Department of Energy

DOE Updates Mobile Home Efficiency Standards to Lower Household Energy Bills

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New Initiative Will Save Owners and Renters \$10 Billion on Utility Bills, Reduce Carbon Pollution, Ensure More Access to Affordable Mobile Homes

washington, D.C. — The U.S. Department of Energy (DOE) today adopted new energy standards for manufactured housing — commonly referred to as single-section and multi-section mobile homes — that will help consumers save hundreds of dollars on their annual utility bills and slash carbon emissions by 80 million metric tons, which is equivalent to the energy use of over 10 million homes in one year. Once implemented, the new efficiency standards, which include updates to insulation and sealing requirements, will help bring the country closer to reaching President Biden's goal of net-zero emissions by 2050.

"DOE's new energy efficiency rules will help save the 17 million Americans residing in mobile homes up to \$475 per year on average on their utility bills," said **U.S.**Secretary of Energy Jennifer M. Granholm. "The rules will hold manufacturers of these U.S. homes to cost-saving efficiency standards, giving residents more

comfortable living environments and a much-needed break on their annual utility costs, while delivering cleaner air for their communities."

The new efficiency rules will require all new manufactured homes to meet standards for size and climate-dependent energy conservation measures based on the insulation and sealing requirements in the most recent version of the International Energy Conservation Code (IECC 2021). Compliance is required for new manufactured homes produced beginning one year after the rule is published in the Federal Register, approximately late May 2023. DOE was under a court order to update these standards by May 16, 2022.

According to DOE estimates from the final rule, individuals can expect to save on average \$177 per year in single-section homes and \$475 per year in multi-section homes on their utility bills. Cumulatively, consumers will save \$551 million on utility bills each year and a total of \$10 billion over the next 30 years. In the same 30-year window, DOE projects a reduction in carbon and methane emissions equivalent to the annual emissions of 11.7 million homes.

Purchasers of both single- and multi-section manufactured homes are expected to save more on their utility bills than the additional money that is added to their monthly mortgage, with single-section purchasers recouping the additional money purchasers put down up front to secure the loan (approximately \$70) within 10 months. DOE adopted a tiered approach, with different standards for single- and multi-section manufactured homes, in order to balance the important objectives of energy efficiency, cost savings, upfront affordability, and housing supply challenges.

Additional Efficiency and Affordability Measures for Manufactured Homes

In addition to the new efficiency rules, DOE is supporting the establishment of credit-enhancement mechanisms, such as loan-loss reserves, to drive down the cost of financing for manufactured housing and increase access to affordable housing. DOE will provide technical assistance and guidance, facilitate outreach to lenders and agencies, and work with state partners to develop replicable state models that ensure access to affordable, efficient manufactured homes.

DOE, in collaboration with the National Association of State Energy Officials, is also launching the Manufactured Home Energy Efficiency and Affordability Initiative to

work with states and other partners in improving access to energy efficient manufactured homes across the United States, including tribal lands. The California Energy Commission, Colorado Energy Office, Kentucky Office of Energy Policy, Maine Governor's Energy Office, Minnesota Department of Commerce Energy Division, Montana Energy Office, New York State Energy Research and Development Authority, North Carolina Department of Environmental Quality Energy Office, South Carolina Energy Office – Office of Regulatory Staff, and West Virginia Department of Economic Development's Office of Energy have already signed on to participate.

To increase transparency, DOE has created a **consumer-focused website** with information on energy efficient manufactured homes and financing options, including content on incentives, grants, and loan programs available through federal agencies, states, and others. The site includes links to resources for manufactured homebuyers who own or lease their land as well as those living in manufactured home communities, including resident owned cooperatives.

This action follows the release earlier this week of the **Administration's Housing Supply Action Plan**, which includes legislative and administrative policies to boost supply and reduce costs for a number of housing types, such as manufactured housing.

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DOE's Building Technologies Office implements minimum energy conservation standards for more than 60 categories of appliances and equipment. To learn more, visit the **Appliance and Equipment Standards Program homepage**.

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