



Using less. Doing more.

June 18, 2014

The Honorable Lamar Smith
Chairman, House Committee on Science, Space, and Technology
2409 Rayburn House Office Building
Washington, DC 20515

The Honorable Eddie Bernice Johnson
Ranking Member, House Committee on Science, Space, and Technology
2468 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Smith and Ranking Member Johnson:

On behalf of the Alliance to Save Energy, I write to express our deep concern with the Department of Energy Research and Development Act of 2014 being considered this week by the Committee on Science, Space, and Technology. We recognize the significant challenges facing the federal government to reduce spending and spur economic growth, yet we strongly believe that failing to provide robust federal funding for energy efficiency research and development (R&D) will undermine our national economic, environmental and security interests.

This bill threatens to cut funding for Energy Efficiency and Renewable Energy (EERE) R&D by 29%, or \$486 million, below FY14 appropriated levels. It would also cut funding for ARPA-E by 14.3%, or \$40 million, below FY14 levels. Further, provisions to require ARPA-E project applicants to first seek private funding will likely inhibit the pursuit of the type of high-risk, high-reward, breakthrough research that ARPA-E is designed to support and that is important for American economic competitiveness. This bill proposes to strike existing authorization for Advanced Energy Technology Transfer Centers to develop and distribute informational materials on how to use energy more efficiently. This bill would also bar the results of any Fossil Energy R&D activity from being "used for regulatory assessments or determinations by Federal regulatory authorities," essentially preventing the federal agencies from using the most up-to-date research results when developing regulations.

Energy efficiency has served for nearly four decades and remains today America's cheapest, cleanest and most abundant resource. Economy-wide improvements in energy efficiency, along with structural changes in our economy, have supplied more energy over the last 30 years than domestic coal, natural gas, and oil combined. The energy productivity of the U.S. economy—the amount of energy it takes to produce one dollar's worth of goods—has increased by 50% over the past three decades. The economic productivity improvements over this period have reduced our national energy bill by about \$700 billion.

These economy-wide benefits would not have been possible without federal funding of R&D into energy efficiency technologies and practices. Energy efficiency R&D is vitally important to developing and deploying this abundant and cost-effective resource. Also, the type of R&D supported by ARPA-E is critical for developing breakthrough technologies that can propel U.S. technological strength and economic competitiveness forward. Federal R&D develops and incubates new energy efficiency technologies and practices that have wide-ranging benefits to the entire American economy.

To cut energy efficiency R&D now will shortchange American taxpayers and cut them out of the energy savings and jobs created by energy efficiency. However, by investing in energy efficiency R&D, we can lessen our dependence on imported energy sources, reduce pollution, improve

HONORARY CHAIR
U.S. Sen. Mark Warner

HONORARY VICE-CHAIRS

- U.S. Sen. Susan M. Collins
U.S. Sen. Chris Coons
U.S. Sen. Edward J. Markey
U.S. Sen. Lisa Murkowski
U.S. Sen. Rob Portman
U.S. Sen. Mark Pryor
U.S. Sen. Jeanne Shaheen
U.S. Sen. Mark Udall
U.S. Sen. Ron Wyden
U.S. Rep. Michael C. Burgess
U.S. Rep. Ralph Hall
U.S. Rep. Steve Israel
U.S. Rep. Adam Kinzinger
U.S. Rep. Paul Tonko
U.S. Rep. Peter Welch

CO-CHAIR

Jorge Carrasco
Seattle City Light

OFFICERS

- Kateri Callahan
Alliance to Save Energy
Iain Campbell
William Von Hoene
Exelon Corporation
Frank Murray
Carolyn Green
EnerGreen Capital Management, LLC

DIRECTORS

- Bruno Biasiotta
Philips Lighting Americas
Helen Burt
Pacific Gas and Electric Company
Paul Camuti
Ingersoll Rand
Kemel Dawkins
Michigan State University
Thomas K. Dreessen
Energy Efficiency Project
Investment Co., Ltd.
Roger Duncan
University of Texas at Austin
Jeff Eckel
Hannon Armstrong
Anthony Eggert
J.C. Davis
Robert Foster
Mayor, City of Long Beach, CA
Erwin Furukawa
Southern California Edison
Kim Greene
Southern Company Services
Thomas Grumbly
Lockheed Martin
David Hopping
Siemens Industry, Inc.
Tom King
National Grid USA
Thomas R. Kuhn
Edison Electric Institute
Terry McCallister
Washington Gas
Dave McCurdy
American Gas Association
Rose McKinney-James
McKinney-James and Associates
J. Michael McQuade
United Technologies Corporation
Earle H. O'Donnell
White and Case LLP
Jane Palmieri
The Dow Chemical Company
Jim Pauley
Schneider Electric
Robert Pratt
GreinerU
Kevin Self
Johnson Controls
J. Heath Shuler
Duke Energy
Fred Stephan
Johns Manville
Susan Stratton
Northwest Energy
Efficiency Alliance
Dave Szczupak
Whirlpool Inc.
Susan Tierney
Analysis Group



Using less. Doing more.

America's competitiveness in the global marketplace, alleviate stress to the electric grid and water infrastructure, and forestall the need for costly new electricity generating capacity.

We urge you to vote against the current Department of Energy Research and Development Act of 2014, and to instead craft a bill that ensures that energy efficiency R&D is well funded for the benefit of American households and businesses.

Sincerely,

Kateri Callahan
Alliance to Save Energy

cc: Members of the House Committee on Science, Space, and Technology

HONORARY CHAIR
U.S. Sen. Mark Warner

HONORARY VICE-CHAIRS

- U.S. Sen. Susan M. Collins
- U.S. Sen. Chris Coons
- U.S. Sen. Edward J. Markey
- U.S. Sen. Lisa Murkowski
- U.S. Sen. Rob Portman
- U.S. Sen. Mark Pryor
- U.S. Sen. Jeanne Shaheen
- U.S. Sen. Mark Udall
- U.S. Sen. Ron Wyden
- U.S. Rep. Michael C. Burgess
- U.S. Rep. Ralph Hall
- U.S. Rep. Steve Israel
- U.S. Rep. Adam Kinzinger
- U.S. Rep. Paul Tonko
- U.S. Rep. Peter Welch

CO-CHAIR

Jorge Carrasco
Seattle City Light

OFFICERS

- Kateri Callahan
Alliance to Save Energy
- Iain Campbell
Exelon Corporation
- William Von Hoene
Exelon Corporation
- Frank Murray
EnerGreen Capital Management, LLC
- Carolyn Green
EnerGreen Capital Management, LLC

DIRECTORS

- Bruno Biasiotta
Philips Lighting Americas
- Helen Burt
Pacific Gas and Electric Company
- Paul Camuti
Ingersoll Rand
- Kemel Dawkins
Michigan State University
- Thomas K. Dreessen
Energy Efficiency Project
Investment Co., Ltd.
- Roger Duncan
University of Texas at Austin
- Jeff Eckel
Hannon Armstrong
- Anthony Eggert
UC Davis
- Robert Foster
Mayor, City of Long Beach, CA
- Erwin Furukawa
Southern California Edison
- Kim Greene
Southern Company Services
- Thomas Grumbly
Lockheed Martin
- David Hopping
Siemens Industry, Inc.
- Tom King
National Grid USA
- Thomas R. Kuhn
Edison Electric Institute
- Terry McCallister
Washington Gas
- Dave McCurdy
American Gas Association
- Rose McKinney-James
McKinney-James and Associates
- J. Michael McQuade
United Technologies Corporation
- Earle H. O'Donnell
White and Case LLP
- Jane Palmieri
The Dow Chemical Company
- Jim Pauley
Schneider Electric
- Robert Pratt
GreenerU
- Kevin Self
Johnson Controls
- J. Heath Shuler
Duke Energy
- Fred Stephan
Johns Manville
- Susan Stratton
Northwest Energy Efficiency Alliance
- Dave Szczupak
Whirlpool Inc.
- Susan Tierney
Analysis Group