

**Survey: Despite Massive Spending By the Government and Utilities, Americans Not Hitting
'Magic Number' for Energy Efficient Homes**

Poll Also Finds Lower Income Americans Can't Afford Efficiency

KNOXVILLE, TN -- A national survey released today finds Americans aren't making the right number of improvements to make their homes energy efficient, despite hundreds of millions of dollars spent by utilities and government programs.

The survey, the seventh annual Energy Pulse™ survey conducted by Shelton Group, found those who said their utility bills had dropped had completed an average of four home improvements, such as adding insulation or installing a high efficiency water heater. Those who said their bills had increased by 10 to 30 percent reported an average of only 2.3 improvements.

"People have to do more – at least four energy efficiency improvements – to make a real impact on their utility bills," said Suzanne Shelton, president of Shelton Group. "Unfortunately, Americans aren't reaching that magic number, even though the government and utilities have spent hundreds of millions of dollars to get them to act."

The survey, which polled 1,502 Americans, found only 42 percent of Americans have installed high-efficiency windows; 39 percent have installed extra insulation; 37 percent have installed a higher-efficiency heating or cooling system; and 24 percent have installed a higher efficiency water heater.

Meanwhile, only 15 percent of respondents said they had gotten a home energy audit. Even worse: Only 33 percent think they need one, and within that group, only 45 percent say are likely to get one.

"Home energy audits continue to be the colonoscopy of energy efficiency," Shelton said. "Everyone should get one, but too few actually go through with it."

The primary motivation for making energy efficient home improvements continues to be "to reduce my utility bill" (28 percent). There was a decline in the number of people who offered last year's second most popular answer "because I was updating or renovating anyway" (down from 21 percent to 9 percent this year).

"The top energy-saving driver for the vast majority of Americans continues to be about dollars and cents," Shelton said. "It's a green decision to save energy – but for consumers, it's the green in their wallets that matters most."

But sometimes there's not enough green in the wallet. The survey found lower-income Americans would rather bear the pain of higher utility bills than make their homes more energy efficient.

Why? They simply can't afford the improvements needed to lower their bills, Shelton said.

"It seems counter-intuitive that lower-income Americans would be willing to let their energy bills

skyrocket before making energy-efficient improvements,” Shelton said. “But that is the sad reality. They can’t afford to lower their utility bills.”

The survey found those who could better afford to spend money on home improvements were more sensitive to bill increases.

When asked how much their monthly bill would have to go up to push them spend more money on energy efficient home improvements, those making higher incomes (\$100,000 or more) gave an average answer of \$113, compared to \$120 for those earning lower incomes (less than \$25,000). Those with graduate degrees had an even lower threshold -- \$98, compared to \$122 for those with only a high school degree or less.

Making matters worse, more lower-income Americans live in homes that are already less energy efficient. Thirty-two percent of respondents with lower incomes (less than \$25,000) said their homes were inefficient. That compares to 15 percent of higher-income respondents (making \$100,000 or more).

“The people who most need to make energy efficient improvements are the least able to make them,” Shelton said.

That means it’s likely that most energy efficiency marketing efforts are targeting the wrong audience.

“There’s a big difference between those who really need to make big efficiency improvements but can’t, the ones who wholeheartedly embrace them but probably already have them in place, and the ones who both need and can make them with a little encouragement,” Shelton said. “Utilities and manufacturers just need the right programs and messaging.”

Then there’s the big picture. Shelton’s recommendation: “The federal government should take the hundreds of millions of dollars that’s currently fragmented into best-practices tests, block grants and pilot programs all over the country and pool the money into one big pot. Then design a big national education effort to encourage Americans to take the most important four or five steps necessary to see a real reduction in their utility bills. Only then would we see a real increase in awareness that incentive programs are available and understanding of the right steps to make homes more energy efficient.”

About Shelton Group

Shelton Group is an advertising agency located in Knoxville, Tennessee, focused exclusively on bringing sustainability to the mass market. The agency partners with world-class companies, including Toshiba LED Lighting Division, Lowe’s, Georgia-Pacific and First Energy, to develop and implement sustainability marketing campaigns that drive behavior change and ultimately, results. Learn more at www.sheltongrp.com.

Contacts

Mark Pankowski at 301-260-9250

Mittie Rooney at 301-229-1618