

National Association of State Energy Officials

November 22, 2021

John Cymbalsky U.S. Department of Energy Office of Energy Efficiency and Renewable Energy 1000 Independence Ave SW Washington, DC 20585

RE: Comments for U.S. Department of Energy (DOE) Office of Energy Efficiency and Renewable Energy (EERE), Proposed Energy Conservation Standards for Manufactured Housing NODA for Energy Conservation Standards for Manufactured Housing Docket number EERE-2009-BT-STD-0021 Regulatory information number (RIN) number 1904-AC11

Dear Mr. Cymbalsky:

The National Association of State Energy Officials (NASEO) appreciates the opportunity to submit comments on the Supplemental Notice of Proposed Rulemaking (SNOPR) regarding the update to energy conservation standards for manufactured housing. NASEO is the only national non-profit association representing the governor-designated energy officials from each of the 56 states, territories, and District of Columbia.

NASEO commends the efforts of DOE to modernize conservation standards for manufactured housing, which have not been updated since 1994. This extended lapse in updates to the standard has led to residents of manufactured homes paying nearly twice the energy costs per square foot as residents of site-built homes which are constructed to comply with codes adopted and enforced by state and local governments.¹

NASEO supports the proposed use of the 2021 International Energy Conservation Code (IECC) (the most recently published version of that code) as the baseline for the manufactured housing standard, as is required by the Energy Independence and Security Act of 2007 (EISA).

1300 North 17th Street Suite 1275 Arlington, Virginia 22209 Telephone: 703,299,8800

Telephone: 703.299.8800 www.naseo.org

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¹ Talbot, Jacob. "Mobilizing Energy Efficiency in the Manufactured Housing Sector." July 2012. American Council for an Energy-Efficient Economy. <https://www.aceee.org/sites/default/files/publications/researchreports/a124.pdf>.

The proposal put forward by DOE raises several concerns for NASEO.

- 1. DOE and HUD are proposing energy efficiency standards for Tier 1 homes which are or will soon be less efficient than the efficiency codes and standards in place in the various states, and which states are unable to supersede due to federal pre-emption. These weaker federal standards will have material impacts on states' residents and the states' abilities to meet their statutory energy efficiency, air pollution, and energy affordability goals. This is particularly concerning considering that it has been nearly 30 years since the last update to the standard, and 14 years since the EISA requirement.
- 2. In the cost effectiveness calculations described in the SNOPR, the benefits of updating the standard to align with the 2021 IECC are only considered for the first 10 years of the operation of the home. EISA only permits the U.S. Secretary of Energy to set aside the requirement for the updated Standard to be based upon the most recent IECC "in cases in which the U.S. Secretary of Energy finds that the code is not cost effective, or a more stringent standard would be more cost effective, based on the impact of the code on the purchase price of manufactured housing and on total life-cycle construction and operating costs" (emphasis added).² The lifetime of a manufactured home averages 30 years as found by DOE in the June 2016 NOPR, and corroborated by DOE's own findings which indicate that many manufactured home owners live in their homes for 40 or more years.³ Furthermore, DOE's proposed benefit analysis indicates an "average ownership period of 13 years" for new homes and states "62 percent of all homeowners anticipate living in their homes for more than 10 years and that 38 percent of homeowners don't anticipate ever selling their home." However, the proposed standard then uses the smaller number of 10 years for determining cost effectiveness, which is inconsistent with DOE's previous positions on the average 30-40 year lifetime of manufactured homes and an average ownership period of 13 years. This decision disregards statutory requirements of the EISA to account for the "total life-cycle construction and operating costs," by fully accounting for up-front construction costs but discarding the long-term benefits of improved energy efficiency to residents of manufactured homes.
- 3. Establishing a two-tiered standard that excludes the lowest cost homes from energy efficiency saddles those residents with high energy bills for the 30-40 year average lifetime of a manufactured home. Further, by failing to establish cost-effective baselines of energy efficiency in the lowest-cost homes, DOE increases the likelihood that the residents of these homes will require federal and state public assistance from the Weatherization Assistance Program, Low-Income Home Energy Assistance Program, or other bill payment assistance programs in the future.

NASEO recognizes that meeting the requirements of a Standard based on the 2021 IECC may initially be a difficult transition for the manufactured home industry and market. EISA was

² Energy Independence and Security Act of 2007 (Public Law 140) at Sec. 413. 42 USC 17071. <u>https://www.govinfo.gov/content/pkg/PLAW-110publ140/html/PLAW-110publ140.htm</u>. Accessed November 12, 2021.

³ SNOPR. 1. Discussion of Comments, a. Analysis period for LCC. <u>https://public-inspection.federalregister.gov/2021-17684.pdf</u>.

passed in 2007 and required adoption of an updated standard within four years. It has now been 14 years and no standard has been adopted. Failure to update the standard in a manner consistent with EISA now will only increase the difficulty of meeting future standards and unnecessarily leaves the residents of the approximately 90,000 new manufactured homes purchased each year with homes built to decades-old standards and high energy bills. Falling short of EISA's requirements also puts states in the position of dealing with higher energy-related emissions from inefficient homes, as well as increased demand on the electric grid and increased demand for taxpayer-funded energy bill payment assistance. NASEO encourages DOE to fully meet

the statutory requirements under EISA.

Sincerely,

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David Terry Executive Director National Association of State Energy Officials

Cc: State Energy Directors