



To: North Carolina Housing Finance Agency (rentalhelp@nchfa.com)

Re: 2025 North Carolina QAP Public Comment – Design Quality and Standards

From: US Department of Energy's Zero Energy Ready Home Program

On behalf of the U.S. Department of Energy's Zero Energy Ready Home program, the leading federal program for residential energy efficiency, we congratulate North Carolina on the forward-looking energy efficiency criteria outlined in its QAP and would like to suggest a potential enhancement. We recommend that North Carolina includes the DOE Zero Energy Ready Home program (ZERH) in its 2025 QAP for incentive points in Section F: Special Criteria and Tie Breakers.

Currently, Section F: Special Criteria and Tie Breakers, requires that all new construction achieve Energy Star Multifamily New Construction (ESMFNC) as defined in Appendix B. The ZERH program uses Energy Star as its basis and incorporates it as a prerequisite, making ZERH the logical next step for developers to take toward higher levels of energy efficiency. Like Energy Star, ZERH is a federal above-code certification program, with no registration or certification fees aside from the third-party verifier's fee for certifying the project. ZERH is designed to be a straight-forward addition to Energy Star and includes provisions for crucial systems like the building envelope, indoor air quality, forced-air duct location, hot water system efficiency, PV- and EV-ready construction, and electric-ready provisions for space and water heating. These features lead to lower resident costs, healthier spaces for residents, and more future readiness than most other certifications on the market. Incorporating these elements into affordable housing is critical for improving the health and resilience of more vulnerable populations. Adding ZERH as an option to earn incentive points under Section F is a simple way to motivate developers to create high-performance affordable housing.

If North Carolina offers incentive points for ZERH in its 2025 QAP, it will open the gateway to additional funding sources associated with ZERH that can be incorporated into an affordable project's capital stack. Under the Inflation Reduction Act, [ZERH projects can earn \\$5,000 per certified dwelling unit](#) with the 45L tax credit, and additional incentives and financing options are available for many of the energy efficient technologies the program includes. These incentives and tax credits can be paired with Low-Income Housing Tax Credits to decrease the cost of construction at a time when development costs are historically high.

The ZERH program publishes many free resources online, including free training and technical support for builders and developers to help them successfully earn ZERH certification. We would be happy to provide more information on the DOE Zero Energy Ready Home program and discuss how a dozen states already leverage it within their affordable housing programs.

In closing, we encourage you to consider adding DOE's Zero Energy Ready Home program to North Carolina's 2025 QAP to support the state's residential green building goals.

Sincerely,

Jaime Van Mourik, DOE Zero Energy Ready Home Program Director • [www.buildings.energy.gov/zero](http://www.buildings.energy.gov/zero)