



441 G St. N.W.  
Washington, DC 20548

B-334357

June 30, 2022

The Honorable Joe Manchin  
Chairman  
The Honorable John Barrasso  
Ranking Member  
Committee on Energy and Natural Resources  
United States Senate

The Honorable Frank Pallone, Jr.  
Chairman  
The Honorable Cathy McMorris Rodgers  
Republican Leader  
Committee on Energy and Commerce  
House of Representatives

Subject: *Department of Energy: Energy Conservation Program: Energy Conservation Standards for Manufactured Housing*

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of Energy (DOE) entitled “Energy Conservation Program: Energy Conservation Standards for Manufactured Housing” (RIN: 1904-AC11). We received the rule on June 1, 2022. It was published in the *Federal Register* as a final rule on May 31, 2022. 87 Fed. Reg. 32728. The effective date is August 1, 2022.

According to DOE, this final rule establishes energy conservation standards for manufactured housing pursuant to the Energy Independence and Security Act of 2007 (EISA), Pub. L. No. 110-140, 121 Stat. 1492 (Dec. 19, 2007). DOE stated the rule would provide a set of “tiered” standards based on size that would apply the 2021 International Energy Conservation Code-based standards to manufactured homes, except that single-section manufactured homes would be subject to less stringent building thermal envelope requirements compared to multi-section manufactured homes.

The Congressional Review Act (CRA) requires a 60-day delay in the effective date of a major rule from the date of publication in the *Federal Register* or receipt of the rule by Congress, whichever is later. 5 U.S.C. § 801(a)(3)(A). Here, the final rule was published in the *Federal Register* on May 31, 2022. 87 Fed. Reg. 32728. DOE provided documentation that reflected receipt by both the Senate and House on June 6, 2022. Email from Attorney-Advisor, DOE, to Senior Attorney, GAO, *Subject: B-334357: FW: DOE Rule Submission RIN 1904-AC11* (June 22, 2022). It has an effective date of August 1, 2022. Therefore, based on the dates of receipt by the Senate and the House, the rule does not have the required 60-day delay.

Enclosed is our assessment of DOE’s compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. If you have any questions about

this report or wish to contact GAO officials responsible for the evaluation work relating to the subject matter of the rule, please contact Shari Brewster, Assistant General Counsel, at (202) 512-6398.

A handwritten signature in black ink that reads "Shirley A. Jones". The signature is written in a cursive, flowing style.

Shirley A. Jones  
Managing Associate General Counsel

Enclosure

cc: Ami Grace-Tardy  
Assistant General Counsel  
Legislation, Regulation & Energy Efficiency  
Department of Energy

REPORT UNDER 5 U.S.C. § 801(a)(2)(A) ON A MAJOR RULE  
ISSUED BY THE  
DEPARTMENT OF ENERGY  
ENTITLED  
“ENERGY CONSERVATION PROGRAM:  
ENERGY CONSERVATION STANDARDS FOR MANUFACTURED HOUSING”  
(RIN: 1904-AC11)

(i) Cost-benefit analysis

The Department of Energy (DOE) conducted an analysis of the economic costs and benefits of this final rule. In its analysis, DOE calculated the total annualized net benefits as (1) the savings in consumer operating costs, minus (2) the increases in product installed costs, plus (3) the value of the climate and health benefits of emission reductions. DOE stated that it calculated the costs and benefits using discount rates of three and seven percent in 2020 dollars. DOE determined that the primary estimate of benefits is \$1,005 million, and costs is \$277 million, at the three percent discount rate. Finally, at the seven percent discount rate, DOE determined that the primary estimate of benefits is \$682 million, and costs is \$221 million.

(ii) Agency actions relevant to the Regulatory Flexibility Act (RFA), 5 U.S.C. §§ 603–605, 607, and 609

DOE prepared a Final Regulatory Flexibility Analysis. The analysis included: (1) a statement of the need for and objectives of the rule, (2) significant issues raised, (3) a description and estimate of the number of small entities affected, (4) a description and estimate of compliance requirements, and (5) significant alternatives considered and steps taken to minimize significant economic impacts on small entities.

(iii) Agency actions relevant to sections 202–205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532–1535

DOE determined this final rule may require expenditures of \$100 million or more in one year by the private sector. DOE stated that such expenditures may include: (1) updates to product plans and investment in capital expenditures by manufactured home manufacturers in the years between the final rule and the compliance date of the new standards, and (2) incremental additional expenditures by consumers to purchase higher-efficiency manufactured homes, starting at the compliance date for the standards.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 *et seq.*

On June 17, 2016, DOE published a notice of proposed rulemaking (NPR). 81 Fed. Reg. 39756. DOE stated it also issued a draft Environmental Assessment (EA) for public review and comment, as well as a request for information to help analyze the potential impacts of the proposed standards on the indoor air quality of manufactured homes. DOE received nearly 50 comments on the proposed rule, over 700 substantively similar form letters from individuals, and 7 comments to the EA and request for information. After evaluating comments in response to

the NOPR, DOE published a supplemental NOPR on August 26, 2021, and reopened the comment period. 86 Fed. Reg. 47744. See *also* 86 Fed. Reg. 59042 (extending the comment period). DOE responded to comments in this final rule.

Paperwork Reduction Act (PRA), 44 U.S.C. §§ 3501–3520

DOE determined that this final rule contains no information collection requirements under the Act.

Statutory authorization for the rule

DOE promulgated this final rule pursuant to section 17071 and 7101 *et seq.* of title 42, United States Code.

Executive Order No. 12866 (Regulatory Planning and Review)

DOE stated the Office of Management and Budget determined this final rule is economically significant under the Order.

Executive Order No. 13132 (Federalism)

DOE determined this final rule would not have a substantial direct effect on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government.