August 9, 2021

Honorable Joe Manchin Chairman Committee on Energy and Natural Resources United States Senate 304 Dirksen Senate Office Building Washington, D.C. 20510

Honorable Frank Pallone Jr. Chairman Committee on Energy and Commerce U.S. House of Representatives 2125 Rayburn House Office Building Washington, D.C. 20515 Honorable John Barrasso Ranking Member Committee on Energy and Natural Resources United States Senate 307 Dirksen Senate Office Building Washington, D.C. 20510

Honorable Cathy McMorris Rodgers Ranking Member Committee on Energy and Commerce U.S. House of Representatives 1035 Longworth House Office Building Washington, D.C. 20515

Dear Chairmen Manchin and Pallone, and Ranking Members Barrasso and McMorris Rodgers:

We, the undersigned, urge you to support the Main Street Efficiency Act (MSEA), vital legislation introduced by Senator Catherine Cortez Masto (D-NV) in the Senate and Representative Peter Welch (D-VT) in the House. MSEA would provide direct energy efficiency investments into America's small businesses to significantly lower operational expenses through a reduction in energy costs, saving participants up to 30% on their monthly utility bills. Electricity and natural gas costs are among the top recurring expenses after real estate and labor and are "<u>much more of a burden for the smallest compared to larger small businesses</u>." Critically, the legislation would prioritize utilization of diverse suppliers, and targets investments in minority and women-owned businesses.

According to ENERGY STAR, small businesses across the United States spend more than <u>\$60</u> <u>billion a year</u> on energy expenses and can save up to 30% through energy efficiency solutions, or \$18 billion annually. Utilities across the United States offer demand side management programs (DSM) to help offset the cost of energy efficiency investments, but these programs only partially cover total project amount, often ranging from 35% to 65%. Even in the best of times, notwithstanding existing incentives, many small businesses are unable to afford DSM program participation due to lack of capital or credit. MSEA would match existing utility incentives, leveraging nonfederal investment, and allowing small businesses to receive energy efficiency upgrades at significantly reduced or no costs.

Small business owners continue to suffer due to the COVID-19 pandemic and are making tough decisions daily to sustain the business operation. MSEA goes beyond a single cash infusion and provides direct investments into the business infrastructure that lowers the cost of operations for

years to come, positioning the enterprise for sustained future growth. Moreover, MSEA positively impacts climate goals, estimated to avoid 40 million tons of carbon emissions over the lifetime of installed equipment. Furthermore, because MSEA has the potential to increase small business participation in DSM programs from 2% to as much as 90%, the bill would help grow related businesses and the energy efficiency workforce by an estimated <u>40,000 new jobs</u>, according to analysis published by the American Council for an Energy-Efficient Economy in September 2020.

The Main Street Efficiency Act represents real, direct, and smart investments in small business infrastructure, including restaurants, grocers, dry cleaners, markets, service stations, and others. This legislation would stimulate businesses that participate in DSM programs in addition to those small businesses providing energy efficiency services. Moreover, MSEA will have the benefit of revitalizing clean-energy sector job growth and addressing climate change, all while targeting minority and women-owned businesses, the hardest hit by the COVID-19 pandemic. We urge you to support and pass the Main Street Efficiency Act.

Sincerely,

National LGBT Chamber of Commerce

- U.S. Black Chambers
- U.S. Chamber of Commerce
- U.S. Hispanic Chamber of Commerce
- U.S. Pan Asian American Chamber of Commerce
- U.S. Women's Chamber of Commerce

cc: Members of the Senate Committee on Energy and Natural Resources cc: Members of the House Committee on Energy and Commerce