

August 4, 2021

Honorable Joe Manchin
Chairman
Committee on Energy
and Natural Resources
United States Senate
304 Dirksen Senate Office Building
Washington, D.C. 20510

Honorable Mazie Hirono
Chair
Committee on Energy
and Natural Resources
Subcommittee on Energy
United States Senate
109 Hart Senate Office Building
Washington, D.C. 20510

Honorable Frank Pallone Jr.
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, D.C. 20515

Honorable Bobby Rush
Chairman
Committee on Energy and Commerce
Subcommittee on Energy
U.S. House of Representatives
2188 Rayburn House Office Building
Washington, D.C. 20515

Honorable John Barrasso
Ranking Member
Committee on Energy
and Natural Resources
United States Senate
307 Dirksen Senate Office Building
Washington, D.C. 20510

Honorable John Hoeven
Ranking Member
Committee on Energy
and Natural Resources
Subcommittee on Energy
United States Senate
338 Russell Senate Office Building
Washington, D.C. 20510

Honorable Cathy McMorris Rodgers
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
1035 Longworth House Office Building
Washington, D.C. 20515

Honorable Fred Upton
Ranking Member
Committee on Energy and Commerce
Subcommittee on Energy
U.S. House of Representatives
2813 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Manchin, Ranking Member Barrasso, Chair Hirono, Ranking Member Hoeven, Chairman Pallone, Ranking Member McMorris Rodgers, Chairman Rush, and Ranking Member Upton:

As organizations representing the diversity of elected and public officials across this nation, we urge your support of the Main Street Efficiency Act (MSEA), vital legislation introduced by Senator Catherine Cortez Masto (D-NV) and Congressman Peter Welch (D-VT). MSEA represents a substantive step to achieve long-term small business investments through energy efficiency, and also prioritizes minority owned enterprises and diverse suppliers.

MSEA is a direct investment into small business infrastructure, and matches funds provided by existing Demand Side Management (DSM) programs, allowing small business owners to purchase and receive energy efficiency retrofits and upgrades at low or no cost. Once in place, these upgrades can reduce energy costs by 30% or more—

achieving significant savings for the nation's small businesses and lowering their third largest operating expense, which is energy. Owners can then use these savings to achieve additional profit or reinvest for future growth.

Although many utilities currently offer DSM energy efficiency incentives, these programs are underutilized because the utility share covers only part of the cost for retrofits and upgrades, and owners sometimes are unable to afford their share or they lack the credit to secure the capital. MSEA matches the utility's contribution up to 50%, leveraging the nonfederal DSM program. This means that if a utility DSM program covers 50% for energy efficiency upgrades, MSEA would cover the remaining 50%. Once passed, the legislation could save small businesses more than \$6 billion annually, which is real capital that can be reinvested— including through better wages, improved services, or more employees.

In addition to the benefit of direct and long-term investments in the nation's small businesses, MSEA will also stimulate the economy and lower carbon emissions. Prior to the pandemic, energy efficiency was the fastest growing workforce in the clean energy sector and still represents over 2 million employees in 99.8% of all U.S. counties. Moreover, these jobs pay on average nearly 28% higher than the national median and have double the national unionization rate. Fully implemented, MSEA would [create 40,000 jobs](#), according to the American Council for an Energy-Efficient Economy (ACEEE), and would also grow the small businesses that provide energy efficiency services.

Also, because energy efficiency is the first solution for reducing carbon emissions, MSEA will be a tool in fighting climate change. According to a recent joint study by the Alliance to Save Energy and ACEEE, energy efficiency alone can reduce carbon emissions by 50% by 2050— and based on MSEA projections the program could avoid up to 40 million tons of carbon emissions over the lifetime of installed equipment.

MSEA comprehensively meets the nation's priorities: economic stimulation through business growth and workforce development; reduction of carbon emissions and addressing climate change; and purposeful solutions to achieve energy equity. We urge your support of the Main Street Efficiency Act.

Sincerely,

African American Mayors Association (AAMA)

National Association of Counties (NACo)

National Black Caucus of State Legislators (NBCSL)

National Hispanic Caucus of State Legislators (NHCSL)

National League of Cities (NLC)

National Organization of Black County Officials (NOBCO)