# Congress of the United States

## Washington, DC 20515

April 15, 2024

The Honorable Chuck Fleischmann
Chair
House Appropriations Subcommittee on Energy and Water Development, and Related Agencies
2362-B Rayburn House Office Building
Washington, DC 20515

The Honorable Marcy Kaptur
Ranking Member
House Appropriations Subcommittee on Energy and Water Development, and Related Agencies
1036 Longworth House Office Building
Washington, DC 20515

Chair Fleischmann and Ranking Member Kaptur:

We are writing to express strong support for critical energy efficiency-related programs managed by the U.S. Department of Energy (DOE). Increasing investment in these programs can deliver significant emissions reductions, grow good-paying jobs in the clean energy sector, and put more money back in the pockets of hard working Americans.

Energy efficiency is our nation's most readily accessible strategy to increase access to low-cost energy for American families. Without the gains in energy efficiency made since 1980, the U.S. economy would today require two-thirds more energy than we currently consume. According to the American Council for an Energy-Efficient Economy, the cumulative savings from 1980 to 2018 to America's energy bills due to improved energy efficiency was more than $800 *billion*. Continued investment in energy efficiency programs can contribute to energy savings of more than $700 billion by 2050 and a 50% reduction in greenhouse gas emissions.[1]

Energy efficiency programs are also a major job producer. The U.S. energy efficiency workforce is comprised of over 2.2 million Americans, the largest share of the entire U.S. energy sector and more than all the jobs in clean and fossil energy generation combined.[2] Most of these jobs provide good compensation and cannot be shipped overseas, ensuring that future generations of Americans can pursue competitive careers in energy efficiency.

The importance of the DOE in research, technical assistance, deployment, infrastructure development, 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.
Specifically, we respectfully request FY 2025 funding for the following DOE programs, as summarized below:

**Buildings Technologies Office (BTO): $399 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, robust funding is needed for:

- Residential Buildings Integration (RBI): $91 million for DOE to collaborate with the residential building industry to improve the energy efficiency of both new and existing homes. RBI should continue to provide for residential grid-interactive efficient buildings (GEBs) activities and information sharing on associated technologies, costs, and benefits to position American companies to lead in this area. RBI develops critical technologies, tools, and solutions that help U.S. consumers and businesses achieve peak efficiency performance in residential buildings across the country. RBI's work supports workforce development and training and has partnerships with thousands of small businesses in this sector, the construction trades, equipment, smart grid technology and systems suppliers, integrators, and state and local governments. The integration research, demonstration, and market transformation activities of RBI are critical as we

[1] Nadel, S., and L. Ungar. 2019. Halfway There: Energy Efficiency Can Cut Energy Use and Greenhouse Gas Emissions in Half by 2050. Washington, DC: ACEEE. https://www.aceee.org/research-report/u1907
[2] E4TheFuture and E2. October 2023. Energy Efficiency Jobs in America – 2023. https://e4thefuture.org/wp-content/uploads/2023/10/Energy-Efficiency-Jobs-in-America-2023.pdf

transform America's new and existing residential buildings and work towards the Administration's goal of weatherizing 2 million homes.

- Commercial Building Integration (CBI): $91 million for the program's research, development, and evaluation help to 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 should continue to provide for commercial grid-interactive efficient buildings (GEBs) activities and information sharing on associated technologies, costs, and benefits to position American companies to lead in this area. CBI works with industry, small businesses, academia, the national labs, and other entities to advance energy efficiency solutions and technologies for commercial buildings. The program, which considers buildings as systems and as part of the electric grid, continues to be transformative in moving industry partners to embrace innovation.
- Efficiency Standards, Building Codes, and Test Procedures: $90 million for equipment and building standards, including $60 million for appliance standards and $30 million for the 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. While DOE has made progress recently, it must begin work on the next round of standards reviews to avoid falling behind on its legal deadlines. 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 new construction and renovations of residential and commercial buildings, that reflect developments in building energy efficiency and "lock in" savings for the life of the building. Education, training, and technical assistance have been woefully underfunded over the past several years and can be very impactful in assisting in codes adoption and effective implementation.
- Emerging Technologies (ET): $127 million for the program to enable 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, particularly electric technologies for a carbon free grid.

**Industrial Programs:**

- **$250 million for Advanced Materials and Manufacturing Technologies (AMMTO), within EERE to drive manufacturing innovation and decarbonization, particularly in material innovations and building the energy technology workforce.**
- **$400 million for Industrial Efficiency and Decarbonization (IEDO), within EERE to conduct work in energy and emission-intensive industries, crosscutting decarbonization efforts and workforce development.** The increase sought above the President's budget request is necessary to support additional high-impact, applied research, development, and pilot-scale technology validation and demonstration.
    - EERE should continue its efforts promoting energy efficiency, decarbonizing manufacturing processes, and reducing the embodied carbon in manufactured products. Additionally, as EERE continues to build its staffing, the Office should focus on adding expertise in important decarbonization technology areas identified in its research road mapping.
    - Industrial Electrification: Report on the future electricity needs of the industrial sector and work with National Labs and relevant stakeholders to develop electrification pathways that would meet industry and clean energy goals while preserving affordable electricity rates for consumers and grid reliability.
    - Smart Manufacturing: Support the development and adoption of smart manufacturing practices directed toward small and medium-sized manufacturers. This includes but is not limited to, expanded funding for the Clean Energy Smart Manufacturing Innovative Institute (CESMII) to increase educational and technical assistance activities directed toward smart manufacturing adoption and MESC's State Manufacturing Leadership Program.
    - Industrial Process Heating Decarbonization: Continued research, development, and deployment by EERE within the Industrial Heatshot to promote the adoption of technologies that can dramatically reduce the GHG emissions from process heating applications.
    - Flex Tech: Establishment of a Flex-Tech program that provides grants to states and tribal governments partnered with educational institutions and trade associations to provide energy and

greenhouse gas reduction assessments and loans to implement identified measures at small and medium-sized manufacturers.

- **Office of Manufacturing and Energy Supply Chains (MESC): Consistent with the President's budget request, at least $113.35 million for strengthening and securing manufacturing and energy supply chains needed to modernize the nation's energy infrastructure and support a clean and equitable energy transition.** Discrete funding for a new MESC account should be provided and accounted for outside the EERE account to support strengthening MESC's overall performance, organization, budget, operations, human capital, and project management as the office works to support its mission.
- **Office of Clean Energy Demonstrations (OCED): Consistent with the President's budget request, at least $180 million to deliver clean energy demonstration projects at scale in partnership with the private sector to accelerate deployment, market adoption, and the equitable transition to a decarbonized energy system. Within this funding, not less than $80 million should be provided for program direction.** At current levels, OCED will deplete available IIJA, IRA, and annual appropriations-provided program direction funding before the end of existing portfolio execution. If that happens, it could significantly jeopardize OCED's ability to provide proper project management oversight to ensure the proper execution of OCED's demonstration projects.

**Federal Energy Management Program (FEMP): At least $70 million to provide project and policy expertise to all federal agencies, including not less than $20 million for DOE to continue its work through the Assisting Federal Facilities with Energy Conservation Technologies (AFFECT) program under the Federal Energy Efficiency Fund and $2 million for the Performance Based Contract National Resource Initiative (PCNRC).** With minimal funding, FEMP supports all agencies of the Federal government in their mission 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. FEMP's work has attracted private capital used to finance over 445 projects across two dozen agencies and resulted in approximately $8 billion in investments in federal energy efficiency and renewable energy improvements. These improvements have generated approximately $18 billion in cumulative energy cost savings for the federal government.
Specified funding for AFFECT has been provided in prior fiscal years to provide small grants to federal agencies to help achieve energy savings and resilience goals. These grants are then leveraged through performance contracts, allowing agencies to utilize private finance to complete innovative and comprehensive energy and water conservation projects not otherwise be possible. The Performance Contracting National Resource Center (PCNRC) is a hub for best practices and solutions for performance Contracts implemented in the federal and MUSH (i.e., municipalities and state governments, universities and colleges, K-12 schools, and hospitals) markets.

**We recommend $40 million for the Office of State and Community Energy Programs (SCEP) for Program Direction, the amount requested in the President's budget, to support successful implementation and oversight of the Office's programs such as WAP and SEP noted below.**

**Weatherization Assistance Program (WAP): At least $442 million is recommended for WAP, including $375 million for the base Program, $15 million for training and technical assistance, and $52 million for the Weatherization Readiness Fund.** R&D investments will continue to make emerging technologies cheaper and more accessible, but DOE's WAP is particularly important for bringing energy efficiency to communities and families that need it most. According to the Energy Information Administration, over 25 million American households report forgoing 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 8 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. Federal weatherization assistance also helps workers and small businesses, directly supporting more than 8,500 jobs and supporting thousands more in related industries.

**State Energy Program (SEP)**: **At least $90 million is recommended for SEP grants**. The Department is directed not to utilize funds from the State Energy Program appropriation, either from annual appropriations or IIJA or IRA funds for technical assistance. 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. SEP is extremely flexible and is the basis for a variety of partnership programs.

**U.S. Energy & Employment Report (USEER): $2 million for the Office of Policy to complete the annual 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 U.S. 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 (EIA): $157 million to continue important data collection, analysis, and reporting activities on energy use and consumption including the Commercial Buildings Energy Consumption Survey (CBECS), the Residential Energy Consumption Survey (RECS), and the Manufacturing Energy Consumption Survey (MECS).** Sec. 40413 of the Bipartisan Infrastructure Law requires but does not provide funding for EIA to expand data collection for the CBECS, RECS, and MECS. We strongly support increased funding for these activities, which are foundational for improving the energy efficiency of sectors that account for more than two-thirds of U.S. energy consumption. The Energy Information Administration account should provide $5 million in new funding to implement these activities.

Additionally, to prevent delays and maintain bipartisan support for FY 2025 appropriations, we oppose the inclusion of any controversial policy riders that may hinder the regular order of the appropriations process. Thank you for your consideration of our request.

Sincerely,

Lisa Blunt Rochester
Member of Congress

Doris Matsui
Member of Congress

Paul D. Tonko
Member of Congress

Chellie Pingree
Member of Congress

Steve Cohen
Member of Congress

Sharice L. Davids
Member of Congress

Jimmy Panetta
Member of Congress

Seth Moulton
Member of Congress

Danny K. Davis
Member of Congress

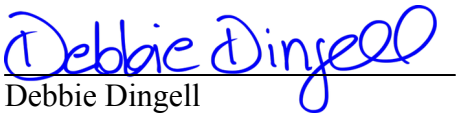
James P. McGovern
Member of Congress

Jahana Hayes
Member of Congress

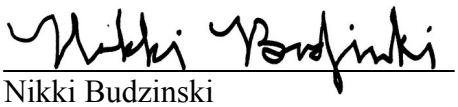
Nanette Diaz Barragán
Member of Congress

Jerrold Nadler
Member of Congress

Yvette D. Clarke
Member of Congress



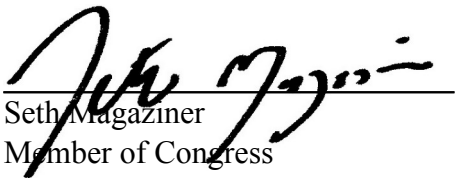
Debbie Dingell
Member of Congress



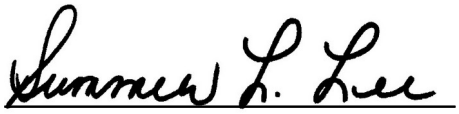
Nikki Budzinski
Member of Congress



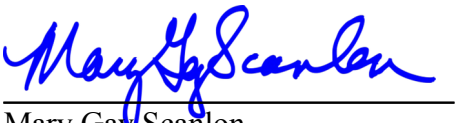
Jason Crow
Member of Congress



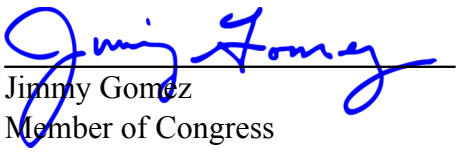
Seth Magaziner
Member of Congress



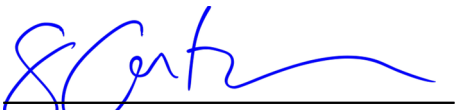
Summer Lee
Member of Congress



Mary Gay Scanlon
Member of Congress



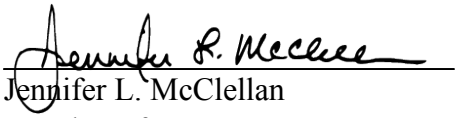
Jimmy Gomez
Member of Congress



Sean Casten
Member of Congress



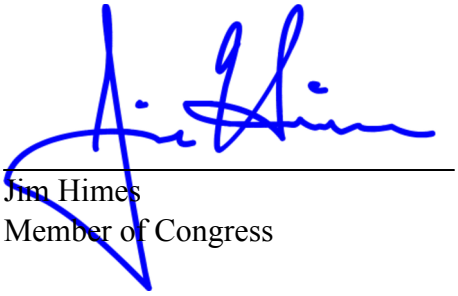
Mary Sattler Peltola
Member of Congress



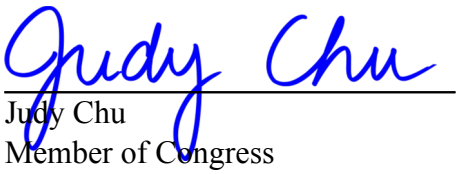
Jennifer L. McClellan
Member of Congress



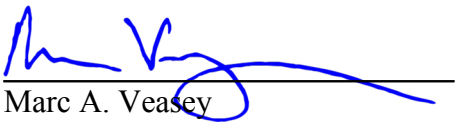
Mark DeSaulnier
Member of Congress



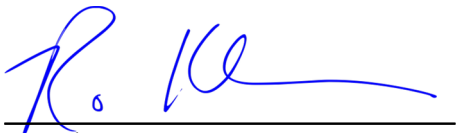
Jim Himes
Member of Congress



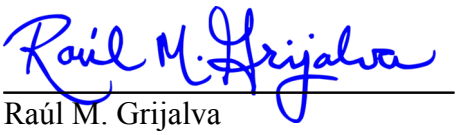
Judy Chu
Member of Congress



Marc A. Veasey
Member of Congress



Ro Khanna
Member of Congress



Raúl M. Grijalva
Member of Congress



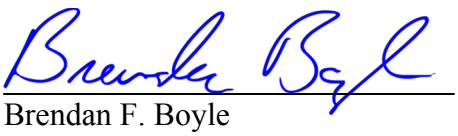
Alexandria Ocasio-Cortez
Member of Congress



Gwen S. Moore
Member of Congress



Terri A. Sewell
Member of Congress



Brendan F. Boyle
Member of Congress

Dwight Evans
Member of Congress

Tony Cárdenas
Member of Congress

Ted W. Lieu
Member of Congress

John P. Sarbanes
Member of Congress

Lucy McBath
Member of Congress

Jamie Raskin
Member of Congress

André Carson
Member of Congress

Gerald E. Connolly
Member of Congress

Suzanne Bonamici
Member of Congress

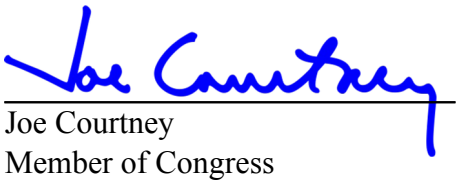
Robin L. Kelly
Member of Congress



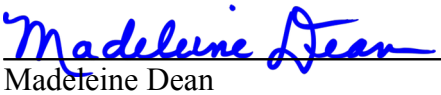
Ann McLane Kuster
Member of Congress



Bill Foster
Member of Congress



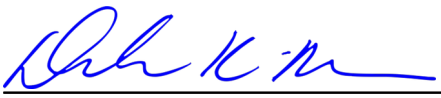
Joe Courtney
Member of Congress



Madeleine Dean
Member of Congress



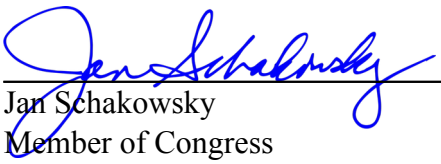
Adam Smith
Member of Congress



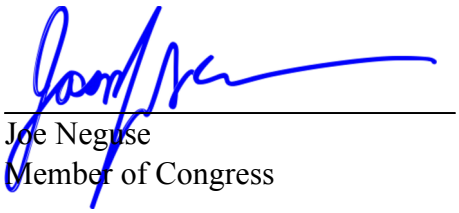
Deborah K. Ross
Member of Congress



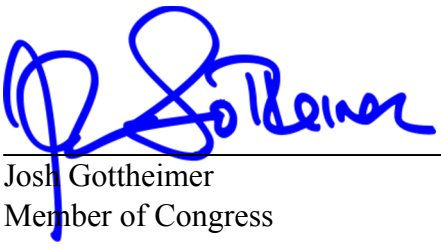
Jamaal Bowman, Ed.D.
Member of Congress



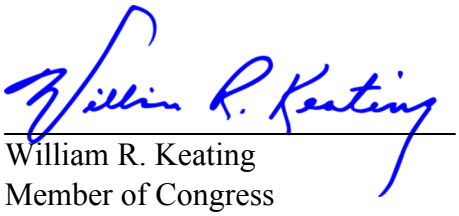
Jan Schakowsky
Member of Congress



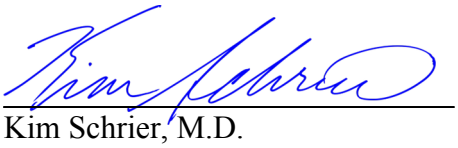
Joe Neguse
Member of Congress



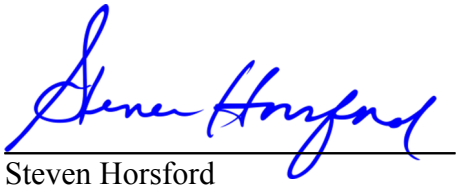
Josh Gottheimer
Member of Congress



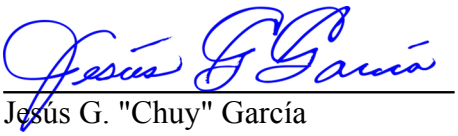
William R. Keating
Member of Congress



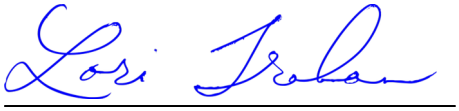
Kim Schrier, M.D.
Member of Congress



Steven Horsford
Member of Congress
Nevada's Fourth Congressional District



Jesús G. "Chuy" García
Member of Congress



Lori Trahan
Member of Congress



Elissa Slotkin
Member of Congress



David Scott
Member of Congress



Shontel M. Brown
Member of Congress