

Alliance to Save Energy • American Council for an Energy-Efficient Economy • ASHRAE • Building Codes Assistance Project • Consumer Federation of America • Consumers Union • Earthjustice • Energy Efficient Codes Coalition • Institute for Market Transformation • International Code Council • National Association for State Community Services Programs • Natural Resources Defense Council • North American Insulation Manufacturers Association • Polyisocyanurate Insulation Manufacturers Association • Responsible Energy Codes Alliance • U.S. Green Building Council

December 12, 2014

The Honorable Shaun Donovan
Director
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Director Donovan,

We urge the Office of Information and Regulatory Affairs (OIRA) to complete its review of the Department of Housing and Urban Development (HUD) and Department of Agriculture's (USDA's) "Affordability Determination - Energy Efficiency Standards" (RIN 2501-ZA01) as soon as possible. This simple determination will save money for millions of homeowners and reduce greenhouse gas emissions through more efficient housing, helping to meet the president's climate goals. Yet the determination is years overdue, and has been under review at OIRA since August 6, 2014, well over the allowed 90-day period (and after a nine-month review of the preliminary determination).

For more than two decades federal law has required that new homes with federal mortgages and new public housing meet minimum energy efficiency standards. This requirement protects homeowners and renters in those homes from high energy bills, protects the agencies from loan defaults by reducing volatility of homeowner expenses, and protects the environment by reducing energy waste.

Under the Energy Independence and Security Act of 2007, HUD and USDA are supposed to update the requirements whenever the national model building energy codes are updated. Yet the requirements are currently at the 2006 International Energy Conservation Code (IECC) for most homes and ASHRAE Standard 90.1-2004 for large multifamily buildings, now three code cycles behind. The 2009 IECC and ASHRAE Standard 90.1-2007 are more than six years old and have been adopted in most of the country (after all states committed to try to adopt them in response to a Recovery Act provision).

Applying these updates to federal loans still awaits a determination that they will not harm the affordability or availability of covered housing. This should be a "slam dunk"—the Department of Energy has made a determination that the updates save energy, it has done analysis showing they are cost-effective throughout the country, and wide experience with the codes shows that they do not harm the availability of housing.

Making that determination will help ensure that homes in all parts of the country meet minimum efficiency levels. It also will promote federal policy under the Energy Policy Act of 1992 and the Recovery Act that encourages or requires states to adopt up-to-date codes and improve compliance efforts. And it

will help avoid the embarrassment of the federal government not completing code updates that it directs states to do.

Given the clear regulatory argument and the clear benefits to homeowners, federal agencies, and the environment, we urge you to allow the determination to move forward immediately, and to urge HUD and USDA to move on to a determination on more recent code updates without further delay.

Sincerely,

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cc Howard Shelanski, Administrator, Office of Information and Regulatory Affairs
Julián Castro, Secretary, Department of Housing and Urban Development
Mike Boots, Acting Director, Council on Environmental Quality