#### MANUFACTURED HOUSING CONSENSUS COMMITTEE

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#### MINUTES MHCC MEETING

September 23, 2021 October 8, 2021 October 20, 2021 November 19, 2021

## MINUTES MANUFACTURED HOUSING CONSENSUS COMMITTEE (MHCC) MEETING

September 23, 2021, October 8, 2021, October 20, 2021, & November 19, 2021

#### MEETING 1: Thursday, September 23, 2021

#### Call to Order

The Manufactured Housing Consensus Committee (MHCC) held the first of four meetings regarding the Department of Energy's (DOE) Supplemental Notice of Proposed Rulemaking (SNOPR), on Thursday, September 23, 2021, via Zoom teleconference. Kevin Kauffman, Administering Organization (AO) Home Innovation Research Labs, called the roll and announced that a quorum was present. See <u>Appendix A</u> for a list of meeting participants.

#### Introduction and Opening Remarks

Teresa Payne, Administrator of the Office of Manufactured Housing Programs, and Designated Federal Officer (DFO) introduced Lopa Kolluri, Principal Deputy Assistant Secretary for the Office of Housing and the Federal Housing Administration.

This MHCC teleconference was focused on the MHCC's response and comments on a Department of Energy (DOA) proposed rule. A summary taken from the proposed rule is below:

"The U.S. Department of Energy ("DOE" or "the Department") is publishing a supplemental notice of proposed rulemaking ("SNOPR") to establish energy conservation standards for manufactured housing pursuant to the Energy Independence and Security Act of 2007. This document presents an updated proposal based on the 2021 version of the International Energy Conservation Code ("IECC") and comments received during interagency consultation with the U.S. Department of Housing and Urban Development, as well as from stakeholders. This proposal presents two potential approaches—one would provide a set of "tiered" standards based on the manufacturer's retail list price for the manufactured home that would apply the 2021 IECC-based standards to manufactured homes, except that manufactured homes with a manufacturer's retail list price of \$55,000 and below would be subject to less stringent building thermal envelope requirements based on manufacturer's retail list price. The alternative approach would apply standards based on the 2021 IECC to all manufactured homes, with no exceptions for building thermal envelope requirements based on manufacturer's retail list price."

Ms. Kolluri welcomed the members to the MHCC meeting. She noted that there is a crisis of affordable homes in the nation and that it will take us all to solve this crisis. Ms. Kolluri assured the MHCC members that this commission is committed to regular updates of the manufactured housing standards to keep up with site-built homes. She explained that this was the first of the three meetings to discuss DOE's notice of proposed rulemaking and the MHCC's review of the proposed rule is vital to the update process and the need to ensure that energy efficiency is balanced with affordability. Ms. Kolluri wished to provide ample time to MHCC to comment on these proposed regulations and asserted that they must continue to work together to maintain the safety and affordability of manufactured homes. She assured the MHCC that their work will

make a difference and that manufactured housing is an important piece of the affordable housing puzzle. Ms. Kolluri closed her remarks by once again thanking the MHCC for their time and continued efforts.

#### Approval of the Minutes

MHCC Motion: Approve the Draft June 10, 2021 MHCC Meeting Minutes.

Maker: Tara Brunetti Second: Catherine Yielding

The motion carried unanimously.

Teresa Payne thanked and appreciated everyone's flexibility and willingness to join the call and participate. Ms. Payne asserted that their office is excited to work with MHCC on the topic. This is an opportunity for HUD, the MHCC, and members of the public to submit their comments on the DOE Proposed Rule. She restated the dates of scheduled meetings on this topic to the members, October 8<sup>th</sup> and October 20<sup>th</sup>. She encouraged everyone to ask the hard questions and get the answered needed.

MHCC Chair, Mitchel Baker gave the opening comments. He welcomed the MHCC members and meeting participants to the teleconference, thanked for the public comments and encouraged members to register and participate on DOE's webinar on September 28,2021. Mr. Baker acknowledges that this will be a lot of work, but he looks forward to the productive discussions that will occur over the next three MHCC teleconferences.

#### **Public Comment Period**

See Appendix B for written public comments received prior to each meeting.

Mark Weiss, MHARR, stated that this proposed rule is a constitutional overreach. He recalled that back in 2016 when the last potential rule was floated the manufactured housing energy costs were lower than that of a site-built home. Manufactured housing has lower mean and median energy costs than site-built homes. The reality is that these proposed energy standards do not address a "problem" that needs to be fixed and the additional costs would be devastating. Mr. Weiss believes that the two tiers of the standard are arbitrary, along with lots of other areas in the proposed rule. Most double section and almost all single section homes will fall under Tier 2 standards. He believes that implementing the proposed rule in those tier two homes could lead to an approximate cost increase of \$4800. These added costs would exclude more than 1 million potential home buyers. He stated that enforcing the 2021 NEC could lead to cost increases as high as \$13,000. These higher costs would exclude more than 5 million households based on NAHB cost exclusion methods, which are included in his written comments. This proposal must be fully examined and commented on, including reviewing all the data. MHCC should ask for an extension for the comment deadline to properly examine this rule. Mr. Weiss urged the MHCC to reject this proposal as he believes it would undermine the affordability of manufactured housing and would disproportionally affect smaller home builders. Mr. Weiss asked the vice chair, David Tompos, if he is going to recuse himself from voting on this topic, as NTA is owned by ICC.

John Weldy, Clayton Homes, thanked everyone for their time. He stated that the Federal Standard provides a minimum standard which balances safety and energy consumption concerns with affordability and encourages DOE to be mindful of this balance as it finalizes its energy standards for Manufactured Housing. Mr. Weldy believes that imposing the proposed rule, without a thorough evaluation, will likely impact the affordability of homes, as well as the industry's ability to produce the number of homes to support the demand for affordable housing. The current insulation shortage, which

is projected to continue for a few more years, must also be considered. As the HUD Code significantly increases insulation requirements at the same time as states adopt the 2021 IECC, the manufactured housing industry will not be able to meet the increasing demand for affordable housing. Simply applying the 2021 IECC without considering current manufactured homes standard could be disastrous. Further, the ICC does not have a requirement to take into consideration cost or impact while writing model codes such as the 2021 IECC. Their goal is to simply propose code changes that increases the energy efficiency of the home by a certain percentage compared to the previous version. DOE should team up with HUD to develop additional standards.

Lesli Gooch, MHI, thanked everyone and appreciated comments from Ms. Kolluri about keeping manufactured homes a priority. This committee is crucial in the process of updating the energy standards of manufactured homes. There are serious concerns about the assumptions made in the outline of the technical support document from the DOE. MHI membership represents 85% of those that build HUD code manufactured homes. The impact of any proposed standard on the availability of manufactured homes is paramount. Ms. Gooch believes the proposed rule does not follow a proper cost benefit analysis. The Manufactured homes that are being built today are being manufactured with energy efficient features. Ms. Gooch stated that the MHCC should be the primary vessel to change the energy standards for manufactured homes, not the DOE. She expressed her concern that the proposed rule will make it near impossible to build homes in climate zones 2 and 3 and all the changes required by the rule will greatly change the cost and manner of construction, which would essentially remove manufactured homes as an affordable option. Ms. Gooch believed the premise to base the tiered approach on retail cost is flawed and stated that the proposed rule does not include any enforcement provisions

#### Discussion of Department of Energy's Supplemental Notice of Proposed Rulemaking and Request for Comment – Energy Conservation Standards for Manufactured Housing

Jason McJury, HUD, provided background on the DOE proposed rule and informed the members of the important documents incorporated by reference or included in footnotes. Mr. McJury stated that the DOE proposed rule is separated into 8 section and proceeded to provide the summary of substance of each section.

Section 1 -Recap of the statute that established the statute to base the energy standards on the most recent version of the IECC. High level summary of the standards. It provides a summary of the cost benefit analysis.

Section 2 – Detailed intro. Addressing both legal and factual backings for DOE to establish the energy requirements. The approach as to how it was reached and a synopsis of IECC and history of rulemaking.

Section 3 – Detailed narrative of the proposed standards themselves. Included DOE's thought process and how it addressed affordability. Detailed discussion on the rulemaking process. Proposed rule for a test procedure and how to determine compliance and DOE will consider test procedures in the future. This section goes on to address certification, compliance, and

enforcement. DOE did not provide guidance for enforcement but said they would be accepting comments on it. DOE will consult with HUD with any future rulemakings.

Section 4 – Detailed discussion of the economic analysis. Lots of data and background. Lots of tables that DOE published that identifies cost increases for each of the climate zones for each standard tier. Information pertaining to per home savings.

Section 5 – Impacts to the industry and smaller home builders.

Section 6 – Identifies public participation, this section contains 30 questions that DOE has specifically requested input for.

Section 7 – Is a formality.

Section 8 – Proposed regulatory text.

The members provided general comments on the proposed rule. Comments related to inaccurate representation of cost and use of incorrect inflation factors were made and concerns were raised if the members would have sufficient time to properly respond to the rule.

#### **LUNCH BREAK**

See Appendix C for the full MHCC Comments on the DOE SNOPR.

During this teleconference, the MHCC developed general comments on the DOE SNOPR and responses/comments to questions 1-10.

#### **Public Comment Period**

Mark Weiss, MHARR, thanked the committee on what has been a thoughtful discussion. He expressed their need to reference or build upon the MHCC comments and asked that the minutes be provided as quickly as possible.

Lesli Gooch, MHI, thanked everyone for their time. She appreciated Ms. Kolluri's comments that the administration is committed to get manufactured housing as an affordable option. Houses now are different then when the rule was created in 2016, the numbers need to all be updated to reflect modern data. Ms. Gooch believes that this rule is out of line with respect to materials and processes for manufactured housing. It is important to everyone to recognize that many manufactured homes are equivalent or better than site-built homes in terms of energy efficiency. Manufactured homes are the largest form of unsubsidized affordable housing. The price of these homes cannot keep increasing. Increasing the supply of affordable housing is critical. The law requires HUD to provide affordable homes. The energy standard should not be more efficient than site-built homes. To this date no jurisdiction has adopted the 2021 version of the IECC.

#### Wrap Up - DFO & AO

Kevin Kauffman announced the closing of comments and reminded the dates of future meetings to the members. DFO Payne appreciated everyone's attention on this topic and participation. Michael Baker also appreciated the member's work on all the sections and thanked them.

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The motion to adjourn the meeting was carried.

#### MEETING 2: Friday, October 8, 2021

#### Call to Order

The Manufactured Housing Consensus Committee (MHCC) meeting was held on Friday, October 8, 2021, via Zoom teleconference. Kevin Kauffman, Administering Organization (AO) Home Innovation Research Labs, called the roll and announced that a quorum was present. See <a href="Appendix A">Appendix A</a> for a list of meeting participants.

#### Introduction and Opening Remarks

Teresa Payne, Administrator of the Office of Manufactured Housing Programs, and Designated Federal Officer (DFO) welcomed the participants and thanked them for their time. Ms. Payne provided the background of the meeting. This is the second meeting for the MHCC to discuss and provide comments to the DOE on their proposed rule. She appreciated the hard work in the last meeting. The proposed rule has the potential to affect MHCC's mission, and it is necessary to provide comments to DOE. DOE held a meeting that was open to the public, which was scheduled for five hours but only lasted around one hour. Comments from the MHCC will be submitted to the Secretary of HUD, and with the help of the AO will be submitted to DOE. The next meeting for the MHCC on this topic is on the 20<sup>th</sup> of October, all meetings are scheduled from 10am - 4pm and the meeting information for all 3 meetings are the same. Ms. Payne looked forward to a productive meeting.

MHCC Chair, Mitchel Baker gave the opening comments. He welcomed the MHCC members and meeting participants to the teleconference and thanked them for their time. He also thanked everyone who attended the DOE webinar on 23<sup>rd</sup> of September. Mr. Baker asserted that they had done some really good work so far and looked forward to submitting good comments to the DOE.

#### **Public Comments Period**

See Appendix B for written public comments received prior to each meeting.

Lesli Gooch, MHI, thanked everyone for their time. Ms. Gooch commended the MHCC team led by Ms. Teresa Payne. She expressed her delight that HUD has made sure that consultation is taking place. Formal comments about the DOE rule were submitted as MHI typically does prior to MHCC meetings. She assured that their Senior Vice President was working closely with the manufacturers and stated that they would continue sharing the technical concerns of the DOE proposed rule. Ms. Gooch expressed her concerns about the proposed rule and stated that it was flawed because the cost benefit analysis of DOE fails, and the homeowners will never get the return. She stated that it is important to consider the cost effectiveness along with the technical aspects of the components even though MHI supports energy conservation. Ms. Gooch stated that this rule does not work for factory-built homes but are more applicable to site-built homes.

Mark Weiss, MHARR, thanked everyone for their participance in the meetings. Mr. Weiss stated that MHARR's written comments were submitted to the MHCC. He apologized for the lengthy comments and proceeded to discuss the comments they will be submitting for the next meeting. He urged the members to not be misled by this tiered proposal and assured that it's not carved in stone. Tiered proposal is the alternative proposal to the one tier option. He insisted that the so-called two-tier system

is simply a redo of the 2016 proposed rule which is more stringent because the IECC codes are more stringent. Mr. Weiss also informed the MHCC members that MHARR filed for an extension on the deadline, which the DOE acknowledged receiving at the webinar, but has yet to formally respond to.

John Weldy, Clayton Homes, thanked everyone for their time. Mr. Weldy stated that his previous remarks were focused on evaluating the cost effectiveness of these updates. He expressed his concerns about the DOE proposed rule and explained why it misses the mark of balancing cost with effectiveness. The raw goods (e.g., fiberglass insulation) are under extraordinary supply chain strains and the workforce and logistics cannot keep up with demand. The proposed rule would add a significant demand for insulation, a commodity which is already strained. Adding any code change which adds demand for fiberglass insulation, would have a ripple effect on the industry. No state has adopted the 2021 IECC. Only 13 states have adopted sections of the 2018 IECC standard, 19 states have adopted the 2012 IECC, and others go back to 2009. Requiring manufactured housing to be held to a higher standard than site-built homes, is against the goal of manufactured housing which balances performance with cost. The HUD energy standards haven't been updated since around 1994, and they need to be updated, but moving to the 2021 IECC is way too far of an update in one code cycle. Adoption for these code cycles is typically 3-5 years. Mr. Weldy asked the rule makers to take one step at a time and to restrain from jumping to more restrictive requirements than site-built homes. He believes that the best outcome to develop energy codes, would be for DOE to work directly with HUD and the MHCC, not write a rule and ask for comments. He thanked the members for the important work today.

Discussion of Department of Energy's Supplemental Notice of Proposed Rulemaking and Request for Comment - Energy Conservation Standards for Manufactured Housing and Prepare Comments/Answers about DOE's Questions in Rulemaking for HUD's review

See Appendix C for the full MHCC Comments on the DOE SNOPR.

During this teleconference, the MHCC developed general comments on the DOE SNOPR, reviewed/updated their responses/comments on questions 1-10, and developed responses/comments to questions 11-22. Questions 1-13 were addressed prior to a lunch break, and the discussion continued after the lunch break. Questions 14-22 were addressed after the lunch break.

#### Public Comment Period

Lesli Gooch, MHI, thanked everyone for their participation and asserted that the meeting was extremely productive. Ms. Gooch praised the comments and work of the members. She restated that MHI believes the proposal is fundamentally flawed. She expressed their concern that the proposed rule does not follow a proper cost benefit analysis. MHI believes the implementation of this rule would require massive changes to plants and could even make shipping homes to some states impossible. The discussion clearly demonstrated that this proposed rule is not cost effective and would eliminate manufactured homes as a cost-effective option. Ms. Gooch stated that their research showed that buyers would not ever get a return on investment for these additional costs, and it also showed a cost increase of at least \$1000 for each home. One of the places their research showed savings was in Fairbanks Alaska and the savings were \$300 over a 10-year period. She stated that it was clear the proposed rule would hurt prospective home buyers and finally thanked the MHCC for holding the DOE accountable.

Mark Weiss, MHARR, thanked everyone for the discussion and reiterated that MHARR has opposed the proposed rule from the start. Mr. Weiss stated that the reason for this opposition is largely the cost and that the costs were not just abstract ideas. These costs will exclude millions of people from the market. The primary focus must be on purchase price and affordability. Mr. Weiss expressed his concern that none of the small manufacturers were participating in this meeting as it is important to get their input as they will be disproportionately impacted by these regulations.

#### Wrap Up - DFO & AO

Michael Baker thanked everyone for their participance and announced the next meeting on 20<sup>th</sup> of October. He asked the members to reach out to him for any question. DFO Payne appreciated everyone's participation and encouraged anyone who has volunteered to take on some questions to bring back to the committee with as much data as possible because the data will help inform the DOE and help them perform analysis. Kevin Kauffman gave the closing comments and thanked everyone.

#### Adjourn

The motion to adjourn the meeting was carried.

#### MEETING 3: Wednesday, October 20, 2021

#### Call to Order

The Manufactured Housing Consensus Committee (MHCC) meeting was held on Wednesday, October 20, 2021, via Zoom teleconference. Kevin Kauffman, Administering Organization (AO) Home Innovation Research Labs, called the roll and announced that a quorum was present. See <a href="Appendix A">Appendix A</a> for a list of meeting participants.

#### Introduction and Opening Remarks

Teresa Payne, Administrator of the Office of Manufactured Housing Programs, and Designated Federal Officer (DFO) thanked the members for their time, restated that this was the last of the three meetings to discuss the DOE proposed rule and looked forward to a productive discussion.

MHCC Chair, Mitchel Baker thanked everyone for their participance. He reminded the members of the amount of remaining work and time.

#### **Public Comments Period**

See Appendix B for written public comments received prior to each meeting.

Megan Booth, MHI, reminded the MHCC that MHI had submitted comments prior to the meeting. Ms. Booth was appreciative for the MHCC allowing her this time. She expressed her concerns over the proposed DOE rule stating that it is fundamentally flawed as it does not follow a correct cost benefit analysis. This proposed rule will end up in higher costs for consumers who will never recoup these costs through savings or resale value. The discussions over the last meetings have made clear that this is not a cost-effective solution to increasing the energy efficiency of manufactured homes. The DOE proposal would likely not yield any benefit for consumers and actually would just end up costing them money. MHI's cost benefit analysis determined that this would cost at least \$1000 per single unit homes and upwards of \$5500 for multi-unit homes. As the MHCC finalizes their comments, MHI would strongly recommend that the energy requirements should be reworked and ensured that they are cost effective and testing and implementation should be covered before publishing a rule. MHI believes it is unnecessary for DOE to develop a new enforcement mechanism as this will only hurt the consumers. DOE must adhere to the statutory requirement to be cost effective.

Mark Weiss, MHARR, thanked everyone for the thorough discussion. There is a need to send the message to DOE that the MHCC members oppose this proposal. By MHARR's calculation, this proposal could exclude millions of potential home buyers. The most effected would be the ones who need the cost-effective housing solution that is manufactured homes. Cost of enforcement and testing must be addressed and included. For those excluded from the market, there will be no life cycle recoupment for this rule because they will be costed out of the market. This is a bad and damaging proposal that should be rejected and withdrawn by the DOE. Mr. Weiss mentioned that their request for additional comment submission time has been acknowledged by the DOE.

John Weldy, Clayton Homes, thanked MHCC for this opportunity. Mr. Weldy reminded the MHCC that he had given reasons on how he thought the proposal misses the mark in the previous meetings. He also mentioned that he had submitted written comments to the committee. Clayton Homes has done their

internal cost estimates for the thermal envelope and through observation of different models, estimated the cost increase in Thermal Zone 1 would be about \$600 and for Thermal Zone 3 would be around \$7000 which is a huge deal because of construction requirements for colder regions, specifically Thermal Zone 3. He stated that their cost analysis did not include testing, which could be a significant additional cost. They also believed that blower door testing is unnecessary, and DOE agrees as they have removed that requirement from EnergyStar. Clayton Homes believes that requiring energy testing would be a great cost with very little to gain. Mr. Weldy expressed his concern that the backlog of materials could last a few years. With none of the states adopting the 2021 IECC, requiring the manufactured homes to build to a higher standard is contrary to the affordability aspect which is the statutory requirement for manufactured homes. Mr. Weldy also took this opportunity to make a correction on his written comments- the current rule would require southern Virginia to meet the same requirements as a house in Fairbanks Alaska. They appear to have applied the thermal requirements from Fairbanks Alaska to as far south as Virginia. Every three years they look at the IECC and raise the bar incrementally, which is not what is being proposed to the HUD standard.

Discussion of Department of Energy's Supplemental Notice of Proposed Rulemaking and Request for Comment - Energy Conservation Standards for Manufactured Housing and Prepare Comments/Answers about DOE's Questions in Rulemaking for HUD's review

See Appendix C for the full MHCC Comments on the DOE SNOPR.

Stacey Epperson made a presentation to the MHCC which can be found in Appendix D.

During this teleconference, the MHCC developed general comments on the DOE SNOPR, reviewed/updated their responses/comments on questions 1-22, and developed responses/comments to questions 23-30. The discussion and development of comments spanned the lunch break.

#### Submittal of Comments

MHCC Motion: Submit the comments as recorded over the course of the last 3 MHCC meetings on the DOE Supplemental Notice of Proposed Rulemaking to HUD.

Maker: Russell Watson Second: Robert Parks

The motion carried unanimously.

#### Public Comment Period

Megan Booth, MHI, re-stated that the DOE proposal was fundamentally flawed and has a negative impact on the industry and potential homebuyer at a time when need of affordable housing is acute. The proposal ignores the importance of HUD as the regulator of construction and safety standards for manufactured homes. This rule could require large changes in the manufactured homes and make transportation of manufactured homes in some location impossible. It excludes a proper cost benefit analysis and ignores the cost of enforcement and testing making an independent analysis impossible. This proposal by will reduce the number of manufactured homes consumers as it is not cost effective. These changes will lead to DOE eventually eliminating manufactured housing as affordable housing option.

Mark Weiss thanked the committee for their participation and asked the HUD proposal to be posted as quickly as possible. For the DOE proposal, he encouraged the members to try to quantify the additional costs to the purchaser.

#### Wrap Up - DFO & AO

Kevin Kauffman announced the closing of comments and projected date for a future meeting on this topic of November 19, 2021. DFO Payne thanked everyone for their time and stated that she looked forward to another meeting as it would be helpful to make sure everything is properly reviewed. Michael Baker also appreciated the work of the members and thanked everyone for their participation.

#### Adjourn

The motion to adjourn the meeting was carried.

#### MEETING 4: Friday, November 19, 2021

#### Call to Order

The Manufactured Housing Consensus Committee (MHCC) meeting was held on Friday, November 19, 2021, via Zoom teleconference. Kevin Kauffman, Administering Organization (AO) Home Innovation Research Labs, called the roll and announced that a quorum was present. See <a href="Appendix A">Appendix A</a> for a list of meeting participants.

#### Introduction and Opening Remarks

Teresa Payne, Administrator of the Office of Manufactured Housing Programs, and Designated Federal Officer (DFO) welcomed the participants and guests and thanked the MHCC for all their hard work over the previous three meetings. Ms. Payne restated that that it is their mission to ensure that manufactured housing is safe, durable, and affordable to all consumers. This proposed rule affects all the manufactured housing industry and encouraged everyone to submit comments before the extended deadline of November 26, 2021. DFO Payne also reminded the teleconference that HUD has recently published an FR notice for applications and inviting nominations of individuals to serve on the committee.

Kevin Kauffman announced that there would be a slight modification to the agenda as the approval of the draft minutes from the previous meeting will not be taking place. Prior to the meeting the decision was made to group the minutes for these 4 meetings together as they are all involving the same topic. He also informed the committee that in the absence of Mitchel Baker (MHCC Chair) and David Tompos (MHCC Vice-chair), who were unable to participate in the teleconference, Manuel Santana would be leading today's meeting.

#### **Public Comment Period**

See Appendix B for written public comments received prior to each meeting.

Mark Weiss, MHARR, thanked the committee for meeting again to discuss this important matter. He reminded the committee that MHARR submitted written comments prior to this teleconference. Mr. Weiss believes that the data contained in the NODA does not change anything and still believes that the proposed rule is unacceptable. He called attention to a couple sections of the NODA specifically. Firstly, Mr. Weiss believes that the modification from \$55,000 to \$63,000 as the threshold between Tier 1 and 2 doesn't substantially change anything as most homes would still fall into the same tier. Secondly, Mr. Weiss believes that the discussion on inflation is inaccurate and that there is substantial evidence to the contrary. He wrapped his comments by thanking the committee for this time.

Megan Booth, MHI, thanked everyone for their time and effort. Since the last meeting the NODA has been published which could be seen as a direct result of this groups efforts. Unfortunately, Ms. Booth believes that this update is not acceptable and should be rejected. She believes that the increase in price threshold for Tier 1 to \$63,000 does not actually change much as her data shows the average cost of a manufactured home is \$87,000. Ms. Booth believes that the lack of testing, compliance, and enforcement costs, which could be significant, is quite damming as those are critical components to ensure an accurate cost and benefit analysis. She stated that MHI submitted written comments prior to the meeting. Ms. Booth believes that the DOE proposal is fundamentally flawed and it shows a lack of

understanding on how manufactured homes are constructed. The proposal would require significant changes by a manufacturer and would likely make shipping homes to certain markets impossible. She feels that the increased costs would eliminate manufactured housing as an affordable housing solution and the purchasers would never recoup the additional costs and these new regulations would have negative returns.

Discussion of Department of Energy's Notice of Data Availability related to the Supplemental Notice of Proposed Rulemaking and Request for Comment – Energy Conservation Standards for Manufactured Housing and Prepare Comments for HUD's consideration

See Appendix C for the full MHCC Comments on the DOE SNOPR and NODA.

Manuel Santana provided some background on the NODA and informed the committee that he had looked over the NODA and that the MHCC's previously developed comments were still essentially accurate. He sees the NODA as an affirmation on DOE's decisions when drafting the proposed rule.

The MHCC spent some time discussing the merits of the change in the retail list price threshold for Tier 1. The consensus of the group was that the retail list price threshold was inconsequential and that a tiered approach based on retail list price was not appropriate. The MHCC continued to discuss the NODA and develop comments to submit to HUD.

The MHCC made slight wording modifications to their comments on questions 1 and 25.

MHCC Motion: Submit the comments as recorded over the course of the last 4 MHCC meetings on the DOE Supplemental Notice of Proposed Rulemaking and DOE Notice of Data Availability to HUD.

Maker: James Husom Second: Alan Spencer

The motion carried unanimously.

#### Public Comment Period

Mark Weiss. MHARR, thanked the committee for all their dedication and hard work over the last 4 meetings. He believes that the comments that were developed were good and will hopefully have an impact on the proposed rule. He also believes that this type of departmental feedback is essential and an illustration of why the MHCC was formed.

Megan Booth, MHI, believes that the comments developed by the MHCC were great and appreciates all the hard work. She is hopeful that the DOE will get a good result from DOE based on these comments.

#### Wrap Up - DFO & AO

Teresa Payne thanked everyone for their collective efforts, as this has been a lot of work. She informed the MHCC that the AO will be submitting the comments to HUD on behalf of the MHCC. She encouraged all the participants to submit their own comments to DOE, as the more information DOE has the better. She reminded the participants on the teleconference to submit applications and recommendations for the MHCC.

Manuel Santana thanked the committee and reminded the MHCC that the deadline for comments is November 26.

#### Adjourn

The motion to adjourn the meeting was carried.



#### MANUFACTURED HOUSING CONSENSUS COMMITTEE

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## Appendix A: MHCC Attendees and Guests

### Appendix A: MHCC Attendees and Guests

|                                       | МНСС               |                       |                     |                      |                      |
|---------------------------------------|--------------------|-----------------------|---------------------|----------------------|----------------------|
|                                       | Name               | Attendance<br>Sept 23 | Attendance<br>Oct 8 | Attendance<br>Oct 20 | Attendance<br>Nov 19 |
| General Interest<br>/ Public Official | Mitchel Baker      | Y                     | Y                   | Y                    |                      |
|                                       | Tara Brunetti      | Y                     | Y                   | Y                    |                      |
|                                       | Aaron Howard       |                       |                     |                      | Y                    |
|                                       | James Husom        | Y                     | Y                   | Y                    | Υ                    |
|                                       | Michael Moglia     | Y                     | Y                   | Y                    | Υ                    |
|                                       | Robert Parks       | Y                     | Y                   | Y                    | Y                    |
|                                       | David Tompos       | Υ                     | Υ                   | Υ                    |                      |
| Producers                             | Luca Brammer       |                       |                     |                      |                      |
|                                       | Phillip Copeland   | Υ                     | Y                   | Y                    | Υ                    |
|                                       | Peter James        | Υ                     |                     |                      |                      |
|                                       | Manuel Santana     | Υ                     |                     |                      | Υ                    |
|                                       | Alan Spencer       | Υ                     |                     |                      | Υ                    |
|                                       | Cameron Tomasbi    | Υ                     | Υ                   | Υ                    |                      |
| User                                  | Dave Anderson      | Υ                     | Υ                   | Υ                    | Υ                    |
|                                       | Rita Diienno       |                       | Υ                   | Υ                    | Υ                    |
|                                       | Stacey Epperson    | Υ                     | Υ                   | Υ                    | Υ                    |
|                                       | Joseph Sullivan    | Y                     | Y                   | Y                    | Υ                    |
|                                       | Garold Miller      | Y                     | Υ                   | Υ                    |                      |
|                                       | Russell Watson     | Y                     | Y                   | Y                    | Y                    |
|                                       | Catherine Yielding | Υ                     | Υ                   | Υ                    | Υ                    |

#### **HUD Staff**

Teresa Payne, DFO Glorianna Peng Denair Andersen Mike Hollar Jason McJury **Charles Ekiert** Liz Davis **Barton Shapiro** Christina Foutz

Barry Ahuruonye **Demetress Stringfield Tommy Daison** 

Alan Field Angelo Wallace

#### Guests

William Sherman Devin Leary-Hanebrink Carrie Paine Lesli Gooch Jennifer Hall Chris Morgan Mark Weiss Michael Chavez **Courtney Marshall** Michael Lubliner Nate Kinsey Jane Hofilena Morgan Garguilo John Turner Pat Walker James Turner James Martin Norman Wang **Demond Matthews** John Weldy Rory Hoffmann Tim Ballo Kara Beigay Nawroz Aziz Megan Booth John Baily Lisa Kwong

Antoinette Price Bill Sherman Michael Henretty

#### **AO Staff, Home Innovation Research Labs**

Kevin Kauffman Nay Shah Elina Thapa



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## Appendix B: Written Public Comments

| Public   | Comments Received for September 23, 2021 |  |
|--|--|--|
| 1  | Lesli Gooch, MHI                         |  |
| 2  | Mark Weiss, MHARR                        |  |
| Public Comments Received for October 8, 2021   |  |  |
| 3  | Lesli Gooch, MHI                         |  |
| 4  | Mark Weiss, MHARR                        |  |
| Public Comments Received for October 20, 2021  |  |  |
| 5  | John Weldy, Clayton Homes                |  |
| 6  | Lesli Gooch, MHI                         |  |
| 7  | Mark Weiss, MHARR                        |  |
| Public Comments Received for November 19, 2021 |  |  |
| 8  | Lesli Gooch, MHI                         |  |
| 9  | Mark Weiss, MHARR                        |  |



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# Appendix C: MHCC Comments on Energy Conservation Program - Energy Conservation Standards for Manufactured Housing



#### MANUFACTURED HOUSING CONSENSUS COMMITTEE

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## Appendix D: MHCC AFFORDABILITY PRESENTATION