

May __, 2021

The Honorable Marcy Kaptur
Chairwoman, Subcommittee on Energy
And Water Development, and Related
Agencies
U.S. House of Representatives
Committee on Appropriations
Washington, DC 20515

The Honorable Mike Simpson
Ranking Member, Subcommittee
on Energy and Water Development,
and Related Agencies
U.S. House of Representatives
Committee on Appropriations
Washington, DC 20515

The Honorable Dianne Feinstein
Chairwoman, Subcommittee on Energy
Water Development
U.S. Senate Committee on Appropriations
Washington, DC 20510

The Honorable John Neely Kennedy,
Ranking Member, Subcommittee on Energy and
and Water Development
U.S. Senate Committee on Appropriations
Washington, DC 20510

cc: Chairman and Ranking Member, U.S. House of Representatives Committee on Appropriations
Chairman and Ranking Member, U.S. Senate Committee on Appropriations

Dear Chairwoman Kaptur, Ranking Member Simpson, Chairwoman Feinstein, and Ranking Member Kennedy,

As U.S. taxpayers who support energy efficiency, we are writing to urge robust funding in FY2022 for the U.S. Department of Energy (DOE)'s programs within the Building Technology Office and Weatherization and Intergovernmental Activities. These programs return benefits and savings to American homeowners, consumers, and businesses many times more than the public's investment and will be crucial in meeting the Biden Administration's goal of upgrading 4 million buildings and weatherizing 2 million homes over the next 4 years. We urge you to increase regular funding for these programs in FY2022 – *in addition to any funding provided as part of 2021 economic stimulus legislation* – to ensure these programs continue to advance increased economic and energy productivity.

Job Creation & Economic Growth

Put simply, energy efficiency equals jobs. Prior to the COVID-19 pandemic, the energy efficiency industry employed approximately 2.4 million Americans and was adding more jobs annually than any other energy sector.¹ The industry was expected to see another 3% growth in 2020. Instead, over 18% of the energy efficiency workforce (430,000 workers) lost their jobs in the initial months of the pandemic. While other sectors experienced robust recoveries in the second half of 2020, energy efficiency did not: In December 2020, over half of energy efficiency workers laid off in the spring (230,000) were still out of work.²

While the recovery of our industry remains slow, there is reason for optimism: The energy efficiency industry is still responsible for one out of every four jobs in the U.S. energy sector and employs more Americans than the entire fossil fuel industry in 41 states and the District of Columbia. A significant portion of the energy efficiency jobs in the U.S. are in the residential sector, and over half of energy efficiency jobs involve construction and repairs. These are the contractors – the “boots on the ground” – installing energy efficiency products and technologies and working to reduce energy waste in homes and buildings across the country.

Importantly, these are well-paying and sustainable jobs. Entry level wages in all sectors of energy efficiency jobs exceed the national average and approximately 80% of employers in the industry provide healthcare and retirement account contributions.³ These local, family-sustaining jobs exist all across the

¹ https://e4thefuture.org/wp-content/uploads/2020/11/EE_Jobs_America_2020.pdf

² <https://e2.org/wp-content/uploads/2020/12/Clean-Energy-Jobs-December-COVID-19-Memo-Final-Revised.pdf>

³ https://e4thefuture.org/wp-content/uploads/2020/11/EE_Jobs_America_2020.pdf

country; over 99% of U.S. counties have energy efficiency jobs and more than 300,000 of these jobs are in rural areas.⁴

A 2020 report from E4TheFuture found that \$60.7 billion of investment in energy efficiency could result in over 737,000 jobs *each year* for 5 years and over \$51 billion in overall added value to the economy each year for 5 years.⁵ Dollar for dollar, investments in energy efficiency create more jobs than investment in the utility sector or fossil-fuels,⁶ and investments in DOE programs that support energy efficiency – like the Building Technologies Office, Weatherization Assistance Program, and State Energy Program – lead to job creation and economic growth. For example, investment in weatherization creates direct jobs in sales and installation and indirect jobs in equipment manufacturing and distribution. The job creation and economic benefits that stem from investment in energy efficiency are immense, as energy efficiency jobs cover a range of positions and technologies and are ubiquitous across industries.

Carbon Reduction

Promoting building efficiency is also vital to achieving carbon reduction goals. Buildings are responsible for 31% of all U.S. greenhouse gas emissions,⁷ and are therefore critical to any emissions reduction strategy. A report from ACEEE found that energy efficiency alone can cut energy use and U.S. greenhouse gas emissions in half by 2050; buildings deliver 33% of the total emissions reductions in the report's model.⁸ The residential buildings sector in particular remains largely untapped. Residential buildings account for 21% of total U.S. energy consumption,⁹ use more electricity than any other sector,¹⁰ and are the largest contributor to peak demand.¹¹ Addressing this sector is essential from a carbon emissions reduction standpoint, and we applaud Congress and the Biden Administration for putting forward important goals for commercial and residential building upgrades.

Key DOE Programs

The Building Technologies Office (BTO) within DOE develops critical technologies, tools, and solutions that help U.S. consumers and businesses achieve peak efficiency performance in new and existing homes and buildings across all sectors of our economy. Through the Residential Buildings Integration (RBI) program, DOE collaborates with the residential building industry to improve the energy efficiency of both new and existing homes across the country. RBI 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. Just a few examples of the crucial residential initiatives within RBI include: Home Performance with Energy Star, which advances contractor engagement in high efficiency equipment installations; Home Energy Score, which helps ensure that energy efficiency is valued in real estate transactions; and HPXML, which helps simplify the methodology for collecting and transferring data. BTO also partners with businesses that manufacture efficiency technologies to help them bring their innovative products to market, and works to make efficiency information more available and useful to businesses across the country. The Building Technologies Office will be crucial to meeting the Biden Administration's goal of upgrading 4 million buildings and weatherizing 2 million homes over the next 4 years. *As such, we respectfully request \$80 million for Residential Building Integration and \$80 million for Commercial Building Integration in FY2022, in addition to any funding provided as part of 2021 economic stimulus legislation.*

U.S. DOE's Weatherization and Intergovernmental Activities, which includes the Weatherization Assistance Program and the State Energy Program, is vital to supporting energy efficiency and clean energy technologies in partnership with state, local, and territorial governments. The Weatherization Assistance Program helps low-income homeowners and enables states to leverage utility dollars. A peer-

⁴ Ibid.

⁵ <https://e4thefuture.org/wp-content/uploads/2020/07/E2E4-Build-Back-Better-Faster-Stimulus-Projection-Report-July2020.pdf>

⁶ ACEEE. N.d. Energy Efficiency and Economic Opportunity. Retrieved from <http://aceee.org/files/pdf/fact-sheet/ee-economic-opportunity.pdf>

⁷ Total combined emissions from the residential and commercial sectors with electricity-related emissions distributed.

<https://www.epa.gov/sites/production/files/2019-04/documents/us-ghg-inventory-2019-main-text.pdf>

⁸ <https://aceee.org/sites/default/files/publications/researchreports/u1907.pdf>

⁹ <https://www.eia.gov/totalenergy/data/monthly/pdf/mer.pdf>

¹⁰ https://www.eia.gov/electricity/annual/html/epa_01_02.html

¹¹ https://www.energy.gov/sites/prod/files/2019/04/f61/bto-geb_overview-4.15.19.pdf

reviewed study from the Oak Ridge National Laboratory found that the program is cost-effective at even conservative levels of evaluation. Each dollar that goes toward weatherization assistance yields at least \$2.30 in benefits, and by some estimates as much as \$4.10 to the homeowner and society. Through this essential program, U.S. DOE has improved the energy efficiency of homes for over eight million low-income and rural Americans, who are particularly susceptible to volatile energy prices and higher utility bills. A report from E4TheFuture cites health benefits to households receiving weatherization assistance such as 12% fewer asthma-related emergency room visits. *We respectfully urge funding of \$360 million for the Weatherization Assistance Program, in addition to any funding provided as part of 2021 economic stimulus legislation.*

The State Energy Program (SEP) provides funding and technical assistance to states, territories, and the District of Columbia to enhance energy security, advance state-led energy initiatives, and maximize the benefits of decreasing energy waste. This program yields benefits that far outweigh the relatively nominal outlays appropriated by Congress. The Oak Ridge National Laboratory found that every taxpayer dollar invested in SEP by the federal government yields over \$10 leveraged for energy-related economic development AND realizes \$7.22 in energy cost savings for U.S. citizens and businesses – a tremendous economic value. SEP's proven track record shows it is crucial to helping states improve efficiency in hospitals and schools, establishing business incubators and job training programs, and creating relationships with energy service companies and small businesses to implement cost-effective energy efficiency programs. SEP defers to the governors all decisions on allocating resources provided by DOE to meet their states' priorities such as energy emergency planning and response and energy related economic development. Given the extraordinary value and flexibility SEP provides, governors across the country strongly support continued funding. *We respectfully request funding of \$90 million for SEP in addition to any funding provided as part of 2021 economic stimulus legislation.*

We ask the Subcommittee to support these important energy efficiency programs at U.S. DOE in FY2022. Thank you in advance for your consideration of this request. Please do not hesitate to contact Lizzie Bunnell Pack at 301.717.2838 or lizzie@anndyl.com with any questions or for more information.

Sincerely,