

**Business Council for Sustainable Energy Comments in Response to the
Preliminary Determination to Adopt Updated Energy Efficiency Standards
for HUD and USDA Financed Housing**

July 28, 2023

The Business Council for Sustainable Energy (BCSE) appreciates the opportunity to provide feedback in response to the [Preliminary Determination: Adoption of Energy Efficiency Standards for New Construction of HUD- and USDA-Financed Housing](#).

As established under the Energy Independence and Security Act of 2007 (EISA), the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Agriculture (USDA) are authorized to undertake periodic revisions of the International Energy Conservation Code (IECC) and the ANSI/ASHRAE/IES Standard 90.1: Energy Standard for Buildings, Except Low-Rise Residential Buildings (ASHRAE 90.1).

This action is subject to a determination by HUD and USDA that the revised codes do not negatively affect the availability or affordability of new construction of single and multifamily housing covered by EISA, and a determination by the Secretary of Energy that the revised codes “would improve energy efficiency.”

BCSE supports the Biden Administration’s initiative to ensure that federal lending programs under HUD and USDA adopt building codes that provide affordable and energy efficient single and multifamily housing options.

Adopting energy-saving building codes can provide multiple benefits to homeowners and renters, including lower energy costs, improved health, and resilience against extreme hot or cold weather events as well as reduced greenhouse gas emissions. As noted in the proposal, DOE has determined that the 2021 IECC represents an approximately 40 percent improvement in energy efficiency for residential and commercial buildings compared to the 2006 edition.

In this submission, BCSE provides general views in response to the preliminary determination. For more detailed responses to the questions, BCSE would like to acknowledge the submissions made by the Alliance to Save Energy, the American Gas Association, American Public Gas Association and the North American Insulation Manufacturers Association. BCSE encourages the thoughtful consideration of the issues and recommendations included in these submissions.

About BCSE

BCSE, founded in 1992, is a clean energy trade association spanning a broad spectrum of industry sectors, including energy efficiency, energy storage, natural gas, renewable energy, sustainable transportation, and emerging decarbonization technologies. BCSE also has an independent small- and

medium-size businesses initiative under its banner, the Clean Energy Business Network (CEBN). Together, BCSE and CEBN represent the full range of the clean energy economy, from Fortune 100 companies to small businesses working in all 50 states supporting over 3 million U.S. jobs.

General Comments on Proposal

Related to the preliminary determination proposal, BCSE offers the following perspectives. Of note, as a diverse coalition, not all members take a position or endorse the recommendations included in this submission.

Improving the Energy Efficiency of New Buildings Constructed in the U.S. is Critical to Meeting National Energy Goals and Reducing Energy Burden for Homeowners and Renters

Energy efficient buildings deliver energy savings and emission reductions for the life of the building and are best captured at the time of construction. With more than 1 million new homes built each year HUD's preliminary determination to update the federal new home mortgage energy efficiency requirement is an important policy that can reduce energy costs and contribute to achieving climate mitigation goals.

Address First-Cost Impacts of Low-Income Home Buyers

The proposed determination recognizes that there will be a first cost impact for low-income consumers associated with the building code updates. The proposal also lists several HUD and USDA programs that are available to low-income consumers to help to mitigate these costs. BCSE recommends that HUD and USDA engage the full scope of stakeholders and building code experts to identify programs and resources that will address first cost barriers and to make information available to low-income consumers on how to access these programs and resources. Further, BCSE urges HUD and USDA to identify alternative solutions to advance energy efficiency measures that would avoid first cost impacts. In addition, HUD and USDA should remain neutral on the energy types recognized in the 2021 IECC and focus on the IECC code provisions that were adopted as part of the IECC code development process.

Consider Training, Enforcement and Supply Chain Issues in Implementation Timeline

Implementing the building code updates will require education, training of contractors and consideration of supply chain issues. HUD and USDA should work with a broad set of stakeholders and building code experts to develop implementation timelines that recognize these market dynamics. Further, HUD and USDA should prioritize enforcement of the new codes to ensure their impact is realized.

Thank you for the opportunity to share BCSE's views on the proposed determination. Should you wish to discuss these comments further, please contact BCSE President Lisa Jacobson via email at ljacobson@bcse.org.