

Organization Submitting Testimony: Alliance to Save Energy
Appropriations Subcommittee: Interior, Environment, and Related Agencies
Agency: U.S. Environmental Protection Agency

**OUTSIDE WITNESS TESTIMONY OF
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PRESIDENT
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**BEFORE THE
U.S. SENATE
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR, ENVIRONMENT, AND RELATED AGENCIES**

**FISCAL YEAR 2020 APPROPRIATIONS
U.S. ENVIRONMENTAL PROTECTION AGENCY
ENERGY STAR® AND OTHER VOLUNTARY PROGRAMS**

MAY 17, 2019

Thank you for the opportunity to provide testimony today in support of Fiscal Year (FY) 2020 appropriations for ENERGY STAR® and other voluntary programs administered by the U.S. Environmental Protection Agency (EPA).

The Alliance to Save Energy is a non-profit, bipartisan collation 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 Advisors.

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. Energy efficiency gains made since 1973 have cut energy waste dramatically to fuel the U.S. economy more productively. Thanks in part to federal energy efficiency programs, including ENERGY STAR and other voluntary programs managed by the EPA, 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 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 devices, appliances, equipment and buildings that deliver cost-effective savings, representing one-third of the entire energy-related workforce. Most of these are construction and manufacturing jobs. In fact, members of the Subcommittee on Interior, Environment, and Related Agencies represent over 735,000 Americans employed in whole or in part in the energy efficiency sector (see Table 1).²

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

Member	State	Jobs	Member	State	Jobs
Lisa Murkowski <i>Chairwoman</i>	Alaska	4,617	Tom Udall <i>Ranking Member</i>	N.M.	5,636
Lamar Alexander	Tenn.	53,006	Dianne Feinstein	Calif.	318,542
Roy Blunt	Mo.	41,845	Patrick Leahy	Vt.	11,035
Mitch McConnell	Ky.	25,530	Jack Reed	R.I.	12,773
Shelley Moore Capito	W.Va.	6,844	Jon Tester	Mont.	8,673
Cindy Hyde-Smith	Miss.	15,403	Jeff Merkley	Ore.	42,547
Steve Daines	Mont.	8,673	Chris Van Hollen	Md.	70,530
Marco Rubio	Fla.	118,412			
Total Energy Efficiency Sector Jobs: <u>735,393</u>					

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

ENERGY STAR

- **The Alliance recommends at least \$50 million for ENERGY STAR in FY2020.**
- **The Alliance opposes the implementation of a fee-based funding model for ENERGY STAR, which is unnecessary, and which would erode the program’s integrity.**

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 May 14, 2019.

- ENERGY STAR enjoys brand awareness of more than 90%, which makes it the most widely recognized symbol for energy efficiency, and is extremely cost-effective. For every extra dollar Americans invested in energy efficiency under ENERGY STAR, they reduced their energy bills by an average of \$4.50. Since 1992, managed jointly by EPA and the U.S. Department of Energy, ENERGY STAR has helped families and businesses [save \\$450 billion on utility bills, while reducing greenhouse gas emissions by 3.1 billion metric tons](#).
- ENERGY STAR serves broad constituencies across every state in the country, working with over 16,000 partners. ENERGY STAR includes almost 1,800 manufacturing partners of over 70 different product categories, who sold more than 300 million qualified products in the U.S. in 2016. About [50%](#) of the commercial building floor space in the U.S. has been benchmarked for tracking and analyzing energy consumption using ENERGY STAR's Portfolio Manager. ENERGY STAR also counts almost [3,000](#) home builder partners who constructed over [1.9 million](#) certified new homes since 1995. In 2016, families living in ENERGY STAR certified homes saved over [\\$360 million](#) on utility bills, and [91,000](#) energy efficiency improvement projects on existing homes were completed by Home Performance with ENERGY STAR partners in 2017. More than [700](#) utilities, state and local governments, and nonprofits across the country use ENERGY STAR in their own energy efficiency programs and rely on it to reliably and affordably meet their energy needs.

Other Voluntary Programs that Promote Energy Efficiency

- **The Alliance recommends at least level funding for Environmental Programs and Management – Clean Air and – Water Quality Protection in FY2020 accompanied by clear direction to EPA to continue administering its portfolio of voluntary and partnership programs that encourage energy efficiency practices in industry and deliver savings across the energy sector.**
- The **Combined Heat and Power Partnership** aims to reduce pollution from electricity and thermal power generation by working with industry and other stakeholders to develop new projects.
- The **SmartWay Transport Partnership** with the freight transportation industry supports efforts to improve the fuel efficiency of vehicles. This [program](#) has worked with more than 3,700 shippers and logistics companies to save almost \$33.4 billion in fuel since 2004.
- **Natural GasSTAR**, which includes the **Methane Challenge Program**, is a partnership with industry that supports the identification and implementation of technologies that reduce methane pollution and provides public recognition of high achievements.
- **AgStar** promotes the use of biogas recovery systems to reduce methane emissions from livestock waste.
- **WaterSense** offers homeowners, consumers, and businesses information about water-efficient products market by a recognizable and trusted label.

- Other programs, such as the **State and Local Energy and Environment Program** and the **State and Local Energy Efficiency Action Network**, are important collaborations between the public and private sectors that provide specific and tailored technical assistance and platforms for sharing information and best-practices.

National Vehicle and Fuel Emissions Laboratory

- **The Alliance recommends at least \$117 million in Science and Technology – Clean Air, including at least level funding in vehicle and fuel standards and in greenhouse gas reporting,**
- This laboratory is a global leader that oversees vehicle fuel economy and emissions testing, which are closely related. The laboratory manages programs that also address fuel economy labels, the Green Vehicle Guide, fuel standards, and nonroad engines.

The Alliance also urges the Subcommittee on Interior, Environment, and Related Agencies to oppose the inclusion of any bill amendments or report language that could undermine or prevent the EPA from continuing to successfully manage ENERGY STAR and other voluntary programs. Furthermore, in light of the Government Accountability Office impoundment finding concerning the Advanced Research Projects Agency-Energy program, the Alliance continues to recommend clear and direct instructions to the EPA in report language to obligate and expend appropriated funds consistent with Congressional intent and in a timely manner. With respect to ENERGY STAR, the Alliance encourages the Subcommittee to reject the administration's proposal to implement a fee-based mechanism to fund the program. Similar proposals have been suggested by previous administrations and repeatedly denied by Congress.

Unpredictable energy costs and growing consumer and business demand make today's investments in energy efficiency ever more vital to America's economic health and energy security. It is important to emphasize that ENERGY STAR and these other EPA programs are voluntary initiatives that work with private-sector partners and support their efforts to increase business opportunities while reducing energy waste. The wide-ranging benefits of ENERGY STAR and these other voluntary programs, realized across the entire U.S. economy and accrued to even those who do not choose to participate, are worthy of your support in FY2020.

Thank you for your consideration.