

STAFF REPORT

Date: September 17, 2026
To: Equity Commission
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Home Energy Score Ordinance Equity Review and Discussion

1. Purpose

The purpose of this staff report is to provide the Tumwater Equity Commission with information regarding the proposed Home Energy Score (HES) Ordinance, summarize prior community and partner engagement efforts, and respond to questions raised by City Council and the Equity Commission. The report identifies potential equity considerations with the ordinance, including potential benefits, costs, barriers, and unintended consequences. It also describes potential implementation approaches and safeguards for the Commission's consideration.

This report is intended to support the Equity Commission's review and recommendation to the City Council. It does not recommend a particular policy outcome.

2. Requested Equity Commission Action

- Review the proposed Home Energy Score Ordinance and supporting information.
- Discuss potential equity implications, benefits, and unintended consequences.
- Identify additional equity safeguards, monitoring measures, and implementation recommendations.
- Forward any findings, recommendations, concerns, or suggested modifications to the City Council.

3. Background

A Home Energy Score is a standardized energy-efficiency rating developed by the U.S. Department of Energy. Certified assessors evaluate more than 50 characteristics of a home, including insulation levels, windows, heating systems, cooling systems, and other building features.

The resulting report includes:

- A score ranging from 1 to 10
- Estimated home energy costs

- Comparison information
- Recommended cost-effective energy-efficiency improvements
- Information about incentives, rebates, and available programs

The Home Energy Score is similar to a miles-per-gallon rating for a vehicle. An HES assessment does not require a homeowner to complete upgrades; it provides standardized information that can be used during a real-estate transaction.

4. Relationship to City Plans and Regional Efforts

The Home Energy Score concept has been discussed in Thurston County for several years through:

- Thurston Climate Action Team engagement processes
- The Thurston Climate Mitigation Plan (2021)
- The Thurston Climate Mitigation Collaborative (TCMC)
- Development of Tumwater's Comprehensive Plan Climate Element adopted in 2025
- Tumwater City Council work session discussions in 2026

The Climate Element of Tumwater's Comprehensive Plan includes implementation actions supporting residential energy performance disclosure and residential energy audits. The proposed ordinance is also part of a regional effort. Olympia and Thurston County have adopted similar ordinances with implementation anticipated in 2027.

5. Potential Impacts and Equity Considerations

The proposed ordinance would create a requirement to covered sellers to obtain and disclose an HES before listing a home for sale. The policy may have different effects on buyers, sellers, renters, landlords, and households with different financial or accessibility circumstances. The following considerations summarize potential effects identified by the City and questions raised during the review.

5.1 Potential Consumer-Information and Market Effects

A Home Energy Score would provide standardized information about modeled energy performance and estimated energy costs that may not otherwise be readily available to prospective buyers. Potential effects include improved ability to compare homes and consider operating costs before making an offer. The magnitude of those effects in Tumwater is not yet known.

Energy-efficiency information is not currently disclosed consistently. The proposed ordinance would standardize disclosure for covered homes and create a common format for comparison. HES reports can be useful in applications for rebates, incentives, weatherization programs, financing options, and other energy-saving resources.

If homeowners act on recommended measures, potential long-term effects could include more efficient homes, improved thermal comfort, reduced energy waste, and lower greenhouse-gas emissions. Those outcomes depend on subsequent decisions and other conditions and are not required by the ordinance.

5.2 Renters and Multifamily Housing

The current draft is focused on homes offered for sale and does not establish a general rental energy-disclosure requirement. *U.S. Department of Energy staff have informed City staff that the HES tool can now be used for manufactured homes and multifamily dwellings.* This creates an option for Council to consider whether those housing types should be included in the sale requirement.

A separate rental-focused policy could address energy disclosure for tenants. Potential approaches identified in the source materials include rental energy-cost disclosure, rental energy-performance disclosure, voluntary rental scoring, and utility-data-based disclosure systems. Such approaches would require separate policy development and potentially coordination with PSE and the Washington Utilities and Transportation Commission.

5.3 Affordability and Cost Burden

At the time of this report, the HES assessment generally costs approximately \$150 to \$350. That cost may be more significant for low-income households, fixed-income seniors, probate estates, households experiencing hardship, and households facing emergency property sales.

The current draft includes subsidies, exemptions when subsidy funding is unavailable, and administrative flexibility for hardship circumstances. Potential subsidy approaches include reserving funding for lower-income households, prioritizing households below 50% AMI, and maintaining reserves for hardship cases. The final eligibility criteria, funding level, and allocation structure have not been established.

5.4 Displacement and Gentrification

Staff reviewed available research and consulted directly with Portland-area program staff and Community Energy Project. Staff have not identified evidence establishing that HES disclosure causes displacement or gentrification. Staff also have not identified evidence conclusively establishing that such effects cannot occur under any circumstances.

Because the available evidence is inconclusive, potential monitoring measures include tracking purchases by investment entities and LLCs, neighborhood-level housing indicators, affordability measures, and changes in ownership patterns.

5.5 Language and Digital Accessibility

The City is developing broader accessibility practices. The HES program could apply those practices through translated or interpreted information, printed materials, accessible web content, alternative formats, telephone assistance, and in-person support. HES program materials reviewed by staff are currently available in English. The final program would need to establish specific language-access and accessibility procedures before implementation.

6. Potential Implementation Safeguards

If the ordinance is adopted, the following measures could be considered during program development. They are presented as potential implementation options rather than as final recommendations.

6.1 Subsidy Framework

- Reserve a defined share of subsidy funding for households below specified AMI thresholds.
- Prioritize households below 50% AMI if funding is limited.
- Maintain a reserve or other mechanism for documented hardship situations.
- Provide an exemption pathway when eligible subsidy funding is unavailable.

6.2 Rapid Hardship Review

The current concept is to establish an expedited review process for time-sensitive hardship requests, with a target of no more than five business days and an average target of three business days.

6.3 Accessibility and Equitable Access

- Printed application materials in addition to electronic forms
- Telephone assistance
- Accessible web content
- Alternative-format documents
- Information about translation and interpretation services
- In-person assistance upon request

6.4 Monitoring and Program Review

Potential monitoring could occur annually or at another interval established by Council. Measures could include subsidy and exemption activity, assessment availability and wait times, HES scores, energy-program participation, housing-market indicators, ownership patterns, and resident experience. Monitoring parameters are still under development regionally.

7. Conclusion

The proposed Home Energy Score Ordinance would establish a standardized energy-performance disclosure requirement for Tumwater homes offered for sale. Potential effects include improved availability of energy-cost information, possible changes in

buyer and seller decision-making, and potential increases in energy-efficiency improvements over time. Potential costs and risks include assessment expenses, administrative and compliance requirements, access barriers, uncertainty regarding effects on renters and lower-income households, and possible housing market or ownership effects.

Available evidence provides useful information about HES programs in other jurisdictions, but several Tumwater-specific questions remain unresolved. These include the distribution of costs and benefits across households and neighborhoods, effects on renters and small landlords, market impacts, and the extent to which disclosure results in completed efficiency improvements and emissions reductions. This uncertainty will remain until ordinance language and program design are completed.

The Equity Commission's review can help identify which potential effects should be addressed in the ordinance, which should be monitored during implementation, and which require additional policy development or analysis. The City Council will ultimately determine whether to adopt, modify, or not adopt the proposed ordinance.

Appendix A. Questions and Answers Log

This log contains the questions submitted by Council Members and Equity Commissioners in August of 2026. Answers are provided by Tumwater staff and represent a good faith effort to provide neutral, clear, and consistent answers with the data available. Sources cited can be found in Appendix C.

1. Concern: Unintended consequence of not benefiting renters because stacked multifamily cannot currently be scored using HES

Different approaches may be needed for rental and owner-occupied housing because the transactions, infrastructure, and timing are different. As of mid-August 2026, U.S. Department of Energy staff informed City staff that the HES tool *can be used for manufactured homes and multifamily dwellings*, so the draft ordinance could be expanded to include those homes when offered for sale. A rental-focused policy would likely require separate policy development and community engagement. Staff estimate that a separate ordinance could require approximately two years to develop if Council directs that work.

One possible model for future consideration is Minneapolis' time-of-rent energy cost disclosure approach, which would require coordination with Puget Sound Energy and potentially the Washington Utilities and Transportation Commission. An Oregon statewide rental approach has also been discussed, although the source reviewed by staff indicates that compliance methods were still being developed. Rental energy-efficiency disclosure is identified in Climate Element Action CL-4.2.2. Expanding the sale requirement to manufactured and multifamily homes could increase implementation complexity because neighboring jurisdictions may not adopt the same coverage, potentially affecting regional education, contracting, and program administration.

2. Concern: May increase development of multifamily housing that evades the requirement rather than less dense development

The City identifies increased housing density as a policy goal. Staff have not identified evidence that an HES disclosure requirement would change the type of housing constructed. Staff also did not hear this concern in the feedback received from the Thurston County Realtors Association or Olympia Master Builders. The City could monitor development patterns after implementation if Council adopts the ordinance.

3. Concern: A seller could be fined to the point of losing their home. Where is there protection for the seller?

Enforcement would be governed by the City's civil code enforcement framework. As currently drafted, penalties would be subject to TMC Chapter 1.10, which includes provisions for voluntary correction agreements and appeals. If the ordinance is adopted, the City could also establish implementation guidance describing how enforcement is applied. Staff have not identified evidence from comparable programs that compliance penalties have resulted in loss of a home.

4. Concern: Wants to see data that shows that HES does not cause gentrification and displacement

Staff reviewed scholarly and informal sources and consulted with staff and program administrators in the Portland metropolitan region. Staff have not yet identified evidence establishing that HES disclosure causes gentrification or displacement. At the same time, the review does not establish that HES disclosure cannot contribute to displacement under some circumstances. Portland staff reported that they have not observed HES being tied to gentrification or displacement in their program. Community Energy Project, which provides subsidized assessments in the Portland metropolitan area, reported no known evidence of such

a connection (Baraso, 2026; Mason, 2026; Plantico, 2026). Portland staff indicated that use of scores to target properties is possible but considered unlikely. The Green Building Registry does not provide bulk export or filtering of HES data, so a person attempting to identify properties by score would need to review individual listings (Mason, 2026). Given the limits of available evidence, staff propose monitoring relevant housing and ownership indicators rather than assuming either a positive or negative displacement effect.

5. What is the difference in terms of budget and results between a voluntary program and a mandatory requirement?

Based on the current regional cost-sharing assumptions, the estimated 12-month startup cost is \$28,500 under either a voluntary or mandatory approach and estimated ongoing program cost is \$13,750 per fiscal year under either approach. The estimates do not include staff time or subsidy costs, which remain under development. The current model estimates less than 1 metric ton of carbon dioxide equivalent reduction per year for the voluntary scenario and 293 metric tons per year for the mandatory scenario. These are modeled estimates based on the assumptions described in Appendix B and are not observed Tumwater outcomes. The comparative considerations and assumptions are provided in Appendix B.

6. What is the difference between a HES and the PSE home energy audit that is currently available for free?

The Puget Sound Energy (PSE) Home Energy Assessment provides an in-home visit and personalized observations from an Energy Guide. The program is not a full energy audit and does not use the HES scoring model. PSE has a limited number of assessments available (10,000 over two years), with priority for certain named communities; Tumwater is not identified as a priority community in the source reviewed by staff. The PSE assessment may review insulation when it is readily accessible and provides energy-saving recommendations connected to PSE resources. Because the number of PSE assessments is limited across the service territory, staff do not recommend the PSE assessment as a practical substitute for a disclosure requirement applying to covered listings. Samples for comparison are included as attachments C and D in the agenda packet for the September 17, 2026 Equity Commission meeting.

7. What lessons have been learned from other jurisdictions that have done this?

Staff contacted HES program staff in Milwaukie, Hillsboro, Bend, and Portland, as well as Community Energy Project. Portland and Community Energy Project provided substantive responses. Reported lessons include the following:

- Launching a program without active enforcement was viewed by Portland staff as a disadvantage to program participation and coverage.
- Compliance checks across all listings were considered preferable to checking only a sample.
- Portland uses a 30-day compliance timeline and reported that a prior 90-day timeline was too long because many homes sell within 90 days.
- Portland staff identified early inclusion of manufactured homes as useful where feasible.
- The number of subsidy requests is related to outreach and real-estate market activity, suggesting that subsidy capacity and outreach may need to be adjusted over time.
- The jurisdictions and program administrators contacted by staff reported that they had not exhausted available subsidy funds to date.
- HES data may provide information that jurisdictions or weatherization providers can use to identify characteristics of existing housing and potential program needs.

8. Does this reduce barriers to homebuying?

The HES program does not directly reduce the purchase price of a home or eliminate other barriers to homeownership. It may provide information relevant to homebuying decisions by showing estimated energy use and operating costs before a buyer makes an offer. Energy costs are a recurring component of homeownership costs; homes with similar purchase prices may have different operating costs. HES information may be usable in connection with certain energy-efficiency mortgage products. Whether those features materially reduce barriers to homeownership will depend on individual buyers, lenders, and market conditions.

9. Concern: there was bias in scoring in Portland newspaper article

Portland staff interviewed by City staff reported that they could not recall examples of bias in HES scoring in Portland, and Community Energy Project staff reported similar experience (Mason, 2026; Plantico, 2026). The HES program includes quality assurance and quality control procedures intended to identify errors or outliers. The article provided by Commissioner Cray, [“Outgoing Energy Trust of Oregon Board Member Cites Racism in Resignation Letter,”](#) addresses concerns about inequity in the practices and distribution of Energy Trust of Oregon funds. The source does not specifically document bias in Home Energy Scoring. The issues described in that article nonetheless illustrate a broader point: energy programs can produce inequitable outcomes when participation, funding, or decision-making does not adequately reflect affected communities. Potential implementation responses include regular review, community engagement, and monitoring who participates and who receives benefits. These approaches could be applied regardless of the ultimate Council decision on the ordinance.

10. How will we track success?

Potential monitoring measures include:

- Average HES score over time and distribution of scores from 1 to 10
- Number of homes applying for PSE or other incentives or rebates related to energy efficiency
- Number of subsidized assessments compared with exemptions
- Quality assurance and quality control results
- Average time to schedule an assessment
- Statistically designed participant surveys, if resources permit
- Qualitative feedback and resident experiences
- Compliance rates
- Additional measures identified by the City Council or Equity Commission

For each measure, an appropriate baseline and interpretation standard would need to be established before it is used to determine program performance.

11. What happens when the \$4,000 subsidy budget runs out? Will we penalize people who can't afford it? What is the specific administrative procedure when the \$4,000 annual subsidy pool is depleted?

The current draft provides for subsidies, exemptions, and administrative flexibility, but the detailed process needs to be established. Under TMC Chapter 1.10, enforcement includes voluntary correction agreements and appeal provisions. Staff propose that sellers who qualify for a subsidy be informed of the subsidy and given an opportunity to use it. If qualifying subsidy funds are unavailable, the ordinance could provide an exemption pathway so that a seller is not required to pay the full assessment cost solely because the subsidy pool has been depleted.

City staff met with Portland-area subsidy program staff on August 19, 2026. Those staff reported that they had not encountered exhaustion of subsidy funds in the jurisdictions they serve. Potential administrative responses include requesting additional funding, adjusting future budget requests, or providing an exemption until funds are available. Staff are considering an

exemption process using the same general format as other City code exemption requests and an expedited review target of no more than five business days, with an average target of three business days.

12. Could we pilot and pay for 20-30 homes being sold to get an HES assessment in Tumwater and then analyze the impacts from that?

A pilot is possible subject to funding and City Council direction. A pilot would require defining participant eligibility, developing the program, recruiting willing sellers, collecting assessments, and establishing an evaluation method. The City and County of Denver used a pilot involving approximately 500 homes, but the evaluation reported difficulty obtaining strong participation in program review and feedback (Department of Environmental Quality, 2019). A Tumwater pilot would also differ from the regional approach and would not receive the same cost-sharing structure described for a region-wide program. A pilot could, nevertheless, generate local information about participation, assessment costs, scheduling, homeowner experience, and subsequent actions.

13. What is the projected carbon emissions reduction from this policy?

The current model estimates 293 metric tons of carbon dioxide equivalent (MTCO₂e) per year for the mandatory scenario as currently drafted. The estimate uses Census data on housing and occupancy, the number of Tumwater listings reported by the Thurston County Realtors Association, local PSE emissions factors, average annual electricity and natural gas consumption from DOE State and Local Energy Data, and assumptions about the share of households completing efficiency improvements and the resulting energy savings. The model assumes that 10% of rated homes undertake an energy-efficiency improvement and that those homes achieve an average 20% energy savings. The calculation is therefore sensitive to participation and retrofit assumptions. Actual emissions reductions could be higher or lower. Any change in the ordinance or program design could also change the estimate.

14. Why does the Ordinance impose legal penalties and assessment fees on home sellers?

Under the proposed structure, the requirement is triggered before a home is listed for sale, so the seller or property owner is the party responsible for obtaining and disclosing the assessment. The assessment cost would therefore be incurred in connection with the sale by the party responsible for the listing. The draft also provides for exemptions and subsidies, and enforcement would occur under the City's existing civil code enforcement framework. The policy choice to place the responsibility on sellers is ultimately a legislative decision for the City Council.

15. Will there be a baseline tracking system to monitor if low-scoring homes are disproportionately being sold to investors/LLCs/flippers compared to local home buyers?

The County Assessor's Office has indicated that they can provide quarterly sales data including the property address, buyer name, whether the buyer is an LLC, and the buyer address. The City would need to define the relevant sales and housing criteria and analyze the data for patterns involving investors or out-of-state LLCs. Staff have also identified potential outside partners that may assist with ownership analysis, including the Lincoln Institute of Land Policy, which offers partnerships related to identifying properties owned by speculators and large corporations. A baseline could be established before or near implementation and then compared with subsequent quarterly or annual data.

16. Will there be a rapid response for fixed-income seniors, probate estates, and distressed families needing emergency exemption from listing delays? And what would that look like?

The City has flexibility to establish an expedited exemption process if the ordinance is adopted. The current draft contemplates a quick review of exemption applications, with a target of no more than five business days and an average target of three business days. This is intended to account for time-sensitive transactions, including probate, emergency hardship, or distressed sales. The final process, eligibility standards, documentation requirements, and review authority would need to be established through ordinance language or administrative procedures.

17. Who gets to perform these assessments and who profits from this newly created industry?

The U.S. Department of Energy establishes the requirements for becoming a Home Energy Score Certified Assessor. The proposed approach relies on a private, open market in which individuals or businesses that meet the certification requirements may provide assessments. Certified assessors working locally would also be subject to applicable business-license requirements. The current concept includes subsidized training and mentorship for approximately 10 to 15 assessors.

18. What is the City's theory of change?

[Tumwater's Comprehensive Plan](#) is a 20-year policy framework linking the City's vision, goals, policies, and actions. [The Climate Element](#) includes implementation actions supporting Goal CL-4.2, which calls for reducing energy use in existing residential buildings. The proposed HES approach can be understood as one potential implementation mechanism for that policy direction.

19. How does requiring disclosure ultimately lead to lower energy burden, utility costs, and reduced emissions?

The proposed approach is a series of steps rather than a direct requirement to retrofit a home:

- disclosure makes energy performance visible
- visibility may affect purchasing decisions
- market demand may place additional value on efficiency
- owners may then choose to make improvements
- improvements may reduce energy use and associated emissions.

The available evidence does not indicate that every recipient of an HES report will make improvements. The Oregon Department of Energy reports that homes with HES were approximately 10 times more likely to complete a home energy-efficiency improvement and the Bay Area of California reports that 11% of homes with a HES completed an improvement from the report (Alvarez, 2024).

These findings provide context for the model but may not establish the same effect in Tumwater. The HES may help buyers evaluate expected operating costs, but whether it reduces energy burden depends on the buyer's circumstances, the home's actual performance, subsequent improvements, utility rates, and other factors.

20. What evidence shows that making Home Energy Scores mandatory produces enough additional benefit?

There is not a single objective threshold for determining whether the additional benefits of a mandatory requirement are sufficient to justify the associated costs and regulatory burden. The evidence reviewed by staff indicates that mandatory disclosure generally produces broader

market coverage than voluntary participation and increases the visibility of energy performance during housing transactions (Antonopoulos et al., 2020; Carroll et al., 2022; Earth Advantage, n.d.; Mason, 2026; Myers et al., 2019; Nadel, 2025; Pacific Northwest National Laboratory, 2024; Pigman et al., 2023; Plantico, 2026; U.S. Department of Energy, 2012). The available research also suggests that disclosure can affect buyer preferences, home values, and subsequent efficiency improvements. Voluntary programs may reach fewer homes and may produce less complete information. The magnitude of those effects in Tumwater is uncertain and depends on program design and participation.

21. If a homeowner receives a low score but cannot afford the recommended improvement, then what happens?

The HES program does not require the homeowner to complete an energy-efficiency improvement. A low score would therefore not, by itself, create a retrofit requirement. The report may identify cost-effective improvements and information about rebates or incentives. Whether a homeowner can or chooses to pursue an improvement depends on the homeowner's financial circumstances, the availability of assistance, and other considerations.

22. What happens if the ordinance works exactly as intended? What would be different about housing in Tumwater?

If the anticipated market and behavioral effects occur, more Tumwater homes could receive energy-performance information and some homeowners could undertake efficiency improvements over time. Those improvements could reduce modeled energy use and may affect household operating costs and resale values. The distribution of those effects is uncertain. More efficient homes could have higher market values, which could benefit sellers while also affecting affordability for prospective buyers. Energy costs and utility rates would continue to depend on factors outside the City's control. The HES requirement itself would not require homeowners to make upgrades.

23. How does this ordinance benefit renters?

The current ordinance is focused on homes offered for sale. Renters living in homes that receive an HES because of a sale could access the score report through the Green Building Registry, but the ordinance does not require energy disclosure for rental units generally. Eugene, Oregon, has historically used HES in rental properties as a voluntary workforce-development program; that program has been on hiatus while the City Council considers a different approach. The source materials also identify Minneapolis' time-of-rent energy cost disclosure as a potential model for future policy work.

A rental HES program could expand the number of homes scored and potentially identify improvement opportunities, but energy-efficiency requirements or improvements in rental housing could also affect rents or lead to displacement pressures unless tenant protections were incorporated. Possible protections include agreements limiting rent or fee increases when public subsidy is provided, although such measures would require separate policy development.

24. How will we know whether this ordinance actually worked?

Potential indicators include:

- average HES score and distribution of scores over time
- participation in PSE or other efficiency incentives
- the number of subsidized assessments compared with exemptions
- assessment wait times
- quality assurance and quality control results
- participant surveys

- qualitative community feedback
- compliance rates
- the number of homes completing energy-efficiency improvements

A meaningful evaluation would require establishing baseline measures, defining what constitutes a material change, and distinguishing program effects from broader housing-market, utility-rate, and economic changes.

25. Is there an incentive for the city to have a certain percentage of homes get higher scores? (Example: if 65% of homes get a score of 7 or more, does the city become eligible for more grants or funding?)

There is not currently a defined funding incentive tied to a particular percentage of homes receiving higher HES scores. Program information could potentially be used in future grant applications or competitive energy-efficiency programs, but no specific award or funding formula has been identified for Tumwater.

26. We were provided a description of how a team of Home Energy Score experts would be created and financed. I wondered why the experts who currently do home inspections would not be tapped for this additional inspection requirement. It seems like they would have years of experience evaluating homes for issues, which could include a home's attribute(s) that do not optimize the energy usage in a home.

Home inspectors have participated in ordinance development discussions and are eligible to obtain the HES Certified Assessor credential. At least one local home inspector has already obtained the credential. HES certification is separate from a general home-inspection credential, but individuals who already perform inspections may choose to add the HES credential. The proposed training and mentorship opportunity for approximately 10 to 15 assessors would be open to qualified participants.

27. How will unintended consequences be minimized and mitigated?

Potential mitigation measures identified in the draft include subsidies, hardship exemptions, accessibility measures, monitoring, and adjustments to program administration based on observed outcomes. Portland reviews its HES program and equity impacts periodically, with review intervals described by staff as approximately one to three years. Tumwater could use a similar periodic review structure if the ordinance is adopted.

28. What specific anti-displacement controls are or can be added to the ordinance?

Staff have not identified evidence establishing that HES disclosure policies cause displacement, and Portland-area program staff reported that they have not observed such a connection (Baraso, 2026; Mason, 2026; Plantico, 2026). Because the available evidence does not resolve the question, ongoing monitoring could be used to identify potential effects.

29. If the annual fund is fully depleted, what administrative mechanism triggers the low-income exemption to ensure sellers are not stuck paying full price?

Staff plan to monitor subsidy spending so that potential depletion can be identified as early as possible. Under the approach described in the draft, a seller who is eligible for subsidy could use the exemption process if the subsidy funding available for that eligibility category has been depleted. The final trigger, notice process, and documentation requirements would be established through program procedures or ordinance language.

30. How will staff prioritize subsidy allocation so that lower-income households (e.g., under 50% or 80% AMI) are guaranteed access to funds before higher-income households (up to 150% AMI) exhaust the limited pool?

The City could reserve a defined portion of funding for lower-income households, prioritizing households below 50% AMI, capping eligibility at 80% AMI, or using income tiers similar to Energize Thurston. Energize Thurston reserved at least 60% of funding for lower income thresholds and the remaining 40% for households above those thresholds up to the program limit. The current suggestion of eligibility up to 150% AMI was intended to include households that may have difficulty paying the assessment, but the appropriate threshold and allocation structure have not been finalized.

31. What languages will the forms be translated into prior to the May 1, 2027 effective date, and what is the offline application process for digitally disconnected residents?

The City currently provides general program materials in English. Staff can provide forms in both digital and printed formats. The City has not yet established the specific languages that would be translated before May 1, 2027. Staff are prepared to pursue two possible approaches: establish a Citywide language-access policy and apply it to HES materials or use the HES program to establish practices that could inform a broader City approach.

32. Will the city offer a deferred-payment mechanism settled at closing for cash-poor sellers, and are provisional listings allowed while exemption applications are pending?

A deferred-payment arrangement has not been established. Staff identified it as an option for further consideration and noted that some assessors may be willing to offer payment plans. The City could also explore whether a standardized arrangement is appropriate if Council directs that work. The current compliance concept emphasizes education and correction of noncompliant listings. Whether provisional listings would be allowed while an exemption application is pending would need to be established through ordinance or administrative policy.

33. Because mandatory pre-listing could create inelastic demand, how will the city prevent vendor price gouging? Will the city maintain flat-fee vendor lists or a city-run assessor option?

The proposed approach would use a private market for certified assessors. Staff have identified negotiated rates or contracting as one possible way to manage assessment costs, if directed by City Council. Ann Arbor, Michigan, is the only jurisdiction identified by staff as operating a city-staffed assessor model, funded through a special climate tax. A flat-fee list, negotiated pricing, or other cost-control mechanism could be evaluated during program development. The ordinance currently does not establish a maximum assessment fee.

34. Has staff modeled how pre-listing scheduling backlogs or fee barriers could delay housing inventory, and what impact could these have on home prices for local buyers?

Staff have not completed a Tumwater-specific model of scheduling delays, listing volume, or resulting effects on home prices. In other jurisdictions the HES assessment process typically takes approximately two to three days to schedule and complete, which is broadly consistent with typical home preparation and listing timelines. Actual effects in Tumwater would depend on assessor capacity, demand, assessment availability, seller preparation timelines, and housing-market conditions. These factors could be monitored after implementation.

35. Of the City's four stated goals—affordable utility bills, reduced energy burden, lower community-wide emissions, and more comfortable and efficient housing stock over time—where does the City believe this ordinance has the greatest potential to make a measurable difference for residents, and why?

The four items identified in the question were offered as potential benefits of the program in the presentation to the Equity Commission, as opposed to programmatic goals. Residential energy efficiency and associated emissions are the goals most directly connected to the HES model.

The HES model is designed to provide a standardized estimate of home energy performance, but the extent to which that information results in lower energy use or costs depends on subsequent decisions and conditions.

36. What lessons from other communities that have implemented similar mandatory energy-scoring requirements has the City incorporated into the proposed ordinance?

The draft incorporates several features informed by other programs:

- a mandatory requirement rather than voluntary participation
- subsidies, exemptions, and a period between adoption and the proposed effective date
- early outreach
- assessor capacity planning
- compliance monitoring
- flexible administration of subsidy resources

37. What makes the point of sale the most effective moment to provide this information in advancing the City's stated goals?

The proposed ordinance uses *the time of listing* as the trigger rather than the time of sale. Time-of-sale disclosure would provide the information later in the transaction, potentially after buyers have made an offer and while financing and closing decisions are already underway. Time-of-listing disclosure would make information available earlier, allowing prospective buyers to compare homes and, potentially, consider energy-related costs or improvements while evaluating purchase and financing options. Research indicates that home purchases and other life-stage transitions can influence decisions about energy-efficiency improvements (Klemm et al., 2025). The choice of listing versus sale is ultimately a policy decision. The current staff analysis identifies earlier disclosure as more consistent with the proposed consumer-information purpose.

38. Once a homeowner receives the assessment and report, what does the City envision as the next step, particularly for someone who wants to improve the home's efficiency?

The report would identify modeled cost-effective improvements and may identify relevant incentives or rebates. A homeowner who chooses to pursue an improvement could use those recommendations to identify a project and investigate available assistance or financing. The ordinance would not require the improvement.

39. What barriers does the City anticipate homeowners may face in taking those next steps (referring to question #38)?

Potential barriers include the cost of improvements, availability of qualified contractors, navigating permits when required, and understanding financing or incentive programs. PSE Energy Advisors may help residents navigate some of these issues.

40. The City has indicated that a Home Energy Score would qualify homeowners to apply for energy-efficiency loans. How does the City envision this loan pathway helping households experiencing the greatest energy burden, particularly those who may not have the income, credit or ability to take on additional debt to finance improvements?

The availability of financing does not mean that every household will qualify for or choose to use a loan. The source materials identify financing as one option among several, while recognizing that some households may not have the income, credit, or capacity to assume additional debt. The HES requirement is an assessment and disclosure requirement, not a retrofit requirement. The City could continue to pursue grants, rebates, and other forms of assistance for households that cannot reasonably finance improvements.

41. Has the City considered whether additional resources or financing options are needed for homeowners who are identified as having significant energy-efficiency opportunities but do not qualify for, or cannot reasonably take on, an energy-efficiency loan?

The City relies in part on existing PSE programs funded through utility ratepayers and may pursue grant resources where available. Energize Thurston is one example of a grant-supported local program. The availability and eligibility of such programs can change over time, so they should not be treated as guaranteed funding for all homeowners.

42. If most homes are expected to score toward the lower end of the 1–10 scale, how will the City communicate what those scores actually mean and avoid a low score being interpreted as a judgment about the overall quality or value of a home?

The score is intended to describe modeled energy performance rather than overall property quality, condition, or value. Education and outreach will occur before the effective date, including information for home sellers, buyers, and real-estate professionals about how to interpret the report. Certified assessors would also be able to explain the assessment process to sellers. Clear explanatory materials could help distinguish the HES rating from a building inspection, appraisal, or property-condition assessment.

43. How will the assessment report distinguish between factors that are difficult or costly to change and relatively straightforward opportunities for improving energy efficiency, so homeowners and buyers can understand what is realistically actionable?

The HES report identifies “cost-effective” improvements with a modeled payback period of up to 10 years. Whether an improvement is realistically actionable remains dependent on the property's condition, the owner's resources, financing, contractor availability, and other circumstances. The report therefore provides a standardized set of opportunities but does not determine which projects are feasible for an individual household.

44. Given that 43% of households are renters, how does the City expect an assessment triggered by the sale of a property to ultimately reduce energy burden for renters who don't own the property or control whether improvements are made?

Renters in a dwelling that receives an HES because it is listed for sale would be able to access the score report through the Green Building Registry. The current ordinance, however, does not require HES disclosure for rental properties generally and does not require a landlord to complete recommended improvements. As a result, the direct effect on renters is likely to be more limited than the effect on buyers and sellers of covered homes. *See Questions 1 and 23.*

45. Thirty-two percent of households are currently cost-burdened, including utilities. What mechanisms are intended to ensure that households experiencing the greatest energy burden actually benefit from the information the assessment provides?

For households that are prospective homebuyers, earlier disclosure may allow them to consider expected energy costs before making an offer. Without early disclosure, buyers could incur earnest money obligations before obtaining additional energy information through an optional assessment. For households that are sellers, the proposed subsidy and exemption provisions are intended to reduce the direct assessment cost for qualifying households. Whether the program ultimately benefits households experiencing high energy burdens will depend on subsidy access, the relevance of the information, subsequent household decisions, and the availability of efficiency assistance.

46. Given that the City recognizes the \$150–\$350 assessment cost can be significant for low-income sellers, seniors on fixed incomes and families experiencing crisis, how will

the City ensure that the proposed subsidies and exemptions are accessible, sufficient and responsive to those circumstances?

Outreach through press releases, mailers, direct education of realtors and social-service providers, and a helpdesk phone number are possible ways to improve awareness. The City could also provide printed and electronic application materials and establish an expedited hardship process. The amount of subsidy funding and final eligibility criteria have not been established. The City could monitor subsidy demand, exemption requests, wait times, and cases in which assistance was unavailable, and use those data to evaluate program needs for improvement.

47. How will the City ensure eligible homeowners know about and can easily access the subsidy or exemption before they begin the home-sale process?

Potential approaches include outreach through real-estate professionals, social-service organizations, direct City communications, a program webpage, printed materials, and a helpdesk. The goal would be to make information about eligibility and application steps available before or early in the listing process. The final outreach plan and application process would be established during program development if the ordinance is adopted.

48. The City has identified potential social stigma around lower-scoring homes and the possibility that investors could use scores to negotiate lower purchase prices. How will the City preserve the consumer-information benefits of the score while mitigating the possibility that sophisticated investors could use the information differently than individual homebuyers?

Staff are aware of the concern that lower scores could be interpreted as a judgment about a home's overall quality or could be used in negotiations. The Green Building Registry does not provide bulk export or filtering of HES data, which limits some forms of automated property screening. Even so, individual listings are publicly available and could be considered alongside other information about a property. Potential responses include clear public education about what the score does and does not measure, monitoring buyer and ownership patterns, and reviewing resident and real estate professional feedback.

49. Has the City modeled or analyzed how scores, assessment costs, subsidies, exemptions and potential market effects may be distributed across neighborhoods and housing types, and what does that analysis show?

The City has not completed this distributional modeling. The necessary data and final program parameters are not yet available to conduct the analysis. Potential future analysis could examine neighborhood, housing-type, and income-related patterns in assessments, costs, subsidies, exemptions, and market indicators once sufficient data are available.

50. How will the City ensure that language access, disability access, and digital access are fully integrated into both the assessment process and the interpretation of results, especially for sellers or buyers who may not be comfortable with technical information?

Printed application materials, accessible web content, alternative-format documents, telephone assistance, and in-person support are planned as potential accommodations. The City is also developing broader accessibility and language-access practices. The HES program could either follow a Citywide policy as it is established or serve as an early implementation of those practices. The current HES materials reviewed by staff are available in English. The final program should identify specific language, disability, and digital-access procedures before implementation.

51. How will the City monitor whether the ordinance has differential impacts on small landlords, particularly those renting older single-family homes, compared with larger

property owners who may have more resources to absorb costs or act on the information?

The City could monitor ownership type, property characteristics, assessment costs, exemptions, and other available housing-market data to identify whether smaller property owners experience different effects. The County Assessor's data described in *Question 15* may support some of this analysis, although additional definitions and data-sharing arrangements would be needed. A final methodology for identifying small landlords or comparing their outcomes with larger property owners is not yet completed.

52. How does the City see this policy affecting our community's competitiveness regionally, particularly in terms of housing, energy efficiency and quality of life?

The regional effects are difficult to quantify with the currently available information. Housing markets vary by home type, financing, location, and buyer circumstances, which complicates direct comparison across jurisdictions. A mandatory requirement could create greater consistency with similar policies under consideration or already adopted in neighboring jurisdictions, while also creating an additional transaction requirement for Tumwater sellers. Staff have not completed a study demonstrating that the ordinance would increase or decrease regional competitiveness.

53. What broader community benefits does the City anticipate from having a more energy-efficient residential housing stock over time?

Potential community-level effects identified include lower household energy costs, reduced energy use, improved thermal comfort, and reduced energy waste. The extent of any community-level effect would depend on how many homes receive scores, how many homeowners undertake improvements, the magnitude of those improvements, and other market and utility conditions.

54. How will the City evaluate whether the ordinance affects the pace of home sales or time on market differently across neighborhoods, particularly those with older or lower-value homes?

The City could use real-estate industry data on days on market, listing duration, sale prices, and related indicators, and could compare results across neighborhoods and housing characteristics. These data points are regularly tracked by the real-estate industry and could be requested from industry partners. A useful evaluation would establish baseline conditions and compare post-implementation trends while accounting for other factors affecting housing markets.

55. Has the City considered whether publicly available energy scores could influence lending, insurance, appraisal or other financial decisions, and what role, if any, would the City have in monitoring or responding to those effects?

Staff have considered and researched potential effects on lending, insurance, assessment, and appraisal. One practical issue raised in discussions was potential confusion between a Home Energy Score assessment and a property assessment, which could result in questions to the County Assessor. The City and region could include available information from lenders, insurers, appraisers, and the County in future monitoring, subject to data availability.

56. What analysis has the City done to determine whether the assessment methodology is well-suited to the specific characteristics of our local housing stock, including age, climate, common heating systems, additions and mixed construction types?

The HES model was developed by the U.S. Department of Energy for use across the United States and incorporates factors including climate, heating systems, and square footage.

According to Thurston Regional Planning Council data, Tumwater has approximately 7,240 single-family homes, 830 manufactured homes, and 4,760 multifamily units. Depending on building configuration, the HES tool could be used for those dwelling types. The current draft ordinance would cover nearly 60% of Tumwater homes.

57. How will the City ensure consistency and reliability in the scores across homes and assessors, and what process will be available if a homeowner believes their score or assessment is inaccurate?

HES uses a standardized assessment method and model. The program also includes quality assurance and quality control procedures. The current proposal is to randomly re-score a minimum of 5% of assessments for quality control. The final ordinance and program procedures would need to establish the process for raising an individual scoring concern, requesting correction of inaccurate input data, and addressing assessor performance issues.

58. How will assessment results be stored, accessed and shared, and what privacy considerations has the City considered regarding the public availability and future use of property-level energy scores?

HES results would be stored and accessed through the [Green Building Registry](#). Under the current concept, listings would identify the score and provide a link to the full report. The Green Building Registry does not provide a bulk-data export function, which limits some forms of large-scale automated filtering. Portland-area program staff reported that they had not been made aware of people using the registry for purposes unrelated to individual home transactions (Mason, 2026; Plantico, 2026). Because property-level scores would be publicly available, the City will continue to consider the scope of public access, data retention, records requirements, and whether additional safeguards are appropriate as part of implementation.

59. Could incentives for homeowners to voluntarily complete an energy assessment achieve the same outcomes as requiring an assessment, and if not, what does the City believe a mandatory approach would accomplish that an incentive-based approach would not?

The principal difference is expected participation and coverage. In the Bay Area of California, a mix of voluntary and mandatory programs has been used, including a \$200 rebate; the program administrator reported that incentives alone were unlikely to produce scores across the middle- and lower-performing portion of the housing stock (Alvarez, 2024). A mandatory approach could therefore produce more complete information across homes offered for sale, while also imposing a requirement and related costs on sellers. The relative value of those effects is a policy judgment for the City Council.

60. What specific measures will the City use to determine whether the ordinance is achieving its stated goals: affordable utility bills, reduced energy burden, lower emissions, and a more comfortable and efficient housing stock?

Potential measures include:

- quantity of HES scores over time
- quantity of participants in energy-efficiency incentives
- quantity of subsidized assessments and exemptions
- participant surveys
- qualitative feedback
- quantity of completed energy-efficiency improvements
- estimated or reported changes in energy use where data can be obtained
- days on market
- sale prices

- distributional measures by neighborhood or housing type

The City would need to determine which measures can be collected reliably and which require third-party data sharing.

61. How will the City track whether the ordinance leads to increased participation in existing weatherization, rebate, or utility-assistance programs and the barriers residents report when they do not pursue those resources?

Staff propose exploring address-level or other cross-reference methods using HES data and information from PSE and Community Action Council, subject to willingness and legal authority to share or analyze those data. A statistically designed survey of households receiving HES assessments could also ask about whether residents pursued available programs and what barriers they experienced. Data-sharing agreements, privacy considerations, and survey design would need to be developed before this information could be used as a program metric.

62. If we reconvene three years after implementation, what would you want us to be able to point to and say, “This is evidence that the ordinance is working”?

Potential evidence after three years could include an increase in the number of homes completing energy-efficiency improvements, participant and resident feedback describing how the information was used, and changes in HES scores for properties that receive subsequent assessments. A three-year review could also examine participation rates, subsidy and exemption patterns, assessment availability, days on market, and other equity indicators to determine whether the program is producing the intended effects without creating significant unintended impacts.

63. How does the City define an equitable outcome for this ordinance, and how will equity be considered alongside the City's goals for energy efficiency, emissions reduction and housing affordability when evaluating the program?

Equity considerations during program development include:

- avoiding disproportionate burdens on low- and moderate-income households
- maintaining access to energy-performance information for buyers, including first-time buyers
- distributing program benefits across neighborhoods
- identifying whether historically underserved groups experience differential outcomes.

Potential measures include:

- retrofit or incentive participation by income level, where data are available
- hardship waivers and exemptions
- subsidy utilization
- neighborhood participation
- resident feedback.

Equity would need to be evaluated alongside, rather than separately from, program effectiveness and housing-market effects.

64. If the data show unintended inequitable outcomes, what process exists to adjust the program and build trust back up?

If monitoring identified material inequitable outcomes or harm, staff could investigate the underlying causes, engage affected residents and stakeholders, and present potential administrative or legislative changes to the City Council. Depending on the nature of the issue, responses could include changes to procedures, assistance levels, exemptions, outreach, or ordinance provisions, including repeal, if warranted. Listening sessions or other community-

engagement opportunities could be used to understand resident experience and inform corrective actions.

65. What are the certified prerequisites for a certified Home Energy Score assessor?

The certification requirements are established by the U.S. Department of Energy through its Home Energy Score program. The source materials direct applicants to the Department of Energy's "[Become an Assessor](#)" information for the detailed prerequisites and credentialing process.

66. Is the City relying on 3rd party private contractors, or will the City fund local workforce pipelines?

The current concept relies on third-party private assessors operating in an open market. The program could also include training and mentorship intended to increase the local assessor pool.

67. How will the City monitor assessors to ensure low-scoring homes owned by vulnerable residents are receiving accurate, unbiased assessments rather than inflated repair recommendations that benefit partner contractors?

The HES program includes required quality assurance and quality control procedures. The current proposal is to randomly re-score at least 5% of assessments. The source materials also state that the HES model limits recommendations to improvements supported by the model's cost-effectiveness calculations. If an assessor repeatedly provides inaccurate or biased reports, the City could use applicable business-license or program-management authorities, consistent with due process.

68. What explicit equity goals or local hiring considerations can be built into the ordinance to ensure that assessors opportunities are accessible to local minority-owned, women-owned and small trade businesses in Thurston County?

The City can conduct outreach intended to encourage local small businesses and businesses owned by women or members of other groups to participate in training and certification. The City cannot require vendor preference based on protected-class status where applicable law prohibits such preferences. The ordinance or program could also consider neutral workforce-development measures such as outreach, training access, mentorship, and information about certification requirements.

69. Are HES educational materials, assessor networks, and reporting registries fully accessible in the primary languages spoken across diverse local communities?

The HES materials reviewed by staff are currently available in English. Some jurisdictions have supplemented their reports with information about how to obtain translation assistance. Tumwater would need to determine translation and interpretation needs through its broader language-access approach and incorporate those practices into the HES program, if adopted.

70. What steps are being taken to recruit, train, and certify a culturally and economically diverse pool of local energy assessors to support community-based workforce development?

The City can conduct targeted outreach to local small businesses and businesses owned by women or members of other groups, and can provide information about the training and certification process. The specific recruitment strategy, funding, and workforce-development goals would need to be established during program development.

Appendix B. Pros and Cons of Voluntary and Mandatory HES

Consideration	Voluntary approach	Mandatory approach
Participation and coverage	Voluntary participation has historically produced relatively low participation rates and incomplete market coverage. Examples cited in the source materials include approximately 2% participation in British Columbia and 0.5% in Nova Scotia, with limited participation reported in Eugene despite outreach (ACEEE, 2026; Philbrick et al., 2016).	A mandatory requirement is expected to produce broader participation and more consistent availability of HES information during home sales (ACEEE, 2026; BayREN Interview, 2025).
Regulatory burden	Participation is optional, so sellers who do not seek an assessment would not incur an assessment requirement. A voluntary approach may involve lower regulatory and enforcement costs and may encounter fewer objections from some homeowners and real-estate stakeholders.	A mandatory approach creates a new requirement for covered sellers and requires administration, compliance monitoring, exemption processing, and assessor oversight. Some stakeholders may view the requirement as adding complexity to real-estate transactions.
Seller costs	Assessment costs would generally be incurred only by participating sellers, unless the City provides incentives or subsidies. This can reduce direct costs for seniors, fixed-income homeowners, and households experiencing hardship.	The assessment would generally be required for covered sellers, subject to exemptions and subsidies. The source materials estimate approximately \$200-\$300 per assessment in some comparisons and approximately \$150-\$350 elsewhere in the report.
Market information	Energy-performance information would be available for participating properties but would not be consistently available across the market. Higher-income or more energy-conscious households may be more likely to participate.	Energy-performance information would be more consistently available across covered listings, allowing comparison of modeled energy performance and estimated operating costs. Research cited in the source materials indicates that better scores and lower estimated energy bills can be associated with higher home values (Pigman et al., 2023; Breshears, 2022).
Buyer effects	A voluntary program would give participating buyers access to energy information for participating homes. It would not provide consistent information for all homes considered by buyers.	A mandatory program would provide energy-performance information for a larger share of listings and may reduce information gaps for first-time buyers and households sensitive to operating costs (Energize CT; Pigman et al., 2023).
Equity considerations	A voluntary approach may reduce direct costs and compliance burdens for households that choose not to participate. The source materials also note a potential equity concern if participation and benefits are concentrated among higher-income homeowners (ACEEE, 2026).	A mandatory approach would broaden access to the information but would also impose the assessment requirement more broadly. Equity outcomes would depend on subsidies, exemptions, language and accessibility measures, and implementation.
Climate and energy effects	Lower participation would generally result in fewer rated homes and fewer opportunities for subsequent improvements. The source materials model less than 1 MTCO _{2e} annual reduction under the voluntary scenario.	Broader coverage could increase the number of homes receiving information and opportunities for subsequent efficiency improvements. The source materials model 293 MTCO _{2e} annual reduction under the mandatory scenario.
Climate-policy alignment	A voluntary program provides one mechanism for pursuing the City's adopted climate objectives but may reach fewer homes. The source materials identify potential limitations in reducing communitywide emissions because of low participation.	A mandatory program provides a regulatory mechanism more directly aligned with the Thurston Climate Mitigation Plan and City resolutions addressing existing-building energy use and emissions (City of Tumwater, 2018; City of Tumwater, 2021; TRPC, 2020).

Consideration	Voluntary approach	Mandatory approach
Existing housing stock	A voluntary program can focus limited public resources on targeted populations such as renters, workforce development, or lower-income households, as described in the Eugene example (Eugene Interview, 2025).	The mandatory approach would apply to a broad share of existing housing. The source materials note that more than 50% of Thurston County housing was built before 1990 and nearly 20% before 1970, indicating a potentially substantial pool of older homes (U.S. Census Bureau, 2022; TRPC, 2025).
Program development	A voluntary program can function as a pilot for subsidy programs, outreach strategies, language-access practices, and assessor capacity before broader implementation. It can also be implemented incrementally.	A mandatory program requires assessor capacity, outreach, compliance systems, exemptions, and administrative procedures at the outset. The program can nonetheless generate more complete implementation data.
Regional alignment	A voluntary program would differ from the regional mandatory approach described in the source materials and could allow Tumwater to develop a distinct local model.	A mandatory approach is more closely aligned with similar ordinances adopted by Olympia and Thurston County and could provide opportunities for shared education, contracting, and program development.
Assessor market and workforce	Demand would depend on voluntary participation and available incentives. Public resources could be directed toward workforce development and targeted training.	A mandatory requirement would create more predictable demand for certified assessors. The source materials contemplate subsidized training and mentorship for approximately 10 to 15 assessors and identify potential opportunities for local workforce development.
Housing-market effects	A voluntary approach would provide less market-wide information, making market effects more difficult to observe. It may also avoid imposing new requirements on distressed-property sales and households facing immediate hardship.	Potential effects include changes in buyer decision-making, home values, time on market, or transaction costs. The source materials state that local effects have not been modeled comprehensively and should be monitored.
Administrative and public cost	A voluntary program may require ongoing incentives, subsidies, marketing, and outreach to maintain participation. The source materials also note that no jurisdiction identified in their review had created a fully self-sustaining voluntary residential energy-labeling market.	A mandatory program requires compliance administration, exemption processing, outreach, translation, assessor oversight, and subsidy resources. The estimated core startup and ongoing program costs are shown in the following table; staff time and subsidy costs are not included in those estimates.
Information interpretation and public perception	A voluntary approach would provide fewer situations in which the score needs to be explained to the public, but would still require education for participating households.	A mandatory program may require broader education to distinguish an energy-performance score from a home inspection, appraisal, or overall judgment of property quality. Lower scores may generate concerns about stigma or perceived effects on value.
Potential home-value effects	In voluntary programs disclosure trends to only be for higher scoring homes to market those features and because they can fetch a higher selling price. Lower scoring homes are rarely disclosed in voluntary programs.	Research cited associates better scores and lower estimated energy bills with higher home values. This could benefit sellers while potentially increasing purchase costs for buyers (Pigman et al., 2023; Breshears, 2022).

Estimated Impacts and Costs of Voluntary and Mandatory HES Programs

Consideration	Voluntary	Mandatory	Assumptions
Homes Rated Annually	6	288	On May 5, 2026, The Thurston County Realtors Association reported that in Tumwater between April 2025 and April 2026 there were 288 active listings in Tumwater. Voluntary assumes 2% of those 288 listings would conduct a HES Audit based on the highest rate of voluntary HES participation in North American examples, rounding up to the nearest whole number.
Homes Retrofitted Annually as a result of HES Audit	1	29	Assuming 10% of rated homes do an energy efficiency improvement based on an average of Portland and BayREN reported rates of retrofit. Rounding to the nearest whole number.
Carbon Reduction (MTCO ₂ e)	<1	293	Assuming 20% energy savings for retrofitted homes (RMI).
Program Start Up Costs (12 months)	\$28,500	\$28,500	One quarter of costs proposed by vendor contracted by Thurston County for the region and assuming all four TCMC jurisdictions cost share. Does not include staff time. Staff time for all TCMC activities is consistent at 0.25 FTE. Does not include subsidy costs, as that level is still under development.
Ongoing Program Costs per Fiscal Year	\$13,750	\$13,750	One quarter of costs proposed by vendor being considered for Thurston County contract. Assuming all four TCMC jurisdictions cost share. Does not include staff time. Staff time for all TCMC activities is consistent at 0.25 FTE. Does not include subsidy costs, as that level is still under development.
Cost Efficiency of Carbon Reduction \$/MTCO ₂ e Reduction Year 1	\$28,500	\$97	Based on costs reported in cells above, which are not 100% complete due to the subsidy costs being under development still.
Cost Efficiency of Carbon Reduction \$/MTCO ₂ e Reduction Year 2 ongoing	\$13,750	\$47	Based on costs reported in cells above, which are not 100% complete due to the subsidy costs being under development still.
Cost Efficiency of Carbon Reduction \$/MTCO ₂ e comparison of Energize Thurston 2025 (Voluntary heat pump and heat pump hot water program, 100% grant funded)	\$14,923		In 2025, the city received \$477,540 in HEAR grant funding and completed 33 heat pump and 8 heat pump hot water heater installations with that funding. The estimated MTCO ₂ e reduction of that is 484.3 over a 15-year lifespan of the equipment. Adjusted for 1 year of emissions reductions for apple-to-apple comparison. Funding for this program is not guaranteed for future years and remains competitive.

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