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October 5, 2023

Michigan House of Representatives
Committee on Natural Resources, Environment, Tourism and Outdoor Recreation
Room 327, House Office Building
124 North Capitol Avenue
Lansing, MI 48933

Re: MEEA Comments on Homeowner Association Restrictions on Energy-Saving Improvements

Dear Chairwoman Pohutsky and Members of the Committee on Natural Resources, Environment, Tourism and Outdoor Recreation,

Thank you for the opportunity to comment today. The Midwest Energy Efficiency Alliance (MEEA) is a member-based, nonprofit organization promoting energy efficiency to optimize energy generation, reduce consumption, create jobs and decrease carbon emissions in all Midwest communities. Our members include energy efficiency-related businesses, manufacturers, local governments, utilities, academic institutions, researchers and advocacy groups. MEEA engages in energy efficiency policy and programs in 13 Midwest states, including Michigan, where 79 of our 150+ members are headquartered or operating.

MEEA sees energy efficiency as the least-cost foundation of the clean energy economy, creating immediate energy savings, reducing utility costs and emissions, improving public health and grid resiliency, and lowering energy burdens. Thus, MEEA commends the state of Michigan for taking steps to allow Michiganders to improve the efficiency of their homes. As the region's advocate for energy efficiency, we believe that every Michigander should have the right to replace, maintain, install or operate energy-saving improvements and modifications. This right should not be diminished if a homeowner's property is in a community with a homeowners' association.

Energy Efficiency First

Improving energy efficiency in buildings must be central to any decarbonization plans. Nationally, buildings account for about 40% of total energy consumption and approximately 70% of electricity usage. Communities with high energy burdens also benefit greatly from improved energy efficiency in buildings, since it leads to lower utility bills, increased comfort and better indoor air quality.

Michigan has ambitious climate goals, as laid out in the *MI Healthy Climate Plan*. Energy efficiency remains the most cost-effective approach to decarbonization. Efficiency can be a hard sell when comparing improved insulation values to a sleek new solar panel,



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but efficient buildings actually have twice the impact - they not only decrease the grid load, but also reduce the amount of renewable sources needed to achieve net-zero energy. A viable path forward to decarbonize buildings in the Midwest must include improved energy efficiency as the foundation. The state cannot meet its decarbonization goals without participation from Michigan homeowners improving the energy efficiency of their homes.

Affordability through Cost-Effectiveness, Higher Energy Savings and Lower Utility Bills

Envelope measures that are cost-effective over their full lifetime (e.g., ceiling insulation, basement insulation, air sealing, replacing drafty windows/doors, etc.) should always be prioritized, followed by higher efficiency HVAC and water heating equipment. According to the National Renewable Energy Laboratory (NREL), the top ten efficiency upgrades for energy savings in Michigan homes include drill-and-fill wall cavity insulation, R-10 basement wall insulation, R-5 insulated wall sheathing (at siding replacement), R-60 attic insulation, air sealing, and duct sealing and insulation.¹

Some of these measures are listed in the current bill. As you may know, there are other important measures not currently listed that also provide or contribute to the benefits we have described above, such as air and duct sealing and efficient ventilation systems. It is therefore important to allow energy-saving improvements and modifications other than those explicitly listed.

Most importantly, these types of energy-saving improvements provide utility cost savings for Michigan residents over *the lifetime of the home* and are some of the only building improvements that actually provide any fiscal payback. Improving the efficiency of their homes is the most effective way for Michiganders to reduce their utility bills. Michigan homeowners deserve the right to control their household costs. Additionally, the federal government is rolling out programs that provide rebates and financial assistance for energy efficient building components, which makes this is an opportune time to ensure all Michiganders have the ability to install energy efficiency measures and take advantage of federal programs.

Public Health and Safety

Energy efficient homes integrate electrical, heating, cooling, ventilation and building envelope components to provide safe, healthy and comfortable places to live. One way they do this is by ensuring good indoor air quality. Energy-saving improvements such as insulation and efficient ventilation systems contribute to homes being well sealed to keep out pollutants and control incoming air. Accordingly, homeowners in

¹ National Renewable Energy Laboratory, Residential Energy Efficiency Potential: Michigan, 2017 (<https://resstock.nrel.gov/factsheets/MI>)



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energy-efficient homes report fewer hospital visits for respiratory issues.²

Energy-saving improvements also ensure resident health and safety through moisture management. When moisture infiltrates a building, it can lead to rotting construction materials and harmful mold growth. A well-sealed building envelope and proper insulation help keep cold outside air from the warm interior, reducing both condensation and ice damming.³

Finally, with better insulation (and consequently less use of energy), homes put less demand on the electrical grid, making it more reliable for longer periods of time. This means residents can shelter in place longer and more comfortably during emergencies (e.g., tornadoes, heat waves) and power outages. Overall, energy-efficient construction techniques and products protect homes in extreme weather events, especially when utility services are disrupted. These benefits further underscore why Michigan homeowners deserve the right to install energy-saving improvements.

Conclusion

Energy efficiency simply means using less energy to get the same job done. Michigan homeowners should have the ability to make energy efficiency improvements to their homes, whether they live in an area governed by a homeowners' association or not. By lowering energy use, homeowners can reduce monthly energy bills and experience improved health and comfort. MEEA commends the state of Michigan for taking steps to allow homeowners to improve the efficiency of their homes and, consequently, improve their finances and quality of life.

Sincerely,

Paige Knutsen, Executive Director

These comments reflect the views of the Midwest Energy Efficiency Alliance – a Regional Energy Efficiency Organization as designated by the U.S. Department of Energy – and not the organization's members or individual entities represented on our board of directors.

² Occupant Health Benefits of Residential Energy Efficiency, E4TheFuture (<https://e4thefuture.org/wp-content/uploads/2016/11/Occupant-Health-Benefits-Residential-EE.pdf>)

³ Energy Codes are Life-Safety Codes (<https://www.mwalliance.org/sites/default/files/meea-research/codes-life-safety.pdf>)