

# EXAMPLE GAS VS ELECTRIC NEW HOME COSTS IN COLORADO

HB22-xxxx, Modernize Building Energy Codes, will improve the efficiency, comfort, resiliency, indoor air quality, and features of new homes while reducing energy bills. The bill allows both all-electric and mixed fuel homes. Although costs vary and are likely to change over time, all-electric homes are slightly less expensive to build and have slightly lower energy bills in the Denver metro area.

HVAC costs	95% efficient gas furnace and 16 SEER AC	Cold-climate heat pump with electric strip
Initial cost excluding ducts	\$12,000	\$15,200
Rebates*	\$800	\$1,000
Total cost after rebates	\$11,200	\$14,200
Annual heating costs	\$687	\$769
Water heater costs	ENERGY STAR gas water heater (50 gal)	ENERGY STAR heat pump water heater (50 gal)
Installed cost	\$1,900	\$2,800
Rebates*	\$50	\$800
Total cost after rebates	\$1,850	\$2,000
Annual heating costs	\$120	\$87
Infrastructure costs	Mixed fuel	Electric only
Electrical modification to go all-electric	\$0	\$700
External gas piping for the development (per home)	\$2,500	\$0
Gas meter & utility hookup charge, and internal gas piping for 3.5 gas appliances	\$2,300	\$0
Cooktop/range costs	Gas range	Electric range
Installed cost	\$1,800	\$1,800*
<b>TOTAL EQUIPMENT/INFRASTRUCTURE COSTS</b>	<b>\$19,650</b>	<b>\$16,900</b>
Fixed natural gas charges (on monthly bills)	\$173	\$0
Total annual heating costs (not including cooking)	\$980	\$855
Net present value of heating costs (15 years)	\$10,477	\$9,200
<b>TOTAL COSTS (NPV)</b>	<b>\$30,127</b>	<b>\$26,100</b>
<b>COST SAVINGS *</b>	N/A	<b>\$4,027</b>

\* Notes: Assumes Xcel Energy's current rebates and a conventional electric stove. Homeowners could also choose an induction range instead which adds around \$1,100 to the total costs shown for an all-electric home. Cost savings are total incremental cost savings for an all-electric new home over 15 years. Factsheet updated 4/4/2022

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