

December 19, 2017

The Honorable Scott Pruitt
Administrator
U.S. EPA Headquarters – William J. Clinton Building
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Docket No. EPA-HQ-OAR-2017-0355

Dear Administrator Pruitt,

As the Environmental Protection Agency begins the process to repeal the Clean Power Plan (CPP) and considers new ways to implement Section 111(d) of the Clean Air Act, if the full repeal of CPP moves forward, the undersigned organizations brought together by the National Housing Conference (NHC) encourage the EPA to issue a replacement rule for the Clean Power Plan, and for this replacement rule to **include energy efficiency and affordable housing**. The undersigned represent members of NHC's Housing, Health and Energy working group. This group formed in response to the CPP to provide expertise and comments on housing, especially low income housing, and improving energy and health performance of affordable housing overall and as part of the CPP. The group continues to advocate and work towards those goals.

Residential energy use is an under-explored area for achieving efficiency gains. This is especially true for low-income households in multifamily rental housing, as illustrated by a recent study that found multifamily rentals have far fewer energy efficiency measures than any other type of housing and spending by renters on home energy has increased by 53 percent from 2000 to 2010, more than twice the rate of growth in spending on all other types of goods and services.¹

Energy efficiency in homes has benefits beyond the energy savings. Lower energy costs allow households to spend more on essentials like food and health care or to save for the future. Lower and more predictable energy costs also improve the affordability of housing for low-income households. More efficient homes also reduce residents' risk of exposure to several environmental health threats that produce conditions such as respiratory symptoms, asthma, cancer, and cardiovascular disease.² Improving energy efficiency in affordable multifamily housing through insulation, sealing air leaks and installing HVAC systems significantly improves indoor air quality.³ Improved indoor quality can reduce residents' exposure to asthma allergens, along with other indoor contaminants.

The undersigned previously supported the CPP because of the opportunity it presented to encourage energy efficiency investments that reduced carbon emissions cost effectively and produced health benefits and cost savings for low-income households both through the CPP and the Clean Energy Incentive Program. Because of the requirement to reduce carbon emissions in the CPP and the flexibility for states to choose to invest in energy

¹ Gary Pivo, *Unequal access to energy efficiency in US multifamily rental housing: opportunities to improve* (Building Research and Information, 2014), 42:5, pp. 551-573.

² Hilary Thomson, Sian Thomas, Eva Sellström, and Mark Petticrew, "Housing Improvements for Health and Associated Socio-Economic Outcomes: Cochrane Database of Systematic Reviews (2010) DOI: 10.1002/14651858.CD008657.pub2

³ R. Grant and A. Brito. "Chronic Illness and School Performance: A Literature Review Focusing on Asthma and Mental Health Conditions". *A Children's Health Fund Monograph* (2010)

efficiency in affordable housing as part of their approach, we believed **state implementation offered a real opportunity to improve the energy efficiency and health of often overlooked affordable housing.**

We encourage the EPA to include energy efficiency in a replacement rule, because **energy efficiency reduces demand for electricity generation** which in turn reduces carbon emissions. With a “beyond the fence line” approach, power plants could invest in energy efficiency measures to lower emissions at a lower cost than making physical plant improvements. Reducing energy use is generally two to three times cheaper to implement than generating power from traditional sources, according to the American Council for an Energy-Efficient Economy (ACEEE),⁴ The cost effectiveness of energy efficiency translates into lower utility bills for customers and businesses.

Investing in energy efficiency helps preserve affordable housing by lowering operating expenses. Nearly all states aim to preserve existing affordable housing, as demonstrated in published priorities.⁵ Utility costs are the largest variable operating expense in affordable housing.⁶ Reducing operating costs in low-income affordable housing frees up capital that owners can use for maintenance, repairs, and other necessary improvements while keeping rents affordable to residents.

As the EPA explores how power plants can reduce carbon emissions, **it should include energy efficiency investments and affordable housing in a future replacement rule** because of the financial benefit to power plants and the significant benefits to low-income consumers and affordable housing developments. This sometimes overlooked part of the housing stock can provide a major return on investment, and we urge the EPA to include this approach as part of its overall planning to reduce carbon emissions.

The undersigned organizations appreciate that the EPA is holding 3 additional public listening sessions on the proposed repeal of the Clean Power Plan (CPP). Public hearings provide an essential forum for our community and the public to share input and raise concerns related to this proposal. Additionally, the undersigned encourage the EPA to consider adding more public listening sessions, including one in Washington, DC, and in other places across the country. The undersigned organizations would like to see a robust public engagement process as the EPA considers the repeal of the Clean Power Plan.

⁴ ACEEE. <http://aceee.org/press/2015/08/energy-efficiency-key-compliance>

⁵ For example, 47 states include a preference for preservation projects among criteria for awarding Low Income Housing Tax Credits. See PrezCat for more information: <http://www.prezcat.org/>.

⁶ Christopher Lee, “2012 Survey of Operating Income & Expenses in Rental Apartment Communities” [Executive Summary] (Arlington, VA: National Apartment Association, 2012)



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To discuss any of these comments in further detail, please contact Rebekah King, Acting Director of Policy, National Housing Conference, (202) 466-2121 x248, rking@nhc.org.

Sincerely,

Energy Efficiency for All
Enterprise Community Partners
Green & Healthy Homes Initiative
National Housing Conference
National Housing Trust
Natural Resources Defense Council
U.S. Green Building Council