



Encouraging Affordable Housing Efficiency Under the Clean Power Plan: Housing Finance Agency and State Energy Office Considerations

The Clean Power Plan, which EPA proposed under authority of Section 111(d) of the Clean Air Act, sets guidelines for states to reduce their carbon dioxide emissions from existing power plants. The CPP allows states to meet state-specific goals through a mix of strategies, including energy efficiency, renewable energy, and demand-side management. Energy efficiency programs — including ratepayer programs implemented by utilities and overseen by states, and non-ratepayer programs operated by states, localities and private bodies — often offer the most cost effective means for compliance under the pending EPA rule. Moreover, energy efficiency and renewable energy options may offer longer-term economic development benefits to states.

Energy efficiency in affordable multifamily housing can offer states a powerful mechanism by which to reach their emissions reductions targets, while realizing important community development, public health, and other economic and environmental benefits for low-income households across the United States. For this reason, NASEO recommends that State Energy Offices and their counterpart Housing Finance Agencies work closely together to ensure that affordable multifamily energy efficiency programs are captured in state compliance plans.

What's in it for affordable housing?

While each state's compliance approach will be unique, ensuring that your agencies' affordable housing energy activities have a spot at the table can potentially expand funding for your work, create permanence for your programs, and link to broader state energy and environmental goals.

How do we participate?

Part of the challenge of including energy efficiency programs in Clean Power Plan compliance strategies lay in building air regulators' confidence that the clean energy projects you oversee result in real emissions savings. For this reason, it's important to take stock of how your agency documents projects, calculates savings, and verifies that they are real. Many Low Income Housing Tax Credit Qualified Allocation Plans require a sampling of projects for quality control and verification of installation; this might offer one avenue to make sure your documentation is sound from a Clean Power Plan compliance perspective.

How can we keep track of the rule moving forward?

In addition to staying in touch with your State Energy Office (contact information available at <http://naseo.org/members-states>), a number of national organizations are tracking Clean Power Plan information and updates. These include the Energy Efficiency for All initiative; the Network for Energy, Water, and Health in Affordable Buildings; the National Housing Conference; NASEO; and the American Council for an Energy Efficient Economy, among many others.

Note: NASEO has not taken a position on the Clean Power Plan, we have commented on it and partnered with various groups to establish principles on how energy efficiency programs could be used as a compliance measure for the rule.