November 19, 2019

The Honorable Richard Neal Chairman U.S. House Committee on Ways and Means Washington, DC 20515

The Honorable Mike Thompson Chairman Subcommittee on Select Revenue Measures U.S. Committee on Ways and Means Washington, DC 20515

Dear Chairmen Neal and Thompson:

Thank you for your leadership and the tremendous work of you and your staff for putting forward a comprehensive clean energy tax package – the GREEN Act. The Alliance to Save Energy strongly supports this package because it includes modernized, bipartisan provisions encouraging energy efficiency, the workhorse of a clean energy future. As you know, energy efficiency is by far the largest job creator in the clean energy economy, representing more than 2.3 million workers, and is widely recognized as the most impactful and cost-effective solution we have for mitigating climate change.

We are particularly pleased that the committee's discussion draft incorporates two bills introduced recently in Congress that would strengthen and extend tax incentives encouraging energy efficiency in new and existing homes. These residential efficiency provisions would provide direct economic relief to American consumers through reduced taxes and energy bills, and they have broad support from manufacturing companies, trade associations and efficiency advocates. They are sponsored by Ways and Means Committee Members Jimmy Gomez (D-Calif.) and Mike Kelly (R-Pa.), as well as in the Senate by Sens. Maggie Hassan (D-N.H.) and Susan Collins (R-Maine).

We also strongly support efforts to expand electric vehicle tax credits, strengthen incentives for efficiency upgrades in commercial buildings and combined heat and power, and encourage investments in water efficiency, among others.

By including these efficiency-focused provisions, the GREEN Act would not only significantly reduce carbon emissions and lower consumer energy costs but would also stimulate economic activity in a variety of sectors, particularly in construction and manufacturing. In fact, some 70 percent of the 2.3 million U.S. energy efficiency jobs are in those two sectors.

While we enthusiastically support this overall approach, we look forward to working with you as you refine and advance this draft to ensure that all of the efficiency provisions are effectively

encouraging meaningful efficiency gains in the future, particularly the 45L incentive for new home construction.

Please don't hesitate to contact Alliance Vice President Ben Evans at <u>bevans@ase.org</u> with any questions or concerns regarding this matter.

Best,

Jon Houth

Jason Hartke President Alliance to Save Energy