Organization Submitting Testimony: Alliance to Save Energy
Appropriations Subcommittee: Energy and Water Development
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OUTSIDE WITNESS TESTIMONY OF
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BEFORE THE
U.S. SENATE
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT,
AND RELATED AGENCIES

FISCAL YEAR 2020 APPROPRIATIONS
DEPARTMENT OF ENERGY
OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY

APRIL 26, 2019

Thank you for the opportunity to provide testimony today in support of Fiscal Year (FY) 2020 appropriations for critical energy efficiency programs administered by the U.S. Department of Energy (DOE) Office of Energy Efficiency and Renewable Energy (EERE).

The Alliance to Save Energy is a non-profit, bipartisan coalition of business, government, environmental, and consumer-interest leaders that advocates for enhanced U.S. energy productivity to achieve economic growth; a cleaner environment; and greater energy security, affordability, and reliability. The Alliance enjoys the participation of nearly 130 businesses and organizations that collectively represent at least $615 billion in market capital. The Alliance was founded in 1977 by Sens. Charles Percy (R-Ill.) and Hubert Humphrey (D-Minn.), and today has 14 members of Congress serving on an Honorary Board of Advisers.

Energy efficiency is our country's greatest energy resource – creating jobs, stimulating economic activity, enhancing energy security, lowering harmful emissions, and improving U.S. competitiveness in global markets. Without the gains in energy efficiency made since 1973, the U.S. economy would today require about two-thirds more energy than we currently consume. Thanks in part to federal energy efficiency programs, including those managed by EERE, the U.S. today generates twice as much gross domestic product (GDP) from each unit of energy we consume when compared to 1980.[1]

[1] In 1980, the U.S. consumed about 78 quads (quadrillion British thermal units (BTUs)) while GDP was $6.4 trillion, which produces an energy productivity ratio of 82.6. This compares to energy productivity of 176.4 in 2017 (i.e., 96.8 quads and GDP of $17 trillion). Energy consumption data is from the Energy Information Administration. GDP (real dollars, 2009) is provided by the Bureau of Economic Analysis.

As energy efficiency has increased, so have stable, good paying jobs. More than 2.3 million American workers design, manufacture, install, and repair the devices, appliances, equipment and buildings that deliver cost-effective savings, representing one-third of the entire energy-related workforce. In fact, members of the Energy and Water Development Subcommittee – including Alliance Honorary Advisors Chairman Alexander and Senators Collins, Murkowski, Shaheen, and Coons – represent about 750,000 Americans employed in whole or in part in the energy efficiency sector (see Table 1).[2]

Table 1. Energy Efficiency Sector Jobs in Districts Represented by Subcommittee Members

Member	State/Dist.	Jobs	Member	State/Dist.	Jobs
Lamar Alexander *Chairman*	Tenn.	53,006	Dianne Feinstein *Ranking Member*	Calif.	318,542
Mitch McConnell	Ky.	25,530	Patty Murray	Wash.	63,877
Richard Shelby	Ala.	30,821	John Tester	Mont.	8,673
Susan Collins	Maine	8,647	Dick Durbin	Ill.	89,469
Lisa Murkowski	Alaska	4,617	Tom Udall	N.M.	5,636
Lindsey Graham	S.C.	29,984	Jeanne Shaheen	N.H.	11,733
John Hoeven	N.D.	5,425	Jeff Merkley	Ore.	42,547
John Kennedy	La.	22,152	Chris Coons	Del.	12,514
Cindy Hyde-Smith	Miss.	15,403			
Total Energy Efficiency Sector Jobs: 748,576					

The contributions of federal energy efficiency programs to the long history of economic, environmental and security benefits to our country are difficult to overstate. Notwithstanding the tremendous gains already made, the opportunities to continue to drive cost-effective energy efficiency improvements remain within reach. Therefore, the Alliance respectfully urges your support for FY2020 appropriations at or above current levels for the following EERE programs:

- **Building Technologies Office**
  - **The Alliance recommends $268 million for the Building Technologies Office (BTO).**
  - BTO develops critical technologies, tools, and solutions that help homeowners and businesses achieve peak energy performance in residential and commercial buildings, respectively. BTO programs are extremely cost-effective. For example, an average U.S. household saves about $500 each year because of minimum energy efficiency standards.[3] Where states and localities have adopted updated building energy codes that

[2] National Association of State Energy Officials (NASEO) and Energy Futures Initiative (EFI), "Energy Employment By State – 2019," March 2019, https://www.usenergyjobs.org. Last accessed April 18, 2019.
[3] Appliance Standards Awareness Project, "Energy-Savings States of America: How Every State Benefits from National Appliance Standards," February 2017, https://appliance-standards.org/document/white-paper-overview. Last accessed April 10, 2019.

have been certified by DOE, homeowners realize net savings within one to two years of buying a new home.

- **Advanced Manufacturing Office**
  - **The Alliance recommends $320 million for the Advanced Manufacturing Office (AMO).**
  - AMO enables the research, development, demonstration, and deployment of industrial efficiency and clean energy manufacturing technologies. The Subcommittee's continued strong support for AMO and the deployment of energy efficient manufacturing technologies and practices will help keep the U.S. a global industrial leader.

- **Federal Energy Management Program**
  - **The Alliance recommends $36 million for the Federal Energy Management Program (FEMP), $9 million of which will go directly to the Assisting Federal Facilities with Energy Conservation Technologies (AFFECT) program.**
  - With moderate funding, FEMP supports all agencies of the Federal government in their quest to save energy and money for the American taxpayer while improving agency infrastructure and addressing deferred maintenance. FEMP is at the forefront of efforts to improve federal building energy performance, which is accomplished in part by accessing and leveraging private capital in performance contracts. The additional private capital has been used to finance hundreds of projects across two dozen agencies, creating 30,000 jobs and reducing energy outlays by $8 billion over the next 18 years.

- **Weatherization and Intergovernmental Programs**
  - **The Alliance recommends $340 million, and within this account, the Alliance requests $270 million for the Weatherization Assistance Program and $70 million for the State Energy Program.**
  - WAP has helped over seven million low-income families, seniors and individuals with disabilities make lasting energy efficiency improvements to their homes. A typical year in WAP operations delivers $340 million in energy savings, supports 8,500 jobs and has a program-wide benefit cost ratio of 4:1; increasing funding would deliver even greater returns for taxpayers.
  - SEP supports state efforts to develop clean energy projects and to build capacity for programs and project management and financing. Studies show a direct savings on energy bills of $7 for every dollar of federal investment, and every $50 million in SEP delivers results of $585 million in benefits. SEP represents a sound investment for taxpayers.

- **Vehicle Technologies Program**
  - **The Alliance recommends $344 million for the Vehicle Technologies Office (VTO).**

- VTO promotes advanced efficiency technologies for light- and heavy-duty vehicles and overall transportation system efficiency. Innovative programs such as SuperTruck, Energy Efficient Mobility Systems, and Advanced Engine and Fuel Technologies play a crucial role in achieving U.S. leadership in the rapidly emerging areas of advanced clean vehicles and sustainable mobility. VTO's Battery and Electrification Technologies R&D programs have helped drive electric vehicle costs down faster than anticipated and contribute to the AMO's Clean Energy Manufacturing Initiative.

- **Strategic Programs**
  - **The Alliance recommends an increase of $5 million for the establishment of a Performance Based Contract National Resource Collaborative.**
  - The Collaborative should be managed by Strategic Programs but be a joint development between the Federal Energy Management Program (FEMP) and the Office of Weatherization and Intergovernmental Programs (OWIP). The Collaborative will provide technical and financial expertise to State and local government users that will enable the expansion of performance-based contracts nationwide.

- **Energy Information Administration**
  - **The Alliance recommends $135 million for the Energy Information Administration (EIA).**
  - EIA provides world-class data collection, analysis and reporting activities on energy usage that is used and relied upon by businesses and institutions across the country and around the world. The U.S. is in the midst of transition to a modern integrated energy sector that makes EIA's work more important than ever before. EIA requires additional resources and tools to keep up with the fast-paced changes in the energy sector.

The Alliances also encourages the Energy and Water Development Subcommittee to once again include direction to DOE to obligate funds consistent with Congressional intent and in a timely manner and direct DOE to maintain a comprehensive approach that includes early, middle, and late-stage research, development, deployment, and demonstration activities. Continued DOE involvement throughout this process is critical to delivering innovative advanced energy technologies, practices, and information to American consumers.

The Alliance appreciates the continued support of the Energy and Water Development Subcommittee for DOE energy efficiency programs. These programs are critical to ensuring the long-term preeminence in clean energy research, development, and deployment. Funding at the levels recommended by the Alliance would provide DOE with the resources it needs to carry out the mission of EERE, which is "to create and sustain American leadership in the transition to a global clean energy economy." The Alliance endorses that mission and sees even more potential for EERE to develop and deploy even greater energy efficiency to lead the way to – and lower the costs of – a modern and dynamic energy sector.

Thank you for your consideration.