July 2, 2024

The Honorable Patty Murray, Chair U.S. Senate Committee on Appropriations Washington, D.C. 20510

The Honorable Susan Collins, Vice ChairU.S. Senate Committee on AppropriationsWashington, D.C. 20510 The Honorable Tom Cole, Chair U.S. House Committee on Appropriations Washington, D.C. 20515

The Honorable Rosa DeLauro, Ranking MemberU.S. House Committee on AppropriationsWashington, D.C. 20515

Dear Chair Murray, Chair Cole, Vice Chair Collins, Ranking Member DeLauro, and Members of the Committee:

We write to thank you for ensuring that the Consolidated Appropriations Act of 2024 preserved the Department of Energy's (DOE) longstanding authority to set commonsense energy and water efficiency standards that reduce waste and save money for consumers. We are similarly grateful that the House version of Fiscal Year (FY) 2025 Energy and Water Development and Related Agencies Appropriations Act has advanced to the full Committee on Appropriations without language that would undermine this authority. **As you further consider this legislation, we urge you to continue to ensure that it does not include any policy provisions that would restrict DOE's ability to review, update, and enforce these critical cost-saving standards.**

DOE's authority pertaining to energy and water conservation standards dates back to the 1970s, when Congress directed the agency to establish standards for consumer appliances and equipment aimed at reducing energy demand.¹ This authority has been amended, strengthened, and reaffirmed by Congress several times since then, ensuring that DOE has the guidance and direction needed to effectively set standards that are technologically feasible and economically justified (which includes ensuring cost-effectiveness for consumers), in accordance with both statute and Congressional intent.

As a result, efficiency standards have reduced energy and water waste for decades. In 2015, standards reduced average U.S. household utility bills by \$500, and by 2030, average annual household savings will increase to more than \$800.² Standards recently set and updated by DOE are expected to add to those savings. DOE estimates that by 2020, households and

¹ <u>Statutory Rules and Authorities</u> (U.S. Department of Energy).

² <u>Energy-Saving States of America: How Every State Benefits from National Appliance Standards</u> (ASAP and ACEEE, February 2017).

businesses across the United States had cumulatively saved *\$1 trillion* as a result of these standards; by 2030, efficiency standards will have reduced energy consumer costs in the United States by *\$2 trillion*.³ These standards put money back in ordinary Americans' pockets, while also ensuring that their homes and businesses are equipped with efficient and up-to-date modern technologies. It is no surprise that an overwhelming majority of Americans support these standards.⁴

Energy efficiency also protects public health. Improving appliance and equipment efficiency can reduce air pollution from buildings, and by lowering energy demand in buildings, energy efficiency also reduces upstream pollution from power plants. Cutting air pollution where we live, work, and generate electricity ultimately results in improved air quality and improved health outcomes,⁵ particularly for people living in lower-income communities and communities of color that are disproportionately exposed to air pollution.⁶

Importantly, energy efficiency improves grid resilience and reliability.⁷ By lowering energy demand in buildings, efficiency standards reduce strain on the grid and, in turn, reduce the risk of power disruptions and outages. In fact, DOE and the National Renewable Energy Laboratory found that energy efficiency is one of the most powerful and cost-effective ways to both improve grid reliability and meet our clean energy goals.⁸

Congress must preserve DOE's ability to set, update, and enforce energy and water efficiency standards that save money for consumers, improve public health, and strengthen our grid – and we commend your steadfast, bipartisan support for this longstanding authority. As you consider the FY 2025 Energy and Water Development and Related Agencies Appropriations Act, we urge you to ensure that the legislation does not include any harmful, unnecessary policy provisions that would limit DOE's authority to lower costs for everyday Americans.

continued on next page

³ Saving Energy and Money with Appliance and Equipment Standards in the United States (U.S. Department of Energy, January 2017).

⁴ <u>Attitudes on Natural Gas Bans Aren't Changing Much — but Support Is Rising for Strengthened Energy</u> <u>Efficiency Standards</u> (Morning Consult, April 2023).

⁵ <u>How National Appliance and Equipment Energy Conservation Standards Can Improve Public Health and Advance</u> <u>Justice40 Initiative Goals</u> (CLASP, March 2024).

⁶ <u>EPA Research: Environmental Justice and Air Pollution</u> (U.S. Environmental Protection Agency, October 2023).

⁷ Keeping the Lights On: Energy Efficiency and Electric System Reliability (ACEEE, Oct. 2018).

⁸ Examining Supply-Side Options to Achieve 100% Clean Electricity by 2035 (NREL, August 2022).

Sincerely,

Alliance to Save Energy American Council for an Energy-Efficient Economy **Appliance Standards Awareness Project** Consumer Federation of America **Consumer Reports** Earthjustice Environment America **Evergreen** Action Institute for Market Transformation (IMT) League of Conservation Voters Local Initiatives Support Corporation Midwest Energy Efficiency Alliance National Association of State Energy Officials National Consumer Law Center Natural Resources Defense Council Northeast Energy Efficiency and Electrification Council **Rewiring America** RMI Sierra Club U.S. Green Building Council U.S. PIRG WE ACT for Environmental Justice