

Letter of Support for Programmatic Funding and Report Language for Department of Energy's Office of Energy Efficiency and Renewable Energy (EERE)

March 30, 2020

The Honorable Marcy Kaptur
Chairman
Subcommittee on Energy and Water
Development
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Mike Simpson
Ranking Member
Subcommittee on Energy and Water
Development
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U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Kaptur and Ranking Member Simpson:

On behalf of the undersigned organizations, we are writing in support of critical energy efficiency programs administered by the U.S. Department of Energy (DOE) in Fiscal Year (FY) 2021. These programs return benefits and savings to American homeowners, consumers, and businesses many times greater than the public's investment. Furthermore, these programs, often through public-private partnerships, have helped develop an energy efficiency sector that accounts for over 2.3 million jobs. We urge you to support robust funding and ensure that these programs have the resources necessary to continue contributing to improved energy efficiency in our nation's buildings and infrastructure and increased economic and energy productivity.

Energy efficiency is our nation's most abundant energy resource. Without the gains in energy efficiency made since 1980, the U.S. economy would today require two-thirds more energy than we currently consume. In fact, according to the American Council for an Energy Efficient Economy, the cumulative savings from energy efficiency since 1980 reduced our national energy bills in 2014 by about \$800 billion. The importance of the DOE in research, technical assistance, and market integration efforts that have driven gains in energy efficiency cannot be overstated. DOE energy efficiency programs provide exceptional value to American consumers and businesses, yielding benefits that far outweigh the relatively nominal outlays appropriated by Congress.

Our request directs 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. To carry out this important work, it is imperative for DOE to continue to build and maintain a capable and committed agency workforce. Our funding request is an explicit acknowledgement of the success of DOE staff to date and a demand for adequate human resources to continue to deliver benefits to American taxpayers according to the deadlines established by Congress.

We respectfully request FY2021 funding for the following DOE programs, as summarized below:

Buildings Technologies (BTO): At least \$300 million to develop innovative, cost-effective technologies, tools, and solutions that help U.S. homeowners, consumers, and businesses

achieve peak energy efficiency performance in their buildings across all sectors of our economy. Within this account, we request funding allocations for the following priorities, including at least \$55 million for CBI, \$44 million for RBI, and \$75 million for Equipment and Building Standards (of that, \$25 million for Building Energy Code Program).

BTO's goal is to reduce the energy use intensity of U.S. buildings by 30% by 2030, relative to 2010. Within this account, robust funding is needed for:

- Emerging Technologies (ET): The program enables cost-effective, energy-efficient technologies to be developed and introduced into the marketplace. ET funds and directs applied research and development (R&D) for technologies and tools that support building energy efficiency.
- Residential Buildings Integration (RBI): At least \$44 million. DOE collaborates with the residential building industry to improve the energy efficiency of both new and existing homes. RBI has partnerships with thousands of small businesses in this sector, the construction trades, equipment manufacturers, smart grid technology and systems suppliers, integrators, and state and local governments. By developing, demonstrating, and deploying cost-effective solutions, the program aims to reduce by 2025 the energy use for space conditioning and water heating in single-family homes by 40% from 2010 levels.
- Commercial Building Integration (CBI): At least \$55 million. The program's research, development, and evaluation helps advance a range of innovative building technologies and solutions, paving the way for high performing buildings that could use between 50% and 70% less energy than typical buildings. CBI works with industry, small businesses, academia, the national labs, and other entities to advance energy efficiency solutions and technologies for commercial buildings.
- Efficiency Standards, Building Codes, and Test Procedures: At least \$75 million, including at least \$25 million for Building Energy Codes Program. DOE is responsible for setting minimum energy efficiency standards for appliances, equipment, and lighting to ensure new models continue to make progress on efficiency as technology matures as well as updating test procedures to reflect product improvements, particularly Internet connectivity. DOE plays an important support and technical assistance role in the development and implementation of building energy codes, which are adopted by states and local governments, for residential and commercial construction that reflect developments in building energy efficiency—and “lock in” savings for the life of the building.

Advanced Manufacturing Office (AMO): At least \$395 million to enable the research, development, demonstration and deployment of industrial energy efficiency and advanced manufacturing technologies. These technologies will keep U.S. companies competitive in international markets and enable them to retain and continue to expand employment opportunities in local economies. AMO is a key component of many public-private partnerships that leverage federal investment in high-performance computing, advanced materials, and smart manufacturing. Transfer of these technologies to the private sector is

critically important to sustained international competitiveness of the nation's small and mid-size manufacturers. We support funding for the Clean Energy Manufacturing Innovation Institutes, Industrial Assessment Centers, Combined Heat and Power Technical Assistance Partnerships, research with a focus on industrial decarbonization and on catalyzing industry-government research partnerships, and the deployment of energy efficient manufacturing technologies and practices, such as smart manufacturing.

Federal Energy Management Program (FEMP): At least \$44 million. \$28 million for the base program to provide project and policy expertise to all federal agencies. With minimal 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. We additionally support **\$14 million in funding for the (Assisting Federal Facilities with Energy Conservation Technologies) AFFECT program and \$2 million to support the Performance Based Contract National Resource Initiative within FEMP.**

Weatherization (WAP) and State Energy Program (SEP): At least \$400 million, and within this account, we request funding allocations for the following priorities, including \$310 million for the Weatherization Assistance Program and \$90 million for the State Energy Program. R&D investments will continue to make emerging technologies cheaper and more accessible, but DOE's Weatherization Assistance Program is particularly important for bringing energy efficiency to communities that need it. According to the Energy Information Administration, over 25 million American households report foregoing food or medicine to pay energy costs, while over 12 million households report being unable to use their heating or cooling equipment. Since 1976, WAP has helped make more than 7.4 million homes more efficient, saving the average recipient about \$4,200 over the lifetime of their home. Each WAP dollar produces \$4.50 in benefits, including energy savings as well as improved health and safety. The WAP also helps workers and small businesses, directly supporting more than 8,500 jobs and supporting thousands more in related industries. SEP leverages over \$10 for every federal dollar invested and saves over \$7 for every federal dollar invested. In addition to energy efficiency and renewable energy programs, SEP is critical for dealing with cyber security and energy emergency preparedness and response.

Vehicle Technologies Program: At least \$410 million to pursue advanced efficiency technologies for light- and heavy-duty vehicles and transportation system efficiency. The program supports research, development (R&D), and deployment of efficient and sustainable transportation technologies that will improve energy efficiency, fuel economy, and enable America to use less petroleum. These technologies, which include advanced batteries and electric drive systems, lightweight materials, advanced combustion engines, alternative fuels, as well as energy efficient mobility systems, will increase America's energy security, economic vitality, and quality of life.

U.S. Energy & Employment Report (USEER): \$2 million for the Office of Policy to complete a U.S. energy employment report that includes a comprehensive statistical survey to collect data, publish the data and provide a summary report. The information collected will include data related to employment figures and demographics in the US energy sector. The report presents a unique snapshot of energy efficiency employment in key sectors of the economy, including construction and manufacturing.

Energy Information Administration: \$135 million to continue important data collection, analysis, and reporting activities on energy use and consumption including the Commercial Buildings Energy Consumption Survey and the Residential Buildings Energy Consumption Survey. Additional data is also needed on LEDs (light-emitting diode bulbs and fixtures), commercial building codes, and transmission.

We also encourage you 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. Specifically, in the Direction on Research and Development Activities section of the Department of Energy Title, we request the addition of the following language:

“The budget request proposes a focus by the Department on early-stage research and development activities at the expense of later-stage research and development, field validation, deployment, demonstration, consumer education and technical assistance. The Committee restates that such a limited approach will not successfully integrate the results of early-stage research and development into the U.S. energy system and thus will not adequately deliver innovative advanced energy technologies, practices, and information to American consumers and companies. The Committee recommends funding to support a comprehensive strategy that includes mid- and later-stage research, development, demonstration and deployment; and other approaches, and the Committee directs the Department to aggressively implement mid- and late-stage research and development activities to spur further innovation in the market. The Committee restates its concerns about how the Department is deploying funds and staff resources appropriated in previous fiscal years and directs the Department to implement activities as directed in a timely manner and for EERE leadership to meet no less than quarterly with Committee staff to provide a status report on activities, including filling vacancies at EERE.”

The U.S. is in the midst of a transition to a truly modern, integrated power grid and dynamic energy sector. DOE energy efficiency programs will be a critical driver and catalyst for new technology and innovation during this important time. As we invest in and upgrade to an energy efficient infrastructure worthy of the 21st Century, Congress should provide the DOE the resources it needs to ensure that we build cost-effectively and energy- and water-efficiently – to avoid creating waste in the first place. We urge the Subcommittee to support these important energy efficiency programs at DOE in FY2021.

Thank you for your consideration of our request.

Sincerely,

Advanced Energy Economy
Alliance to Save Energy
Ameresco
American Council for an Energy-Efficient Economy
ASHRAE
Building Performance Association
Building Performance Institute
Chelan County PUD
Combined Heat and Power Alliance
Eaton
E4TheFuture
Environmental and Energy Study Institute
Federal Performance Contracting Coalition
International Association of Lighting Designers
Institute for Market Transformation
International Code Council
Metrus Energy
Midwest Energy Efficiency Alliance
National Association for State Community Services Programs
National Association of Energy Service Companies
National Association of State Energy Officials
Natural Resources Defense Council
Pearl Certification
Polyisocyanurate Insulation Manufacturers Association
Signify
U.S. Green Building Council