

LOTSIXTEEN

Committee: House Energy & Commerce Subcommittee on Energy

Event: Appliance and Building Policies: Restoring the American Dream of Home

Ownership & Consumer Choice

Date: September 16, 2025

Time: 10:15 AM

Place: 2123 Rayburn House Office Building

Member Toplines:

<u>Chair Bob Latta (R-OH-02)</u>: Latta emphasized that the Subcommittee will discuss legislation that would restore consumer choice, mitigate added costs, and enact needed statutory reforms, particularly via the Don't Mess With Our Home Appliances Act (H.R. 4626).

Ranking Member Kathy Castor (D-FL-14)¹: Castor noted that Republicans have done nothing to lower energy costs; instead, electricity prices have increased by 10 percent this year. She asserted that cost of living challenges have been exacerbated by the Trump administration's actions and the passage of the *One Big Beautiful Bill Act* (OBBBA), reiterating her talking points from last week's hearing. Castor expressed her support for the Weatherization Enhancement & Readiness Act of 2025 (H.R. 1355).

<u>Full Committee Chair Brett Guthrie (R-KY-02)</u>: Guthrie took issue with gas bans and heightened appliance standards, which he asserted has led to increased costs. He defended the right to "energy choice" and noted that increased energy demand will lead to cost strain. He emphasized the importance of both an "all-of-the-above," abundance approach to both energy and homebuilding, arguing that subsidies have distorted non-dispatchable power prices, while regulations and associated costs are barriers to building new homes.

Full Committee Ranking Member Pallone (D-NJ-06): Pallone stated that Republicans are doubling down on partisan energy bills that will drive up energy costs. He noted that Republicans have hindered cheaper, faster, cleaner energy from being added to the grid, citing the passage of OBBBA. He noted that energy efficiency is key to lowering energy use and minimizing grid strain, and that these bills work against improved efficiency. He stated that these bills will instead increase household costs. Pallone reiterated Castor's support for the weatherization funding bill.

Panel One:

Jeff Novak, Acting General Counsel & Principal Deputy General Counsel, Department of Energy:

Novak stated that he has been in his current role for three months. He expressed his support for energy choice, citing cost savings associated with gas powered technology, such as water heaters and furnaces. He provided an overview of the bills, expressing his support for the change within the Don't Mess With Our Home Appliances Act that makes the bill text fuel

¹ Ranking Member Castor's opening statement was not available online at the time of this memo's composition.

neutral. He concluded that the Department of Energy (DOE) welcomes the opportunity to provide technical assistance on the bills.

DOE Programming & Cuts

- Latta noted that the DOE still has not completed its effectiveness analysis of the
 weatherization program, nor has it conducted a full assessment of the program itself
 since 2014. Latta asked about the status of both. Novak stated that he would take
 questions back to the staff.
- Castor noted that the DOE Climate Working Group was handpicked, produced a biased, error ridden draft report, and did not issue public notice for its meetings. She asked if this was in violation of the *Federal Advisory Committee Act*. Novak answered no
- Rep. Jennifer McClellan (D-VA-04) asked if the DOE illegally moved funds from the Building & Technologies Office, violating Congress' appropriations. Novak stated he would take the guestion back.
 - Rep. Doris Matsui (D-CA-07) noted that 78 percent of wind energy funding was illegally reallocated. Novak was unable to comment and offered to take the question back.
- Rep. **Diana Degette** (D-CO-01) stated that Secretary Chris Wright proposed a 74 percent budget cut to the Office of Energy Efficiency & Renewable Energy. Novak said he was unfamiliar; Degette offered to make him a copy of the proposed budget.
- Rep. Paul Tonko (D-NY-20) asked about delays in states receiving approvals and federal funds for their respective energy programs. Novak was unable to provide an update.
 - Tonko also flagged the dismissal of personnel, many of whom reviewed these plans. Novak offered to investigate how these programs would be staffed.
 - Novak was also unable to provide details on implementation guidance for the Weatherization Readiness Fund.
- Rep. Lizzie Fletcher (D-TX-07) reiterated that the DOE is illegally blocking Office of Clean Energy Demonstration (OCED) funding, citing work on carbon capture and hydrogen that has been impacted, including Orsted's clean methanol project. She asked who terminated these 24 projects and why. Novak was unable to provide details, but replied that the leader of OCED signed off on termination.
- Rep. Jake Auchincloss (D-MA-04) asked for the status of the Loans Program Office and asked for answers on staffing. Novak answered that it is resourced and agreed to supply that information.

EPCA & Appliance Standards

- Latta asked Novak if dishwasher buyers should pay a higher price to offset the cost of social carbon. He answered no, attesting to the value of consumer choice and innovation.
- Guthrie asked if the DOE is ensuring that standards lead to true efficiency improvements and cost savings; Novak answered yes. On the six year lookback, Novak stated that both six and two year lookbacks are challenging for staff and he invites technical assistance in satisfying related requirements.

- Pallone asked why the DOE decided to weaken 17 regulations, violating Section 342 of the Energy Policy & Conservation Act (EPCA). Novak said he would take it back for the record.
- Rep. Rick Allen (R-GA-12) spoke about the cost incursion of air conditioning replacements. Both he and Rep. John Joyce (R-PA-13) had Novak speak about the six year lookback and proposed changes, as well as the bill's mandated three year payback period. Novak attested to the value of a shorter payback period. He was unable to answer if the DOE is prioritizing consumer savings in the rule making process
- Rep. Troy Balderson (R-OH-12) asked if the previous administration's standards were feasible and economically justified; Novak said he would take it back to the record and underscored that the agency is refocusing on utility and consumer benefits.
- Both Reps. August Pfluger (R-TX-11) and Craig Goldman (R-TX-12) asked how the DOE determines if a proposed standard is worthy with minimal cost savings. Novak said he would take the question back to the staff that assess standards.
- Rep. **Diana Harshbarger** (R-TN-01) said that she heard from manufacturers in the district that they're struggling to comply with energy efficiency standards, particularly as the previous administration changed their testing standard. She asked if there was an update on the process rule. Novak offered to take it back to the record.
- Rep. Mariannette Miller-Meeks (R-IA-01) returned to the landfill impacts of short appliance lifetimes. Novak replied that he does not believe lifetime analysis is incorporated into the assessment of products.
- Rep. Marc Veasey (D-TX-33) attested to the value of energy efficiency. He expressed
 concern at harms associated with limiting DOE regulatory authority, as well as potential
 Chinese capture of domestic market share with regulatory rollback. Novak agreed that
 manufacturers benefit from certainty and noted that there are diminishing energy
 efficiency returns with repeated regulations. He did not comment on competition with
 China.
- Rep. Julie Fedorchak (R-ND-AL) had Novak elaborate on the goals of EPCA standards.

Building Codes & Related Efficiency

- Rep. Randy Weber (R-TX-14) stated that the federal government is the largest energy consumer. He stated that only one agency, out of 27, met the energy and water use evaluation criteria for their buildings, meaning that taxpayer dollars are being wasted. He underscored the importance of passing the Federal Mechanical Insulation Act (H.R. 3474).
- DeGette asked Novak if he was aware that the average consumer wastes up to \$400 annually on their utility bills due to energy leaks; he answered no. She noted that the DOE found that the application of the 2024 International Energy Conservation Code (IECC) leads to a 6.6 percent reduction in energy costs. He was unfamiliar with the statistic and related energy savings, prompting DeGette to submit the study to the record.
- Rep. Erin Houchin (R-IN-09) noted that the DOE issued a request for information (RFI) on energy conservation standards for manufactured housing and worries that there will be compliance confusion for manufacturers. Novak stated that he would circle back with an RFI update.

Natural Gas vs. Renewables

- Republicans, including Latta, Guthrie, and Balderson, attested to the value of natural gas, particularly in terms of grid reliability. Novak replied that fewer choices increase grid strain and pointed to the value of collocation of natural gas with data centers.
 - Guthrie stressed his support for an affordable approach to all-of-the-above.
 - Pallone noted that Secretary Chris Wright and President Donald Trump are not supportive of renewables and have reemphasized fossil fuels.
- Castor attested to the value of battery storage and asked if gas exports would increase domestic energy prices. Novak stated that he is a lawyer, not a policymaker, and said he would take related questions back.
- Rep. Rob Menendez (D-NJ-08) asked Novak why the U.S. is abandoning renewables, allowing China to lead instead. He asked if the administration's attacks on offshore wind is retribution for the Obama administration's decision on the Keystone pipeline. Novak did not answer.
 - Rep. Gary Palmer (R-AL-06) pushed back that China is forcing renewable energy on their citizens "in order to preserve their fossil fuel assets" and pointed to China's leadership on small modular nuclear reactors. He expressed interest in building nuclear power near closed hydrocarbon power generation facilities.
 - Palmer noted that mineral refining is energy intensive and asked if it could be met with renewables. Novak initially nodded and then answered no.
- Rep. Scott Peters (D-CA-50) noted that Wright and Trump pulled permits for the Revolution Wind project off of the New England coast, which was 80 percent complete, had 45 out of 65 turbines completed, and supported 1,200 jobs. He asked why the permit was retracted. He noted that China has exceeded the U.S. in wind capacity not because they are climate activists, but because they recognize the importance of building out energy capacity. Peters emphasized that Trump must answer for his version of the Keystone pipeline cancellation.
 - Rep. Kim Schrier (D-WA-08) expressed concern at Revolution Wind's permit cancellation. Expanding on uncertainty, she also worries that the administration is backing away from the Hanford cleanup. Novak said he would take the question back.

Panel Two:

<u>George Lowe, Vice President of Governmental Affairs & Public Policy, American Gas</u>
<u>Association:</u> Lowe spoke about the value of using natural gas, attesting to its affordability. He stressed the importance of consumer choice.

Jennifer Cleary, Vice President of Regulatory Affairs, Association of Home Appliance

Manufacturers: Cleary provided an overview of covered appliances and appreciates the
attention to EPCA, stressing that an update is timely. She expressed support for the elimination
of the six year lookback, which has led to ongoing regulatory churn, regardless of whether true
efficiency and cost savings can be achieved. She stressed strengthening preemption,
empowering DOE authority, and improving runway & timelines for standard compliance.

<u>Brian Tebbenkamp, President & Owner, Patriot Homes, Inc.</u>: Tebbenkamp asserted that Kansas City officials were cornered into adopting the 2021 IECC, unamended, in order to access

federal funds. He reported that there was a significant decline in building permits after its adoption.

Andrew deLaski, Executive Director, Appliance Standards Awareness Project: DeLaski expressed his support for EPCA. He underscored that minimizing energy waste leads to cost savings. He cited that according to the DOE, energy efficiency standards have led to hundreds of dollars in household savings. He pushed back on preemption, advocating for state's rights, and ultimately pushed back on the Don't Mess with Our Home Appliances Act.

Major Takeaways:

Natural Gas vs. Renewables

- Latta asked if restrictions on natural gas decrease energy consumption. Lowe answered that it's just the opposite.
- Guthrie expressed concern at getting rid of gas stoves.
- Menendez noted that Texas, not a blue state, is reliant on clean energy. He expressed concern at the lack of business certainty, particularly with the pulling of offshore wind permits.

Cost Savings & Housing Resiliency

- Latta asked about local control over building codes. Tebbenkamp stated that he urges
 Congress to let builders build and for the federal government to defer to state and local
 governments in the adoption process.
- Castor attested to the value of energy efficiency and programs like Energy Star in saving homeowners money. She had deLaski elaborate on the value of distributed power plants in mitigating grid strain as load growth continues. He discussed the value of HVAC system management.
- Lowe explained the importance of tightening building envelopes in saving energy and later clarified that energy savings do not necessitate, nor equate to, electrification.
- Tebbenkamp explained that the 2021 IECC is a model code, meaning it can be altered at the state and local level.
- Auchincloss expressed concern that the Affordable Homes Act would repeal DOE's ability to establish energy standards for manufactured housing, vesting it solely in the Department of Housing & Urban Development.

EPCA Implications

- Latta asked about the implications of the six year lookback. Cleary said that the DOE is
 often on a time crunch and is unable to publish their regulations quickly enough,
 meaning the review period for one iteration of standards may begin before products hit
 the market.
- Castor asked if energy efficiency standards are shortening appliance lifetimes. DeLaski replied that it is not efficiency that is at fault.
- Guthrie asked if DOE's appliance standard program has a reasonable payback period.
 Cleary said it depends on the product category, noting that the Biden administration's microwave oven rule would have generated only 7 cents of savings a month, or less than a dollar a year.
- Menendez noted that tariffs have larger cost implications than appliance standards and spoke about the associated economic downturn over the past few months.

- Allen asked Cleary what EPCA reforms AHAM is seeking. Cleary explained that some products have gone through up to seven rounds of efficiency standard reevaluations and they are hoping to mitigate endless rulemaking. She also stressed strengthening federal preemption and empowering consumer choice.
- Allen raised issue with increased costs associated with efficiency improvements, pointing to furnaces, as well as his wife's love of gas stoves.
- Cleary emphasized that it is time to shift the focus from endless efficiency upgrades to meaningful upgrades and cost savings.
- Allen had Lowe discuss the value of the three year payback period.
- Balderson asked if past efficiency standards were cost effective; Cleary replied that she hopes that all future standards are justified for consumers.