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[6450-01-P]

DEPARTMENT OF ENERGY

10 CFR Part 460

EERE-2009-BT-BC-0021

RIN 1904-AF73

Energy Conservation Program: Energy Conservation Standards for Manufactured Housing

AGENCY: Office of Energy Efficiency and Renewable Energy, Department of Energy. ACTION: Notice of proposed rulemaking; request for comments.

SUMMARY: The U.S. Department of Energy (DOE) is publishing a notice of proposed rulemaking to amend the compliance date for its manufactured housing energy conservation standards. Currently, manufacturers must comply with these standards on and after July 1, 2025, for Tier 2 homes and 60 days after the issuance of enforcement procedures for Tier 1 homes. DOE is proposing to delay the Tier 2 compliance date to allow DOE more time to consider the proposed enforcement procedures and comments submitted, and to evaluate appropriate next steps that provide clarity for manufacturers and other stakeholders.

DATES: DOE will accept comments, data, and information regarding the NOPR received no later than **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. See section IV, "Public Participation," for details. **ADDRESSES**: Interested persons are encouraged to submit comments using the Federal eRulemaking Portal at *www.regulations.gov* under docket number EERE-2009-BT-BC-0021. Follow the instructions for submitting comments. Alternatively, interested persons may submit comments, identified by docket number EERE--2009-BT-BC-0021, by any of the following methods:

- (1) Email: ApplianceStandardsQuestions@ee.doe.gov.
- (2) Postal Mail: Appliance and Equipment Standards Program, U.S. Department of Energy, Building Technologies Office, Mailstop EE-5B, 1000 Independence Avenue SW, Washington, DC 20585-0121. Telephone: (202) 287-1445. If possible, please submit all items on a compact disc ("CD"), in which case it is not necessary to include printed copies.
- (3) Hand Delivery/Courier: Appliance and Equipment Standards Program, U.S. Department of Energy, Building Technologies Office, 1000 Independence Avenue SW, Washington, DC 20585-0121. Telephone: (202) 287-1445. If possible, please submit all items on a CD, in which case it is not necessary to include printed copies.

No telefacsimiles ("faxes") will be accepted. For detailed instructions on submitting comments and additional information on this process, see section IV of this document.

Docket: The docket for this rulemaking, which includes *Federal Register* notices, public meeting attendee lists and transcripts (if one is held), comments, and other supporting documents and materials, is available for review at *www.regulations.gov*. All documents in the docket are listed in the *www.regulations.gov* index. However, not all documents listed in the index may be publicly available, such as information that is exempt from public disclosure.

The docket webpage can be found at *www.regulations.gov/docket/EERE-2009-BT-BC-0021*. The docket webpage contains instructions on how to access all documents, including public comments, in the docket, as well as a summary of the rulemaking. See section, "Public Participation," for further information on how to submit comments through *www.regulations.gov*.

FOR FURTHER INFORMATION CONTACT:

Mr. Matthew Schneider, U.S. Department of Energy, Office of the General Counsel, GC-33, 1000 Independence Avenue, SW, Washington, DC, 20585-0121. Telephone: (202) 586-4798. Email: *Matthew.Schneider@hq.doe.gov*.

Mr. Jeremy Williams, U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, 1000 Independence Avenue, SW, Washington, DC 20585-0121. Telephone: (202) 441-1288. Email: *Jeremy.williams@ee.doe.gov*.

For further information on how to submit a comment or review other public comments and the docket contact the Appliance and Equipment Standards Program staff at (202) 287-1445 or by email: *ApplianceStandardsQuestions@ee.doe.gov*.

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I. Background

The Energy Independence and Security Act of 2007 ("EISA," Pub. L. 110-140) directs the U.S. Department of Energy ("DOE" or, in context, "the Department") to establish energy conservation standards for manufactured housing ("MH"). (42 U.S.C. 17071) Manufactured homes are constructed according to a code administered by the U.S. Department of Housing and Urban Development ("HUD Code"). 24 CFR part 3280. See also generally 42 U.S.C. 5401-5426. Structures, such as site-built and modular homes, that are constructed to state, local, or regional building codes are excluded from the coverage of the HUD Code.

The rulemaking history of the MH energy conservation standards is discussed in the final rule DOE adopted on May 31, 2022 ("May 2022 Final Rule"). 87 FR 32728. In that rule, DOE adopted energy conservation standards for manufactured housing in a new part of the Code of Federal Regulations ("CFR") under 10 CFR part 460, subparts A, B, and C. Subpart A of 10 CFR part 460 presents generally the scope of the rule and provides definitions of key terms. Subpart B establishes new requirements for manufactured homes that relate to climate zones, the building thermal envelope, air sealing, and installation of insulation, based on certain provisions of the 2021 International Energy Conservation Code ("2021 IECC"). Subpart C establishes new requirements based on the 2021 IECC related to duct sealing; heating, ventilation, and air conditioning ("HVAC"); service hot water systems; mechanical ventilation fan efficacy; and heating and cooling equipment sizing.

Under the energy conservation standards, the stringency of the requirements under subpart B are based on a tiered approach depending on the number of sections of the manufactured home. Accordingly, two sets of standards are established in subpart B (*i.e.*, Tier 1 and Tier 2). Both Tier 1 and Tier 2 incorporate building thermal envelope measures based on certain thermal envelope components subject to the 2021 IECC that DOE determined applicable and appropriate for manufactured homes. Tier 1 applies these building thermal envelope provisions to single-section manufactured homes but only includes components at stringencies that would increase the incremental purchase price by less than \$750 in order to address affordability concerns that were raised by HUD and other stakeholders during the consultation and rulemaking process. Tier 2 applies these same building thermal envelope provisions to multi-section manufactured homes but at higher stringencies specified for site-built homes in the 2021 IECC, with an alternate exterior wall insulation requirement (R-21) for climate zones 2 and 3 based on consideration of the design and factory construction techniques of manufactured homes. Manufacturers can comply with the building thermal envelope requirements through a prescriptive pathway (e.g., using materials with specified ratings) or a performance pathway based on overall thermal transmittance (Uo). See 10 CFR 460.102(c). Further, the energy conservation standards for both tiers also include duct and air sealing, insulation installation, HVAC and service hot water system specifications, mechanical ventilation fan efficacy, and heating and cooling equipment sizing provisions, based on the 2021 IECC. DOE concluded that this approach is cost-effective based on the expected total life-cycle cost ("LCC") savings for the lifetime of the home associated with implementation of the energy conservation standards. See e.g., 87 FR 32742.

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In the May 2022 Final Rule, DOE adopted a compliance date such that the standards would apply to manufactured homes that are manufactured on or after one year following the publication date of the final rule in the Federal Register, which is May 31, 2023. In doing so, DOE noted its belief that many manufacturers already have experience complying with efficiency requirements similar to what DOE required in the May 2022 Final Rule based on manufacturers' previous experience with HUD Uo requirements and ENERGY STAR Version 2 efficiency requirements for homes produced on or after June 1, 2020. 87 FR 32759. DOE did not specify its approach for enforcement of the standards in the May 2022 Final Rule and stated that manufacturers would be able to comply with the standards as they were issued. DOE posited that many of the requirements in the standards would require minimal compliance efforts (e.g., documenting the use of materials subject to separate Federal or industry standards, such as the R-value of insulation or U-factor values for fenestration). 87 FR 32758, 32790. Nevertheless, DOE noted in the May 2022 Final Rule that it may address compliance and enforcement issues and procedures in a future agency action (see 87 FR 32757-32758).

On March 24, 2023, DOE published in the *Federal Register* a Notice of Proposed Rulemaking (NOPR) proposing to amend the compliance date for the manufactured housing energy conservation standards (88 FR 17745, "March 2023 NOPR"). In that NOPR, DOE described the need to amend the compliance date for the manufactured housing standards, noting that it had not yet issued procedures for investigating and enforcing against noncompliance with the standards, and that a delay was necessary to ensure that DOE could receive and incorporate meaningful stakeholder feedback into its enforcement procedures prior to part 460's compliance date. Accordingly, DOE proposed to require compliance with the Tier 1 standards beginning 60 days after publication of its final enforcement procedures, and compliance with the Tier 2 standards beginning 180 days after publication of its final enforcement procedures. Similarly, DOE proposed to require Tier 1 homes to comply with the requirements of subpart C of 10 CFR part 460 beginning 60 days after publication of its final enforcement procedures, and Tier 2 homes to comply with those requirements beginning 180 days after publication of its final enforcement procedures, and Tier 2 homes to comply with those requirements beginning 180 days after publication of its final enforcement procedures. Safer publication of its final enforcement procedures, and Tier 2 homes to comply with those requirements beginning 180 days after publication of its final enforcement procedures. Safer publication of its final enforcement publication of its final enforcement procedures. Safer publication of its final enforcement procedures.

In a final rule published on May 30, 2023, DOE amended the compliance date for 10 CFR part 460 consistent with its proposed compliance date in the NOPR for Tier 1 (*i.e.*, 60 days after issuance of DOE's enforcement procedures for part 460). However, for Tier 2, DOE amended the compliance date to July 1, 2025. After consideration of comments received in response to the March 2023 NOPR, DOE determined that amending the compliance date to July 1, 2025, for Tier 2 homes would provide greater certainty for manufacturers versus an indeterminate date. DOE published a NOPR on December 26, 2023, proposing enforcement procedures for manufactured homes (88 FR 88844, "December 2023 Enforcement NOPR"). DOE is continuing to consider the proposed enforcement procedures and comments submitted, and has not yet published a final rule establishing enforcement procedures.

II. Need to Amend Compliance Date

In the March 2023 NOPR and subsequently-adopted final rule, DOE recognized that additional lead time for MH manufacturers to comply with the energy conservation

standards until after the issuance of enforcement procedures was appropriate, particularly for Tier 2 homes. Indeed, consistent with this approach, and as previously noted, DOE initially proposed in the March 2023 NOPR providing a staggered conditional compliance date - for Tier 1 homes, 60 days after publication of its final enforcement procedures, and for Tier 2 homes, 180 days after publication of its final enforcement procedures. 88 FR 17746. While DOE continues to consider the proposed enforcement procedures and comments submitted, and evaluate appropriate next steps, DOE recognizes there is a possibility that the cadence for compliance dates could become misaligned, *i.e.*, compliance with the more stringent, multi-section Tier 2 standards could be required before the less stringent, single section Tier 1 standards (and before publication of final enforcement procedures). While DOE believes manufacturers are capable of complying with the DOE standards as written, DOE nevertheless recognizes that having enforcement procedures in place prior to requiring compliance would help provide clarity to manufacturers that are new to DOE's regulatory program. DOE is proposing an extension here consistent with its intent that the Tier 2 compliance deadline occurs after both the Tier 1 compliance deadline and the promulgation of final enforcement procedures. DOE previously determined that a date certain for requiring compliance with Tier 2 would accomplish this while providing greater certainty for manufacturers. As DOE has not yet issued enforcement procedures, DOE has tentatively determined a further extension is required.

A delay of the current July 1, 2025, compliance date is therefore necessary to ensure that DOE can evaluate and incorporate meaningful stakeholder feedback regarding appropriate next steps for the manufactured housing standard enforcement procedures, while still providing appropriate lead time for compliance.

III. Discussion of Proposal

Pursuant to its authority to establish energy conservation standards for manufactured housing (42 U.S.C. 17071), DOE is proposing to extend the compliance date for Tier 2 homes under the manufactured housing energy conservation standards in 10 CFR part 460 until after DOE's forthcoming enforcement procedures take effect. More specifically, DOE is proposing to require compliance with the Tier 2 standards in subparts B and C beginning 180 days after publication of its final enforcement procedures. DOE is not proposing to amend the compliance date for Tier 1 homes. Such homes will be subject to the standards in subparts B and C beginning 60 days after publication of DOE's final enforcement procedures. The proposal aligns with the proposal in the March 2023 NOPR.

DOE believes enforcement procedures will provide additional clarity to manufacturers and consumers regarding DOE's expectations of manufacturers and DOE's plans for enforcing the standards. Delaying the compliance date until after the enforcement procedures are effective also will provide manufacturers time to understand DOE's enforcement procedures and prepare their operations to ensure compliance with DOE's standards. Accordingly, DOE proposes to delay the July 1, 2025, compliance date for the standards of 10 CFR part 460 applicable to Tier 2 homes until 180 days after DOE's publication of its final enforcement procedures. The existing compliance date for

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Tier 1 homes would remain as 60 days after publication of DOE's final enforcement procedures.

IV. Procedural Issues and Regulatory Review

A. Review Under Executive Orders 12866 and 13563

Executive Order ("E.O.") 12866, "Regulatory Planning and Review," as supplemented and reaffirmed by E.O. 13563, "Improving Regulation and Regulatory Review," 76 FR 3821 (Jan. 21, 2011), requires agencies, to the extent permitted by law, to (1) propose or adopt a regulation only upon a reasoned determination that its benefits justify its costs (recognizing that some benefits and costs are difficult to quantify); (2) tailor regulations to impose the least burden on society, consistent with obtaining regulatory objectives, taking into account, among other things, and to the extent practicable, the costs of cumulative regulations; (3) select, in choosing among alternative regulatory approaches, those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity); (4) to the extent feasible, specify performance objectives, rather than specifying the behavior or manner of compliance that regulated entities must adopt; and (5) identify and assess available alternatives to direct regulation, including providing economic incentives to encourage the desired behavior, such as user fees or marketable permits, or providing information upon which choices can be made by the public. DOE emphasizes as well that E.O. 13563 requires agencies to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible. In

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its guidance, the Office of Information and Regulatory Affairs ("OIRA") in the Office of Management and Budget ("OMB") has emphasized that such techniques may include identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes. For the reasons stated in the preamble, this draft regulatory action is consistent with these principles.

Section 6(a) of E.O. 12866 also requires agencies to submit "significant regulatory actions" to OIRA for review. OIRA has determined that this proposed regulatory action constitutes a "significant regulatory action" under section 3(f) of E.O. 12866. Accordingly, this action was submitted to OIRA for review under E.O. 12866.

B. Review Under Executive Orders 14154 and 14192

DOE has examined this proposed rulemaking and has tentatively determined that it is consistent with the policies and directives outlined in E.O. 14154 "Unleashing American Energy," E.O. 14192, "Unleashing Prosperity Through Deregulation," and Presidential Memorandum, "Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis." This proposed rule, if finalized as proposed, is expected to be an E.O. 14192 deregulatory action.

C. Review Under Additional Executive Orders and Procedural Requirements

DOE has concluded that the determinations made pursuant to the various other procedural requirements applicable to the May 2022 Final Rule remain unchanged for this proposed confirmation of that rule. These determinations are set forth in the May 2022 Final Rule. 87 FR 32728, 32809-32817.

V. Public Participation

Submission of Comments

DOE will accept all comments, data, and information regarding this proposed rule no later than the date provided in the **DATES** section at the beginning of this proposed rule. Interested parties may submit comments, data, and other information using any of the methods described in the **ADDRESSES** section at the beginning of this document.

Submitting comments via www.regulations.gov. The *www.regulations.gov* web page will require you to provide your name and contact information. Your contact information will be viewable to DOE Building Technologies staff only. Your contact information will not be publicly viewable except for your first and last names, organization name (if any), and submitter representative name (if any). If your comment is not processed properly because of technical difficulties, DOE will use this information to contact you. If DOE cannot read your comment due to technical difficulties and cannot contact you for clarification, DOE may not be able to consider your comment.

However, your contact information will be publicly viewable if you include it in the comment itself or in any documents attached to your comment. Any information that you do not want to be publicly viewable should not be included in your comment, nor in any document attached to your comment. Otherwise, persons viewing comments will see only first and last names, organization names, correspondence containing comments, and any documents submitted with the comments. Do not submit to *www.regulations.gov* information for which disclosure is restricted by statute, such as trade secrets and commercial or financial information (hereinafter referred to as Confidential Business Information ("CBI")). Comments submitted through *www.regulations.gov* cannot be claimed as CBI. Comments received through the website will waive any CBI claims for the information submitted. For information on submitting CBI, see the Confidential Business Information section.

DOE processes submissions made through *www.regulations.gov* before posting. Normally, comments will be posted within a few days of being submitted. However, if large volumes of comments are being processed simultaneously, your comment may not be viewable for up to several weeks. Please keep the comment tracking number that *www.regulations.gov* provides after you have successfully uploaded your comment.

Submitting comments via email. Comments and documents submitted via email also will be posted to *www.regulations.gov.* If you do not want your personal contact information to be publicly viewable, do not include it in your comment or any accompanying documents. Instead, provide your contact information in a cover letter. Include your first and last names, email address, telephone number, and optional mailing address. The cover letter will not be publicly viewable as long as it does not include any comments.

Include contact information each time you submit comments, data, documents, and other information to DOE. No telefacsimiles ("faxes") will be accepted.

Comments, data, and other information submitted to DOE electronically should be provided in PDF (preferred), Microsoft Word or Excel, WordPerfect, or text (ASCII) file format. Provide documents that are not secured, that are written in English, and that are free of any defects or viruses. Documents should not contain special characters or any form of encryption and, if possible, carry the electronic signature of the author. *Campaign form letters*. Please submit campaign form letters by the originating organization in batches of between 50 to 500 form letters per PDF or as one form letter with a list of supporters' names compiled into one or more PDFs. This reduces comment processing and posting time.

Confidential Business Information. Pursuant to 10 CFR 1004.11, any person submitting information that he or she believes to be confidential and exempt by law from public disclosure should submit via email two well-marked copies: one copy of the document marked "confidential" including all the information believed to be confidential, and one copy of the document marked "non-confidential" with the information believed to be confidential status of the information and treat it according to its determination.

It is DOE's policy that all comments may be included in the public docket, without change and as received, including any personal information provided in the comments (except information deemed to be exempt from public disclosure).

VI. Approval of the Office of the Secretary

The Secretary of Energy has approved publication of this notice of proposed rulemaking; request for comments.

List of Subjects in 10 CFR Part 460

Administrative practice and procedure, Buildings and facilities, Energy conservation, Housing standards, Reporting and recordkeeping requirements

Signing Authority

This document of the Department of Energy was signed on April 18, 2025 by Louis Hrkman, Principal Deputy Assistant Secretary for Energy Efficiency and Renewable Energy, pursuant to delegated authority from the Secretary of Energy. That document with the original signature and date is maintained by DOE. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the *Federal Register*.

Signed in Washington, DC, on April 18, 2025



Digitally signed by LOUIS HRKMAN Date: 2025.04.18 17:54:30 -04'00'

Louis Hrkman Principal Deputy Assistant Secretary for Energy Efficiency and Renewable Energy U.S. Department of Energy For the reasons stated in the preamble, DOE is proposing to amend part 460 of Chapter II of Title 10, Code of Federal Regulations as set forth below:

PART 460 -- ENERGY CONSERVATION STANDARDS FOR MANUFACTURED HOMES

1. The authority citation for part 460 continues to read as follows:

Authority: 42 U.S.C. 17071; 42 U.S.C. 7101 et seq.

2. Revise § 460.1 to read as follows:

§ 460.1 Scope.

This subpart establishes energy conservation standards for manufactured homes as manufactured at the factory, prior to distribution in commerce for sale or installation in the field. Manufacturers must apply the requirements of this part to a manufactured home subject to § 460.4(b) that is manufactured on or after 60 days after publication of final enforcement procedures for this part. DOE will amend this section to include the specific compliance date, once known. Manufacturers must apply the requirements of this part to a manufactured home subject to § 460.4(c) that is manufactured on or after 180 days after publication of final enforcement procedures for this part. DOE will amend this section to a manufactured home subject to § 460.4(c) that is manufactured on or after 180 days after publication of final enforcement procedures for this part. DOE will amend this section to include the specific days after publication of final enforcement procedures for this part. DOE will amend this part to a manufacture dome subject to § 460.4(c) that is manufactured on or after 180 days after publication of final enforcement procedures for this part. DOE will amend this section to include the specific compliance date, once known.