



NEWS RELEASE

Public Relations Department ▪ P.O. Box 182255 ▪ Chattanooga, TN 37422

For Immediate Release:

February 22, 2007

For more information contact:

Karlene Claridy
(423) 648-1446

CONSUMERS OVERWHELMINGLY CHOOSE ELECTRIC HEAT PUMPS

Twice as Many Homeowners Prefer Electric Heat Over Natural Gas

CHATTANOOGA, TENN. – Electric heat pumps are now the number one choice for homeowners over natural gas, according to a recent independent survey. Up from 39 percent in 2005, the recently released 2006 survey reveals 47% of consumers now prefer electric heat when given the choice – more than twice the 23 percent who would still choose natural gas.

Low electric power rates, the continued high cost of natural gas, and an increasing demand for more energy-efficient homes are the primary factors behind this dramatic shift in favor of electric power, according to Diana Bullock, EPB's Vice President of Economic Development and Government Relations.

"The average homeowner can save as much as \$500 in heating costs this winter alone simply by switching from gas or propane-based heat to a new electric heat pump," Bullock said. "Given that the cost of electricity is so much lower than gas, consumers are realizing that an electric heat pump truly is one of the most economical and efficient choices they can make. Electric heat pump technology has improved significantly since they entered the market, and owner satisfaction with the systems are at an all-time high."

-- more --

Page 2/ CONSUMERS CHOOSE ELECTRIC HEAT PUMPS

Home resale values are playing an equally important role in the growing popularity of electric heat pumps. As demand among homebuyers for energy-efficient homes increases, the resale value of homes with electric heat pumps is likely to rise with it. Based on the results of the EPB-sponsored survey, homebuyers are now actively seeking out houses with electric heat pumps – and homeowners are eager to add value to their homes by installing them.

But homeowners weren't alone in their preference: the trend even extends to renters. According to the survey, the vast majority prefer to rent properties with electric heat, an indication that the value of homes with electric heat pumps will continue to rise as those renters enter the housing market.

Participants in the independent survey were drawn from a random sampling of EPB customers and did not include employees of utility companies. One-third of the respondents were renters, while two-thirds were homeowners. This is the fourth year the survey has been conducted.

To find out how much you could save by switching from gas to electric heat, contact 648-1EPB or visit EPB's website at www.epb.net.

###