

March 29, 2021

The Honorable Joseph R. Biden President of the United States The White House 1600 Pennsylvania Ave. NW Washington, DC 20500

Dear President Biden:

As a coalition of manufacturers, utilities, technology companies, environmental advocates and other organizations committed to advancing energy efficiency, the Alliance to Save Energy is eager to work with the administration to pursue a comprehensive energy efficiency strategy as part of your Build Back Better initiative. Energy efficiency is the first solution for meeting the objective of creating economic opportunity while also substantively addressing climate change in a way that is fair and equitable for all Americans, particularly vulnerable and disadvantaged communities.

According to recent studies, energy efficiency solutions can reduce greenhouse gas emissions by over 50% by 2050. Moreover, energy efficiency is the largest employer in the clean energy sector, comprising of more than 2 million jobs across 99.7% of all U.S. counties— in construction, manufacturing, and other fields. Furthermore, energy efficiency enables businesses to become more productive and competitive; sharply reduces energy costs for consumers; and puts money back in the pockets of American households that too often struggle to pay their energy bills.

We therefore urge you to prioritize energy efficiency as the country builds back better. Because of your leadership, we have an opportunity to embed energy efficiency comprehensively across our infrastructure needs, from critical public buildings and affordable housing, to water and wastewater facilities, and to transportation systems. Specifically, we urge you to pursue the following policy proposals:

- Establish a federal matching grant program for small business energy efficiency improvements leveraging existing utility demand side management programs to enable low- or no-cost upgrades for small businesses, with an emphasis on businesses in vulnerable communities and communities of color.
- Modernize and expand tax incentives and/or rebates encouraging efficiency improvements in homes and buildings, with significantly increased incentive levels to encourage more private investment in heating and air conditioning equipment, insulation, lighting systems, windows, etc. The existing incentives are outdated and inadequate for significantly influencing the market.
- In line with the Open Back Better Act, introduced by Congresswoman Lisa Blunt Rochester (D-Del.) and Senator Tina Smith (D-Minn.), launch a national campaign to modernize schools, hospitals, community centers and other critical public facilities at the local, state, and federal levels, including through performance contracts that leverage cost savings from energy efficiency to draw private investment.
- Sign comprehensive transportation infrastructure legislation focused on building a modern transportation system that is more efficient, sustainable, cost-effective, and equitable for all

Americans, including by expanding financing through programs such as Build American Bonds and BUILD Grants; build out electrification infrastructure; increase funding for public transit programs; increase investment in port and airport efficiency and modernization; and increase R&D funding for advanced technologies with the potential to drive greater efficiency and decarbonization.

- Expand key programs at DOE's Office of Energy Efficiency and Renewable Energy, such as the State Energy program and the Weatherization Assistance Program (WAP). WAP continues to see demand outstrip supply nationwide to help low-income households permanently reduce energy bills. Also gradually phase in increased weatherization funding to ensure effective implementation, and better coordinate repair and weatherization work between the Office of Housing and Urban Development and the Department of Energy's weatherization office.
- Reestablish the more than 300,000 energy efficiency jobs lost since the start of the COVID-19 pandemic and establish robust workforce training programs aimed at ensuring full participation in the clean energy economy for low-income households, people of color, and communities vulnerable to the energy transition. The Blue Collar to Green Collar Jobs Development Act offers a strong model for a national training program that would include grants to businesses to pay a living wage as workers train for jobs in the energy efficiency, grid modernization, and renewable energy sectors.
- Double the ENERGY STAR budget. At a cost of less than \$40 million, ENERGY STAR has brand recognition above 90% nationally and saves consumers and businesses more than \$35 billion annually in avoided energy costs, while sharply reducing U.S. greenhouse gas emissions. For a relatively small investment, ENERGY STAR can significantly expand this impact. Initiatives such as ENERGY STAR Portfolio Manager, for example, can play a tremendous role in helping cities and states develop efficiency programs for buildings.
- Encourage adoption of Active Efficiency. The utility sector is rapidly evolving as a digitally driven enterprise using decentralized energy resources, grid connectivity, and sophisticated demand flexibility technologies to manage and meet demand. The Alliance refers to this wider suite of increasingly interconnected energy optimization strategies as Active Efficiency. Further investment is needed to drive these technologies into the market and establish the U.S. as a global leader in the field.

More information about these and other proposals is available in <u>the Alliance's 2021 policy agenda</u>. We stand ready to discuss these proposals further and work with the administration to use energy efficiency to build a more sustainable, equitable, and prosperous future for all Americans.

Sincerely,

Paula R. Glover

President

Alliance to Save Energy

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Honorable Jennifer Granholm, U.S. Secretary of Energy cc: Honorable Kelly Speakes-Backman, Acting Assistant Secretary and Principal Deputy Assistant Secretary, Office of Energy Efficiency and Renewable Energy (EERE) Honorable Cedric Richmond, Senior Advisor to the President, Director of the White House Office of **Public Engagement**