Dear Chairwoman Kaptur and Ranking Member Simpson:

We, the undersigned, write today to urge you to support robust energy efficiency investments at the U.S. Department of Energy (DOE)'s Office of Energy Efficiency and Renewable Energy (EERE). Investing in energy efficiency is an investment not only in reducing energy costs for consumers and businesses across the nation; it is an investment in domestic job creation, manufacturing, competitiveness, and innovation. Energy efficiency improves energy affordability, security, reliability, and resilience; it achieves these outcomes by simply doing more with less. Today, the United States uses two-thirds less energy than it would otherwise consume without the investments in energy efficiency since 1980, according to the American Council for an Energy-Efficient Economy.

Energy efficiency is a workhorse, leading the clean energy sector at more than 2 million jobs, down from nearly 2.4 million prior to the pandemic. Energy efficiency jobs are located in 99.7% of counties across all 50 states and the District of Columbia. Efficiency jobs support families, with workers earning 28% more than the national median, according to Environmental Entrepreneurs, and cannot be exported. Furthermore, EERE RDD&D programs enable cost-effective emissions reductions and energy affordability through innovative partnerships and focused deployment programs that shepherd emerging technologies from concept to market, enabling cost reductions for businesses and consumers, and achieving critical scale needed to avoid the worst impacts of the climate crisis.

Specifically, we respectfully request FY2022 funding for the following DOE programs, as summarized below:

Buildings Technologies (BTO): $530 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): $80 million for DOE to collaborate with the residential building industry to improve the energy efficiency of both new and existing homes. 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 transform America's new and existing residential buildings and work towards the Administration's goal of weatherizing 2 million homes.
- Commercial Building Integration (CBI): $80 million for the program's research, development, and evaluation help 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. 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: $60 million for appliance standards and $100 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. The Department is far behind in issuing new appliance

standards, making an increased focus critical. 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): **$**160 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.
- Grid-interactive Efficient Buildings (GEB): $50 million for DOE to ensure that a high level of energy efficiency is a core element of this new crosscutting program and a baseline characteristic for GEBs which are also connected, smart, and flexible. The Office should engage with the public and private sectors, including the building and manufacturing industries and state and local governments, to share information on GEB technologies, costs, and benefits, and to provide information to position American companies to lead in this area. Funding for Connected Communities and other deployment activities is encouraged.

Advanced Manufacturing Office (AMO): $800 million to enable the research, development, demonstration and deployment of industrial energy efficiency and advanced manufacturing technologies. This level of funding is intended to accommodate and ambitious agenda of decarbonizing U.S. manufacturing by midcentury. This goal of dramatic reductions requires increases in activity level across the office and some important changes in the orientation of the office's goals. AMO should expand its efforts from promoting energy efficiency to include efforts to reduce carbon emissions for manufacturing and reduce the embodied carbon in manufactured products. Additionally, as AMO rebuilds its staffing, the office should focus on adding expertise in important decarbonization technology areas identified in its research road mapping.

- Energy Management: $10 million for efforts to promote Strategic Energy Management practices and $30 million for the establishment of a program to provide competitive grants to companies for the hiring or designation of plant energy managers. For Strategic Energy Management, AMO should focus efforts on small- and medium-sized manufacturing plans.
- Save Carbon Now: $55 million for the Better Plants program to expand that program to offer comprehensive assessment and engagements to the 1,500 largest greenhouse gas emitting manufacturing facilities. These engagements shall include, but not be limited to, targeted assessments, staff training, technical analyses of opportunities, and education.
- Industrial Assessment Centers: $25 million for the Industrial Assessment Centers (IAC) program to expand that program in order to increase the number of university-based centers to 40; to establish satellite centers at community colleges, technical schools, and union training facilities; and to establish an apprenticeship program with matching funding for IAC students at facilities that have received assessments in the recent past to facilitate the implementation of recommendations.
- Flex Tech: $40 million for the establishment of a program that provides competitive grants to states and tribal governments in partnership with educational institutions and trade associations to provide assessments of energy and greenhouse gas (GHG) reducing measures and loans to implement those measures to medium sized manufacturers.
- Transformative Technology Adoption: $100 million for the establishment of a competitive grant program that provides cost-share payments to manufacturing sites or consortiums that make first-

three, at-scale implementation of transformative technologies to reduce GHG emissions in the most GHG-intensive manufacturing processes as determined by the Secretary.

- Existing Low-Carbon Technology: $60 million for the establishment of a competitive grant program to provide cost-share payments to manufacturing plants for the installation of underutilized existing low-carbon technologies.
- Smart Manufacturing: $30 million for support of the development and adoption of smart manufacturing practices directed towards 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.
- Industrial Process Heating Decarbonization: $55 million for the establishment of a research, development, and deployment effort by AMO to develop and promote the adoption of technologies that can dramatically reduce the GHG emissions from process heating applications. Efforts may include the establishment of one or more new Manufacturing USA Innovation Institutes that might focus on electrification and/or hydrogen and low-carbon fuels.

Federal Energy Management Program (FEMP): At least $56 million. $36 million for the base program to provide project and policy expertise to all federal agencies including $2 million for the Performance Based Contract National Resource Initiative. 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 $20 million in funding for the (Assisting Federal Facilities with Energy Conservation Technologies) AFFECT program.**

Weatherization (WAP) and State Energy Program (SEP): $440 million. Within this amount, at least $325 million is recommended for WAP and at least $115 million is recommended for State Energy Program grants including $25 million to be used for technical assistance on energy and related air quality in schools. At least $85 million of the SEP funds shall be utilized for direct formula grants to the states. 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 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. 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.

<u>Energy Information Administration</u>: $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.

We stand ready to work with Congress, the White House, and federal agencies, to identify ways the U.S. can improve the affordability and access of energy efficient technologies, unlock utility savings for consumers, reduce energy-related carbon emissions, and improve public health.

Thank you for your consideration.

Sincerely,

Alliance to Save Energy
[Endorsers]