EXHIBIT 3
DATE 3/3/11
SB 159

Example of Code Change in the 2012 Energy Code

	Cost of Insulation (square foot)	Initial R Value	Final R Value	Efficiency	Cost of Energy	Final R Value	Initial R Value	Heating Degree Days/Year Montana	Multiplier (24 hours/day)
	(C(i) *	R(1) *	R(2) *	E) /	(C(e) *	[R(2) -	R(1)] *	HDD *	24)
Addition of R-5 Rigid Insulation on the exterior of a home	$0.70	20	25	0.78	0.00000929	25	20	8031	24
	273	8.952959	**30.49**	Years to Payback					

notes:

1. The 2012 energy code will be the first code to require insulation on the outside of the home
2. R-5 Rigid insulation is significantly more expensive than fiberglass BATT insulation currently used in the walls of homes - (Currently R-20 Fiberglass is $0.30 per sq ft w/ labor)
3. This code change highlights the dimminishing returns of additional code requirements for $0.30 per sr foot you get an R factor of 20 in current code. The new requirement costs over twice as much per sq ft as the fiberglass, but with an R value of only 5