec Ceiling R	2	0.9	9	0	0	0		0.0
4	User-Spec Ceiling R	1	10.8	108	0	0	0		0 10.8
5	Horizontal Attic Scuttle		0.0	0	0	0	0		0 5.0
6	Sillbox Ins.	1	6.9	68	0	0	0		0 6.9
7	Foundation Ins.	1	7.9	78	0	0	0		0 7.9

#### Annual Energy and Cost Savings

Index	Recommended	Components	Hea	ting	Co	oling	BaseL	oad	Total
	Measure	-	(MMBtu)	(\$)	(kWh)	(\$)	(kWh)	(\$)	(MMBtu)
1	Infiltration Redctn		21.0	304	0	0	0	0	21.0
2	Tuneup Heating System	1	8.9	128	0	0	0	0	8.9
3	DWH Pipe Insulation		0.0	0	0	0	246	12	0.8
4	Close off Stairwell/Attic Scuttle		0.0	0	0	0	0	0	10.0
5	Foundation Ins.	1	14.0	202	0	0	0	0	14.0
6	Attic Ins. R-38	1	12.2	176	0	0	0	0	12.2
7	Sillbox Ins.	1	3.9	57	0	0	0	0	3.9
8	Wall In sulation	1,1 (2),1 (3),1 (4)	40.1	579	0	0	0	0	40.1



#### Weatherization Assistant Software

# Control Layers

Water Heat Air

#### Annual Energy and Cost Savings

Index	Recommended	Components	Heati	ng	Coolii	ng	BaseLoc	ad	Total
	Measure		(MMBtu)	(\$)	(kWh)	(\$)	(kWh)	(\$)	(MMBtu)
1	Infiltration Redctn		30.9	307	0	0	0	0	30.9
2	User-Spec Ceiling R	3	1.9	19	0	0	0	0	1.9
3	User-Spec Ceiling R	2	0.9	9	0	0	0	0	0.9
4	User-Spec Ceiling R	1	10.8	108	0	0	0	0	10.8
5	Horizontal Attic Scuttle		0.0	0	0	0	0	0	5.0
6	Sillbox Ins.	1	6.9	68	0	0	0	0	6.9
7	Foundation Ins.	1	7.9	78	0	0	0	0	7.9

Sq. ft. 2580 = 2580 \* 8 = 20,640 cu. Ft. 4372cfm @-50 pascals = 4372 \* 60 = 262,320 cfm/hr 262,320/20,640 = 12.7 ACH50 Est. annual savings: \$307.00 Numbers above represent reduction to 2200 cfm

At 3.0 ACH50 (reduction to 1,033 cfm) = below: Est. annual savings: \$683.00

#### Annual Energy and Cost Savings

Index	Recommended	Components	Heat	ing	Cool	ing	BaseLo	ad	Total
	Measure		(MMBtu)	(\$)	(kWh)	(\$)	(kWh)	(\$)	(MMBtu)
1	Infiltration Redctn		47.4	683	0	0	0	0	47.4
2	User-Spec Ceiling R	3	1.9	27	0	0	0	0	1.9
3	User-Spec Ceiling R	1	10.7	155	0	0	0	0	10.7
4	User-Spec Ceiling R	2	0.9	13	0	0	0	0	0.9
5	Horizontal Attic Scuttle		0.0	0	0	0	0	0	5.0
6	Sillbox Ins.	1	6.8	98	0	0	0	0	6.8
7	Foundation Ins.	1	7.6	110	0	0	0	0	7.6

Water Heat Air



#### Weatherization Assistant Software

#### Annual Energy and Cost Savings

Index	Recommended	Components	Heat	ing	Cooli	ng	BaseLo	oad	Total
	Measure		(MMBtu)	(\$)	(kWh)	(\$)	(kWh)	<b>(S)</b>	(MMBtu)
1	Infiltration Redctn		21.0	304	0	0	0	0	21.0
2	Tuneup Heating System	1	8.9	128	0	0	0	0	8.9
3	DWH Pipe Insulation		0.0	0	0	0	246	12	0.8
4	Close off Stairwell/Attic Scuttle		0.0	0	0	0	0	0	10.0
5	Foundation Ins.	1	14.0	202	0	0	0	0	14.0
6	Attic Ins. R-38	1	12.2	176	0	0	0	0	12.2
7	Sillbox Ins.	1	3.9	57	0	0	0	0	3.9
8	Wall Insulation	1,1 (2),1 (3),1 (4)	40.1	579	0	0	0	0	40.1

Sq. ft. 2550 = 2550 \* 8 = 20,400 cu. Ft. 4550cfm @-50 pascals = 4550 \* 60 = 273,000 cfm/hr 273,000/20,400 = 13.4 ACH50 Est. annual savings: \$304.00 Numbers above represent reduction to 3000 cfm

At 3.0 ACH50 (reduction to 1,270 cfm) = below: Est. annual savings: \$686.00

#### Annual Energy and Cost Savings

Index	Recommended	Components	Heat	ing	Cooli	ng	BaseL	oad	Total
	Measure		(MMBtu)	(\$)	(kWh)	(\$)	(kWh)	(\$)	(MMBtu)
1	Infiltration Redctn		47.5	686	0	0	0	0	<u>47.5</u>
2	Tuneup Heating System	1	7.4	107	0	0	0	0	7.4
3	DWH Pipe Insulation		0.0	0	0	0	246	12	0.8
4	Close off Stairwell/Attic Scuttle		0.0	0	0	0	0	0	10.0
5	Foundation Ins.	1	13.8	199	0	0	0	0	13.8
6	Attic Ins. R-38	1	12.1	175	0	0	0	0	12.1
7	Sillbox Ins.	1	3.9	56	0	0	0	0	3.9
8	Wall Insulation	1,1 (2),1 (3),1 (4)	39.7	573	0	0	0	0	39.7

## Water Heat Air

### Tighter

Infiltration meets ACH50 requirements - **Description DOE Zero Energy Ready Home (Revision 07)** 

Exhibit 2 DOE Zero Energy Ready Home Target Home. The U.S. Department of Energy's Zero Energy Ready Home program allows builders to choose a prescriptive or performance path. The DOE Zero Energy Ready Home prescriptive path requires builders to meet or exceed the minimum HVAC efficiencies listed in Exhibit 2 of the National Program Requirements (Rev 07), as shown below. Whole house leakage must be tested and meet the following infiltration limits:

Zones 1-2: ≤ 3 ACH50;
Zones 3-4: ≤ 2.5 ACH50;
Zones 5-7: ≤ 2 ACH50;
Zone 8: ≤ 1.5 ACH50;

#### ENERGY.GOV

Office of ENERGY EFFICIENCY & RENEWABLE ENERGY

Building America Solution Center

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### CIP

The Conservation Improvement Program (CIP) helps Minnesota households and businesses use electricity and natural gas more efficiently - conserving energy, reducing carbon dioxide emissions, and reducing the need for new utility infrastructure. CIP is funded by ratepayers and administered by electric and natural gas utilities.

•Energy audits: trained energy consultant examines your home and offers specific advice on energy improvements.

•Rebates on high-efficiency heating, cooling, and water-heating appliances; CFL and LED lighting, etc.

•Air-conditioner cycling programs, which allow the utility to manage its peak energy demand in return for discounted electric bills for participating customers.

## Is It Really All About Energy?



# Is it is it

Sources of **Energy:** Electricity & Gas

# Is it Really All About About Energy?



#### **U.S. Natural Gas Residential Consumption (MMcf)**



## Is It Really All About Energy?

#### U.S. PRICE OF NATURAL GAS DELIVERED TO RESIDENTIAL CONSUMERS DOLLARS PER THOUSAND CUBIC FEET





## Is It Really All About Energy?

Minnesota Price of Natural Gas Delivered to Residential Consumers (Dollars per Thousand Cubic Feet)



# Is it Really All About About Costs?



### Electricity Retail Sales to the Residential Sector (Million Kilowatthours)

Is it is it



#### Average retail price of electricity United States 2001 - 2020



Source: U.S. Energy Information Administration, Monthly Energy Review, Table 2.2, May 2021

Eta Note: Electricity excludes losses in electricity generation and delivery. Petroleum includes heating oil, liquefied petroleum gas (propane), and kerosene. Renewables includes wood, geothermal energy, and solar energy.



Year	Median Home Value	Annual Household Median Income	MHV/Income	Annual Income % of Cost
1950	\$7,400	\$2,990	2.47	40.41%
1960	\$11,900	\$4,970	2.39	41.76%
1970	\$17,000	\$8,734	1.95	51.38%
1980	\$47,200	\$17,710	2.67	37.52%
1990	\$79,100	\$29,943	2.64	37.85%
2000	\$119,600	\$55,030	2.17	46.01%
2010	\$221,800	\$49,445	4.49	22.29%
2020	\$374,900	\$67,521	5.55	18.01%



#### MORTGAGE AMORTIZATION SCHEDULE

ENTER VALUES	
Loan amount	\$239,900.00
Interest rate * SEE CURRENT *	3.00%
Loan term in years	30
Payments made per year	12
Loan repayment start date	1/1/2022
Optional extra payments	\$0.00

LOAN SUMMARY			
Scheduled payment	\$1,011.43	Utility Costs=	\$200.00
Scheduled number of paymen	ts 360	Mortgage + Utility Costs=	\$1,211.43
Actual number of payments	360	Over 30 years=	\$436,114.11
Years saved off original loan te	erm 0.00		
Total early payments	\$0.00		
Total interest	\$124,214.11	Total Int. & Prinicipal=	\$364,114.11
LENDER NAME	Happy Customer Bank, NA		

#### MORTGAGE AMORTIZATION SCHEDULE

ENTER VALUES	
Loan amount	\$249,900.00
Interest rate * SEE CURRENT *	3.00%
Loan term in years	30
Payments made per year	12
Loan repayment start date	1/1/2022
Optional extra payments	\$0.00

LOAN SUMMARY			
Scheduled payment	\$1,053.59	Utility Costs=	\$100.00
Scheduled number of payme	ents 360	Mortgage + Utility Costs=	\$1,153.59
Actual number of payments	360	Over 30 years=	\$415,291.85
Years saved off original loan	term 0.00	Amount saved=	\$20,822.25
Total early payments	\$0.00		
Total interest	\$129,391.85	Total Int. & Prinicipal=	\$379,291.85
LENDER NAME	Happy Customer Bank, NA		



#### "Cheap" Car

- Noisy
- Leaky
- Low safety rating
- Poor performance
- Poor gas mileage
- Lasts 15 years

Monthly Payment =	\$350.00
Monthly Fuel =	<u>\$350.00</u>
Monthly Total =	\$700.00

#### "Expensive" Car

- Quiet
- Comfortable/no air leaks
- High safety rating
- Great performance
- Exceptional gas mileage
- Lasts 25 years

Monthly Payment =	\$450.00
Monthly Fuel =	<u>\$175.00</u>
Monthly Total =	\$625.00

2021 ENERGY STAR Residential New Construction Partner Meeting





U.S. DOE Zero Energy Ready Home & the Year Ahead Eric Werling National Director, U.S. DOE Building America Program Jaime Van Mourik U.S. DOE Fellow Jamie Lyons, P.E.



www.energy.gov/eere/buildings/zero-energy-ready-homes

#### A Texas Builder Explains Total Cost of Ownership

"The old school of return on investment says you typically need to pay it back in about 6 years or so. With green building it's a whole different story, and when I explain this to prospective clients they get it, whether they're a wage earner buying an entry level home or an upper income person buying their second or third luxury move-up product. The return on investment on what you spend for green building is typically realized the first month you're in the home.

Here's a real example of a 3,000 square-foot home with a <u>\$300 month</u> average utility bill. If you spend \$10,000 additional on the green aspects of the home, you can reduce that energy cost to \$150 per month. At today's mortgage rates, the \$10,000 you spend costs you about \$30 per month. You've saved \$150 in utility <u>costs</u> and you've spent \$30 to do it. Your positive cash flow that first month is \$120, and it will be at least \$120 a month after that. Whenever I've explained that to a customer, whether they're buying a \$100,000 home or \$3 million home, they've never failed to embrace it and find great value in it."

-T.W. Bailey Sr., president of Bailey Family Builders, Frisco, Texas

	Is It Really All About Costs?				
ТСО					
		Life in Years	Cost for 20 years		
Cheap Windows	\$10,000.00	10	\$20,000.00		
Expensive Windows	\$15,000.00	20	\$15,000.00		
TCO + Utilities Cost/Savings					
	Extra Fuel Costs	Cost/20 yrs	Total Cost/20 yrs		
Cheap Windows	\$150.00	\$3,000.00	\$23,000.00		
Expensive Windows	\$0.00	\$0.00	\$15,000.00		

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## What about the future?



by American Geophysical Unior

# What about the future?

#### Enginuity's innovative E|ONE can handle a home's power and heating needs

"E|ONE, a Combined Heat and Power System (CHP) that serves as a home's all-in-one device for virtually all of its heating and power needs...size of a standard home hot water heater...4stroke...piston engines...turns natural gas into energy "



Utility's "almost 70 percent of that heat goes completely unused...supply heat and hot water..."



#### AMORPHOUS SILICON PHOTOVOLTAIC GLASS (PV glass)





### Koenigsegg's Compact 63-Pound Quark Electric Motor Can Produce 335 Horsepower

Pictured next to a 330ml energy drink.



# What about the future?

# What about the future?

### Grid Optimization

"The grid of the future must also support electric vehicles and charging stations, newly connected communities, and increased integration of carbon-free resources like solar and wind.

Strengthening the electric grid will lessen disruptions caused by malicious actors, reduce power outages in homes across America, and help lower energy bills for all Americans by moving cheaper, cleaner electricity to where it is needed most."

~Department of Energy Reimagining and rebuilding America's energy grid



## Grid Optimization

#### Department of Energy

Reimagining and rebuilding America's energy grid

•*Microgrids* are a self-sufficient group of energy sources, like solar or wind, that support the energy needs of a local footprint, like a college campus or hospital complex. Microgrids can disconnect from national infrastructure to continue to operate while the main grid is down. Because of this, microgrids can strengthen grid resilience, decrease power outages, and provide energy resources for faster system response and recovery. • Demand Response is a consumer's reaction to a high demand for electricity. By limiting or postponing power consumption, during a time of high demand, consumers can help utilities manage increased strain on the grid. Some utilities provide consumer rebates for demand response.

• Advanced Metering, or smart metering, lets consumers know how and when they are using electricity so they can reduce their usage. Advanced metering could also help consumers reduce their electric bills by making them aware of periods of time that have a higher cost of electricity.

 Grid Scale Energy Storage Devices can help utilities continue to provide power during peak loads, when the grid may not be able to support all power needs. These devices can store electricity generated from carbon free sources so it can be used when it is needed most.
 Grid Hardware is critical for carrying, converting, and controlling power. Most of the grid modernization efforts have been focused on advanced digital information and communication technologies, but the physical equipment necessary to move power needs to be updated as well.

## **All Electric?**





#### RESIDENTAL NEW CONSTRUCTION MINNEAPOLIS: SINGLE-FAMILY HOMES

#### **Key Findings**

The new all-electric, singlefamily home has a lower net present cost than the new mixed-fuel home in every city we studied: Austin, TX; Boston, MA; Columbus, OH; Denver, CO; Minneapolis, MN; New York City, NY; and Seattle, WA.

- Electricity as conveyor of energy
- Multiple fuels to produce
- Centralized control of emissions
- EV Cars/homes: storage, back to grid
- House as passive user of energy to production and storage and supplier of energy
- Smart technology controlling house "on-the-grid" to address "wasteful" grid problems

## Is It Really All About Energy?



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## In Summary: No & Yes

- No. Structure, pipe and wires, paint, etc. count too.
  - Yes. Without energy a house is just a fancy box that's too cold, too hot, too wet, too dry, etc.
    - No. Personal choices matter: layout/design, room choices/sizes, location, etc.
  - Yes. We can't all live in Florida or bisonhide teepees. (Well, we COULD...)

# Is it Really All About About Energy?

"Clean energy solutions have consistently become more costeffective and have been deployed more quickly than nearly every forecast has predicted. And now, the pace of the energy transition is becoming unstoppable."

> Jules Kortenhorst Chief Executive Officer, RMI

# Is it is it Really All About About Energy?



Brian Wimmer/Energy Advisor 2022 Energy Design Conference