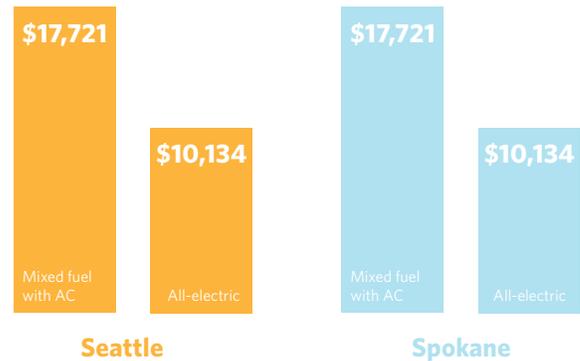


# ALL-ELECTRIC NEW HOMES SAVE MONEY, AND JUST MAKE SENSE



Washington's [2021 State Energy Strategy](#) determined that electrifying our homes and buildings is the lowest-cost pathway to achieving state climate goals - in the study's full electrification scenario, the net cost of energy of full electrification is almost 30% lower by 2050 than the scenario in which we keep using gas and alternative fuels in buildings. As we reduce unnecessary gas infrastructure and move more households to electricity, that will put downward pressure on total energy costs for all, thereby saving customers money.

New all-electric homes save more than \$7,200 to build across Washington, from Seattle to Spokane.

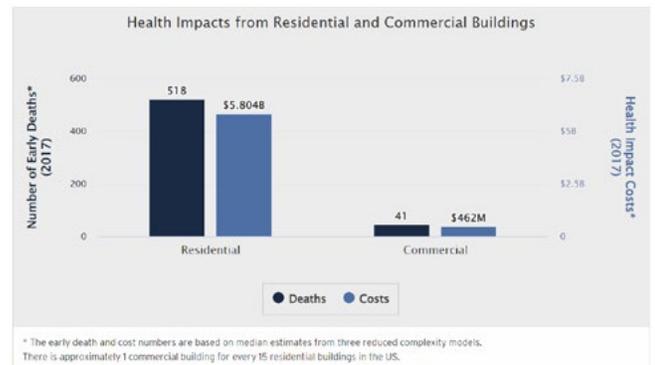


## Studies show new mixed-fuel homes in Washington are more expensive than new all-electric new homes

Several studies have shown that all-electric new homes save costs both upfront and over a fifteen-year life cycle in Washington. A [report](#) by Energy & Environmental Economics (E3) prepared for the Washington State Department of Commerce in May 2022 found all-electric residential new construction cost-effective across the state. RMI recently completed [an updated cost-benefit analysis](#) for Washington's residential energy code, and found that mixed-fuel homes in both Seattle and Spokane cost more than \$7,200 more to build than all-electric homes, with additional operational savings over the building's life-cycle.

## We're already paying too much for our gas use—in lives lost and healthcare costs

In 2017, air pollution alone from burning fuels in buildings in Washington [caused 559 early deaths and cost us \\$6.266 billion in healthcare](#). This does not include health costs from other impacts of fossil fuels, including climate impacts like heat waves, wildfire smoke, flooding, and more, nor the costs associated with gas leaks, fires, and explosions.



[Data from RMI](#) shows that burning fossil fuels in buildings in Washington causes early deaths and billions of dollars in healthcare costs.

## Gas rates will continue to climb

New gas rates went into effect on November 1, 2022 for Washington's four gas utilities, increasing rates by between almost 12% to over 23%, depending on the utility. As utilities are required to pay for carbon they emit, gas prices will continue to rise. Transitioning to all-electric appliances can save customers money on their energy bills as gas prices continue to increase.

## New all-electric homes avoid the cost of installing gas infrastructure

A hidden cost of mixed-fuel homes lies in installing the gas infrastructure that runs to homes to power gas appliances like furnaces, boilers, and cooking appliances. Since all homes need electricity, all-electric construction saves from having to hook a home up to gas pipelines. These costs will become even starker for builders and homeowners in 2025, when gas utilities like PSE and Avista will phase out subsidies to connect new customers to gas.

## Builders are already going all-electric

Because electric heat pumps are much more efficient compared to even the newest gas appliances, the Northwest Energy Efficiency Alliance found builders are already choosing heat pumps, which has [already resulted in a dramatic shift](#) in new residential construction: between 2019 and 2021, 88% of new homes built in Washington used electricity for primary space heating (up from 20% in a 2015 study), and 87% for water heating (up from 44% in 2015).

## With cooling capabilities, heat pumps provide climate resilience

As summer temperatures rise, air conditioning is becoming more and more essential, especially to keep vulnerable people safe during increasingly deadly heat waves and wildfires. Electric heat pumps provide cooling along with heating, saving more energy compared to inefficient window AC units, removing the need for two distinct heating and cooling systems, and reducing costs overall. And as wildfire smoke increases, it is increasingly important that people have cool places to work and live with the ability to keep windows closed and clean air inside.



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