



TESTIMONY BEING SUBMITTED BY THE ALLIANCE TO SAVE ENERGY AND PARTNERS
PREPARED FOR THE SUBCOMMITTEE ON INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
IN SUPPORT OF FY'23 ENVIRONMENTAL PROTECTION AGENCY FUNDING – ENERGY STAR

We the undersigned coalition of businesses, trade associations, and environmental, and energy efficiency advocates, write in support of increasing the Environmental Protection Agency's (EPA) ENERGY STAR budget for FY 2023 to \$80 million. ENERGY STAR is a highly successful public-private partnership program that delivers tremendous impact in addressing climate change and generating consumer energy savings on what can only be described as a less than minimal budget of \$33.9 million. Despite its bipartisan reputation as a cost-effective and high-impact program, ENERGY STAR has nonetheless been subject to declining funding in recent years.

Our request to effectively double ENERGY STAR's budget to \$80 million reflects the urgency to address climate change to avoid far larger public costs and to help mitigate the exorbitant prices consumers and businesses pay for energy today. According to the EPA's FY 2023 budget justification, in 2019 alone, ENERGY STAR helped American families and businesses save nearly 500 billion kilowatt-hours of electricity and avoid \$39 billion in energy costs.¹ This resulted in emission reductions of nearly 390 million metric tons of GHGs– equivalent to roughly 5% of U.S. GHG emissions. This reduction is additionally estimated to result in \$7 billion to \$17 billion in public health benefits.² Since the program began in 1992, it has accounted for more than 4 billion metric tons of GHG reductions and avoided over \$500 billion in energy costs.³ Additionally, the production of ENERGY STAR products supports 700,000 jobs in our economy– roughly 35% of an estimated 2.1 million U.S. energy efficiency jobs in 2020, aligning with President Biden's American Jobs Plan.⁴

Despite the program's success, ENERGY STAR has seen its funding steadily decline from a high of nearly \$54 million over a decade ago to \$33.9 million today. If we were to simply adjust for inflation, ENERGY STAR would have a budget of approximately \$68 million in today's dollars versus a decade ago. Moreover, as the program's budget has decreased, the expenses necessary to effectively carryout ENERGY STAR's function have increased, including but not limited to personnel costs; IT and data to meet program growth in addition to needed cybersecurity requirements; program integrity and certifications; maintaining and upgrading the ENERGY STAR Portfolio Manager which plays an increasingly important role for benchmarking and building performance standards; and product expansion in response to the climate urgency. The steady decrease in funding priority has greatly restricted ENERGY STAR's ability to keep up with fast-changing markets and to expand the program's

¹ [fy-2023-congressional-justification-all-tabs.pdf \(epa.gov\)](#) (see ENERGY STAR impact report 2020 for updated numbers: 520 billion kilowatt-hours of electricity and avoid \$42 billion in energy costs).

² [/d.](#)

³ <https://www.energystar.gov/about>.

⁴ https://www.energystar.gov/about/origins_mission/impacts.

reach in sectors where large untapped energy savings are achievable, including low-to-moderate income, disadvantaged, and tribal communities.

According to the International Energy Agency (IEA), getting to “net zero by 2050 hinges on a global push to increase energy efficiency.”⁵ Together with broad bipartisan support and nationwide brand recognition above 90%, ENERGY STAR is an important and impactful tool to address climate change.⁶ If we are to meet the current challenges before us and increase our efforts to mitigate climate change, increasing the ENERGY STAR budget is necessary.

Thank you for your leadership on these important issues, and we look forward to working together to strengthen the ENERGY STAR program. If you have any questions or need additional information, please contact Vincent Barnes (vbarnes@ase.org) or Olivia Leos (oleos@ase.org) with the Alliance to Save Energy.

Sincerely,

A. O. Smith Corporation

Acuity Brands

Alliance to Save Energy

American Council for an Energy Efficient Economy

American Institute of Architects

Association of Energy Engineers

Building Performance Coalition

Business Council for Sustainable Energy

California Energy Commission

Carrier Global Corporation

DuPont

E4TheFuture

Federal Performance Contracting Coalition

⁵ <https://www.iea.org/articles/net-zero-by-2050-hinges-on-a-global-push-to-increase-energy-efficiency>.

⁶ <https://www.energystar.gov/about/>.

Google
Illuminating Engineering Society
Institute for Market Transformation
International Copper Association
Knauf Insulation
Large Public Power Council
Lutron Electronics
Metrus Energy
Midwest Energy Efficiency Alliance
National Association of Energy Service Companies
Natural Resource Defense Council
Polyisocyanurate Insulation Manufacturers Association
Sacramento Municipal Utility District
Seattle City Light
Signify North America Corporation
Snohomish PUD
Southeast Energy Efficiency Alliance
U.S. Green Building Council
Uplight
Watsco, Inc