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BBB Challenges Energy Saving Claims

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Saint Paul, MN - March 6, 2012 - The Better Business Bureau of Minnesota and North Dakota (BBB) is issuing an alert regarding energy saving claims companies selling radiant barrier (or attic shield) insulation products often make. In many cases these companies solicit new customers by sending them postcards inviting them to free luncheons, where they're told they will learn how they can save up to 40% on their energy bills. The BBB is telling consumers to be wary of these claims and advising them to ask companies selling these products to substantiate or prove their claims.

According to reports from consumers who have attended these luncheons, sales representatives collect the postcards customers received in the mail before the seminars begin. Consumers in both Fargo and the Twin Cities who have attended luncheons like these in recent months informed the BBB that a vast majority of the other attendees were senior citizens. In each case, sales representatives informed attendees they were offering a temporary price reduction that would only be available for a short period of time. Some consumers who have contacted the BBB allege that company representatives used high-pressure sales tactics in an attempt to get them to schedule an in-home appointment to discuss insulation options.

Companies who sell and install radiant barrier insulation often say they use technology allegedly developed by NASA to cool homes in summer and trap heat in the winter, offering consumers increased energy efficiency. However, according to a study by the Oak Ridge National Laboratory (ORNL), claims that consumers will enjoy significant savings on their energy bills by installing reflective barriers do not apply to climates in the Upper Midwest. In this study, ORNL, which is the U.S. Department of Energy's (DOE) largest science and energy laboratory, mapped Minnesota and North Dakota in a zone where radiant barriers do not impact interior temperature enough to justify reflective insulation installation. The DOE also states radiant barriers are more effective in hot climates than in cool climates - like ours here in the Upper Midwest. Even so, savings were only reported to be up to 5-10% in warm, sunny climates, like the Southern U.S.

According to the U.S. Department of Energy's Energy Efficiency and Renewable Energy Clearinghouse, two field tests, one in Minnesota and one in Canada, both found that a radiant barrier placed over R 19 attic floor insulation contributed to less than a 1% reduction in energy consumption for heating and cooling. The DOE urges consumers in our region to consider the thermal resistance, or R-Value, of any insulation they purchase, as well as their home's location and structure.

Air ducts also play a large factor into the effectiveness of any type of insulation. Guaranteed Watt Savers, a NASA affiliate, acknowledges that in regard to insulation it is not possible to be as thorough with existing homes as it is on newly constructed homes.

Before purchasing any energy-saving product, the BBB advises you to:

- Always check the business out first at bbb.org.
- Seek out energy saving tips you can institute on your own through your local utility companies.
- Ask for references and proof the company can substantiate their claims.
- Do the math and figure out how long it will take to recoup your investment.
- Verify a working address, phone number and website to ensure that you can contact the business with any questions or concerns.
- If you have an unresolved issue or concerns about a questionable sales pitch regarding energy-saving devices, be proactive and file a formal complaint with the BBB at: www.bbb.org, the Federal Trade Commission at: www.ftc.gov, as well as with your state Attorney General's Office.
- Check www.energystar.gov to be sure the business or product is Energy Star approved.

The BBB also offers the following tips to consider before attending a free luncheon seminar:

- Be aware that in most cases presenters will promote their products or services. Typical products sold at these seminars include energy-saving products, self-help materials, investment plans or websites for home-based businesses.
- Do not be pressured into signing a contract or making a purchase decision. Take as much time as you need to evaluate the company's claims and/or the promotional materials.
- Read and [Find us on Google+](#) materials carefully before signing anything. Be sure to look for information on guarantees, warranties and refund policies.



- Remember the FTC's Cooling-Off Rule gives you three business days to cancel a contract if you sign it in your home or at a location other than the contractor's permanent place of business, such as a restaurant or hotel/motel room.
- Be sure to note any differences between the product at the luncheon and the product received if purchased.



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