

November 12, 2024

The Honorable Patty Murray
Chair
Subcommittee on Energy and Water
Development
Senate Committee on Appropriations
Washington, DC 20510

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

The Honorable Chuck Fleischmann
Chairman
Subcommittee on Energy and Water
Development and Related Agencies
House Committee on Appropriations
Washington, DC 20515

The Honorable Marcy Kaptur
Ranking Member
Subcommittee on Energy and Water
Development and Related Agencies
House Committee on Appropriations
Washington, DC 20515

Dear Chair Murray, Chairman Fleischmann, Ranking Member Kennedy, and Ranking Member Kaptur,

We, the undersigned organizations, businesses, and advocates, write to express our concern with proposals to significantly decrease energy efficiency investments in critical programs managed by the U.S. Department of Energy (DOE). Substantial cuts to DOE energy efficiency programs will likely jeopardize American jobs, our national energy security, the reliability and resilience of our power grid, and the competitiveness of the U.S. energy and manufacturing economy. We respectfully request that Congress provide funding for DOE in line with the Senate's bipartisan Fiscal Year 2025 Energy & Water proposal, which would support critical energy efficiency-related programs.

Anti-Energy Efficiency Policy Riders Shift Costs to Consumers

We are particularly concerned with any inclusion of anti-energy efficiency policy riders that would roll back product efficiency standards. These standards have been instrumental in saving consumers and businesses money, reducing energy use, and fostering innovation in U.S. manufacturing. Undoing them would hurt consumers, raise energy costs, and increase pollution that harms health and the environment. According to the DOE, efficiency standards for appliances and equipment have saved American households and businesses over [\\$2 trillion in energy costs](#) since 1987. As of 2015, standards have reduced the typical household's utility bills by [\\$500 annually](#), and the annual savings have only grown since then. Reversing these standards would upend decades of progress and create business uncertainty for manufacturers.

Rescission of Prior Year Balances Creates Economic Uncertainty

We oppose provisions that would take back prior year balances for vital energy efficiency programs. These programs, such as the Weatherization Assistance Program, the State Energy Program, and the Building Energy Codes Program, provide substantial returns on investment for American taxpayers. For instance, the Weatherization Assistance Program saves low-income families [\\$372 annually](#) on energy bills, improving health and safety. The program's payback period is just eight years, with energy savings continuing for up to 30 years. Rescinding funding for these programs would waste investments already made to reduce energy consumption, improve grid reliability, and lower carbon emissions. Additionally, many of these programs fund state and local activities – the threat of funding rescissions creates uncertainty for resource-constrained entities that partner with DOE to do on-the-ground implementation work in communities to help Americans access and benefit from energy efficiency programs.

Budget Control Points Enable Congressional Oversight of DOE Activities

Within the explanatory report accompanying the FY25 Energy & Water bill, we encourage the inclusion of clear and appropriate budget control points for specific DOE program activities that fall within broader program line items. The absence of budget control points creates uncertainty as to how DOE may allocate

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annual funding to programs that Congress has traditionally directed the Agency to carry out. Specificity in congressional intent ensures transparency in how the Agency will allocate taxpayer funds. Budget control points are vital to programs within Building Technologies, Manufacturing and Energy Supply Chains, and the Federal Energy Management Program.

Energy Efficiency = Economic & Energy Security

Energy efficiency programs supported by DOE save consumers money, create jobs, and enhance U.S. energy security. The energy efficiency workforce includes nearly [2.3 million Americans](#), with the highest concentration of jobs in the entire non-vehicle energy sector, and compared to other energy sectors, it saw the most significant number of new jobs created in 2023 ([+74,748](#)). Veterans make up 9% of the energy-efficiency workforce, and 75% of energy efficiency establishments in the U.S. are small businesses with fewer than 20 employees. In short, these are good-paying jobs that cannot be easily outsourced. Notably, the efficiency industry's foundational and technology-neutral nature makes it more resilient in the face of transitions and disruption in the supply-side energy industries.

By reducing energy demand, these programs also play a vital role in protecting the U.S. power grid from stress and ensuring energy security. U.S. energy dominance depends on ensuring we have abundant, cheap, and reliable energy available for Americans. The simplest way to secure our energy posture while abiding by free market principles is to reduce our domestic demand by supporting the deployment of innovative energy efficiency-based solutions. Energy efficiency reduces reliance on energy imports and bolsters our national resilience in the face of growing geopolitical tensions that threaten energy independence.

Energy Efficiency is the Leading Energy Policy Solution in Generating ROI for Taxpayers

DOE energy efficiency programs consistently deliver exceptional value. According to impact evaluation studies, these programs provide a benefit-to-cost ratio of 33 to 1, generating billions of dollars in net economic benefits. Every dollar invested in DOE's energy efficiency programs yields substantial returns to American consumers and businesses. As a recent example, DOE FEMP's AFFECT program was able to leverage \$28.1 million in combined FY22 & FY23 appropriations with private sector funding [to secure \\$837 million](#) in energy efficiency-focused infrastructure improvements in federal facilities. Public and private investments in energy efficiency have [saved \\$800 billion annually in energy costs](#) and reduced emissions by 78% since 1980. These funds are critical to scaling efforts to cut U.S. energy use and greenhouse gas emissions by 50% by 2050, with potential savings of over \$700 billion annually. Now is not the time to cut these high-return programs, especially as global energy sector competition intensifies.

As a coalition of varied energy efficiency stakeholders, we respectfully request that you provide robust funding for the DOE energy efficiency programs that have demonstrated their capacity to improve the lives of Americans, drive economic growth, and enhance our energy security. Thank you in advance for considering this request. Please contact Dane Farrell at dane@cascadeassociates.net with any questions or for more information.

Sincerely,

Alliance to Save Energy
Ameresco
American Chemistry Council
American Council for an Energy-Efficient Economy
American Institute of Architects
ASHRAE
Building Performance Association
Building Potential

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CA Efficiency and Demand Management Council
Carrier Global Corporation
Cellulose Insulation Manufacturers Association
Clean Energy Business Network
Combined Heat and Power Alliance
DuPont
E2
E4TheFuture
Environmental and Energy Study Institute
Fauquier Habitat for Humanity
Federal Performance Contracting Coalition (FPCC)
Heat is Power Association
Institute for Market Transformation (IMT)
Johnson Controls
Midwest Energy Efficiency Alliance
National Association for State Community Service Programs (NASCS)
National Association of Energy Service Companies (NAESCO)
National Association of State Energy Officials (NASEO)
NORESO
North American Insulation Manufacturers Association
Northeast Energy Efficiency and Electrification Council
Northeast Energy Efficiency Partnerships
NRDC (Natural Resources Defense Council)
Polyisocyanurate Insulation Manufacturers Association
Southeast Energy Efficiency Alliance (SEEA)
Southland Industries
Southwest Energy Efficiency Project
U.S. Green Building Council

cc: The Honorable Tom Cole, Chairman, U.S. House Committee on Appropriations
The Honorable Susan Collins, Vice Chair, U.S. Senate Committee on Appropriations
The Honorable Rosa DeLauro, Ranking Member, U.S. House Committee on Appropriations
Members, U.S. Senate Committee on Appropriations
Members, U.S. House Committee on Appropriations