United States Senate

WASHINGTON, DC 20510

April 5, 2019

The Honorable Lamar Alexander Chairman Subcommittee on Energy and Water Senate Committee on Appropriations 142 Dirksen Senate Office Building Washington, D.C. 20510

The Honorable Dianne Feinstein Ranking Member Subcommittee on Energy and Water Senate Committee on Appropriations 142 Dirksen Senate Office Building Washington, D.C. 20510

Dear Chairman Alexander and Ranking Member Feinstein:

We are writing to express our strong support for key energy efficiency programs within the Office of Energy Efficiency and Renewable Energy (EERE) at the U.S. Department of Energy (DOE). These programs, which are leveraged across the board through public-private partnerships, have helped modernize an energy efficiency sector that employs over 2.3 million Americans. As we invest in and upgrade U.S. energy infrastructure, we must ensure that DOE has the resources it needs to continue to deliver direct savings to homeowners, consumers and business.

Energy efficiency is our nation's most abundant energy resource. Without the gains in energy efficiency made since 1980, the U.S. economy would today require two-thirds more energy than we currently consume. The importance of the U.S. DOE in research, technical assistance and market integration efforts that have driven gains in energy efficiency cannot be overstated. For example, standards in place today will save about 142 quadrillion Btus ("quads") of energy by 2030 while reducing US consumer and business energy bills by \$2 trillion. DOE EERE programs have provided exceptional value to American consumers and businesses, yielding benefits that far outweigh the relatively nominal outlays appropriated by Congress.

To that end, we respectfully request Fiscal Year 2020 (FY2020) funding for the following DOE programs, as summarized below:

Advanced Manufacturing Office (AMO): We request \$320 million to enable the research, development, demonstration and deployment of industrial energy efficiency and advanced manufacturing technologies. These technologies will keep U.S. companies competitive in international markets and enable them to retain and continue to expand employment opportunities in local economies. AMO is a key component of many public-private partnerships that leverage federal investment in high-performance computing, advanced materials and smart manufacturing. Transfer of these technologies to the private sector is critically important to sustained international competitiveness of the nation's small and mid-size manufacturers. We support funding for the Clean Energy Manufacturing Innovation Institutes, Industrial Assessment Centers and Combined Heat and Power Technical Assistance Partnerships as well as the deployment of energy efficient manufacturing technologies and practices, such as smart manufacturing.

Building Technologies Office (BTO): We request \$268 million to develop innovative, costeffective technologies, tools and solutions that help U.S. homeowners, consumers and businesses achieve peak energy efficiency performance in their buildings across all sectors of our economy. Within this account, robust funding is needed for:

- <u>Emerging Technologies (ET)</u>: The program supports applied research and development (R&D) for technologies and accelerating the adoption of these technologies into the marketplace.
- <u>Residential Building Integration (RBI)</u>: DOE collaborates with the residential building industry to improve the energy efficiency of both new and existing homes. RBI has partnerships with thousands of small businesses in this sector, the construction trades, equipment, smart grid technology and systems suppliers, integrators and state and local governments. By developing, demonstrating and deploying cost-effective solutions, the program aims to reduce by 2025 the energy use for space conditioning and water heating in single-family homes by 40 percent compared with 2010 levels.
- <u>Commercial Building Integration (CBI)</u>: The program's research, development and evaluation helps advance a range of innovative building technologies and solutions, paving the way for high performing buildings that could use between 50 percent and 70 percent less energy than typical buildings. CBI works with industry, small businesses, academia, the national labs and other entities to advance energy efficiency solutions and technologies for commercial buildings.
- <u>Efficiency Standards, Building Codes, and Test Procedures:</u> DOE is responsible for setting minimum efficiency standards for appliances, equipment and lighting to ensure new models continue to make progress on efficiency as technology matures as well as updating test procedures to reflect product improvements, particularly Internet connectivity. DOE plays an important support and technical assistance role in the development and implementation of building energy codes, which are adopted by states and local governments, for new residential and commercial construction that reflect developments in building energy efficiency and "lock in" savings for the life of the building.

Weatherization and Intergovernmental Programs (OWIP): We request \$340 million and within this account, we request \$270 million for the Weatherization Assistance Program (WAP) and \$70 million for the State Energy Program (SEP). R&D investments will continue to make emerging technologies cheaper and more accessible but DOE's WAP is particularly important for bringing energy efficiency to communities that need it. Since 1976, WAP has helped make more than 7 million homes more efficient, saving the average recipients about \$4,200 over the lifetime of their homes. SEP provides funding and technical assistance to states, territories and the District of Columbia to enhance energy security, advance state-led energy initiatives and maximize the benefits of decreasing energy waste.

Federal Energy Management Program (FEMP): We request \$36 million to provide project and policy expertise to all federal agencies, \$9 million of which will go directly to the Assisting Federal Facilities with Energy Conservation Technologies (AFFECT) program. With moderate funding, FEMP supports all agencies of the Federal government in their quest to save energy and money for the American taxpayer while improving agency infrastructure and addressing deferred maintenance. FEMP is at the forefront of efforts to improve federal building energy performance, which is accomplished in part by accessing and leveraging private capital in performance contracts. The additional private capital has been used to finance hundreds of projects across two dozen agencies, creating 30,000 jobs and

reducing energy outlays by \$8 billion over the next 18 years. We support funding for the AFFECT program within FEMP and support preference given to projects that leverage private financing.

Strategic Programs: We recommend an increase of \$5 million for the establishment of a Performance Based Contract National Resource Collaborative. It should be managed by Strategic Programs but be a joint development activity between FEMP and OWIP. The Collaborative will provide technical and financial expertise to State and local government users that will enable the expansion of performance-based contracts nationwide.

Energy Information Administration (EIA): We support funding EIA at \$135 million in order to continue important data collection, analysis and reporting activities on energy use and consumption, including the Commercial Buildings Energy Consumption Survey and the Residential Buildings Energy Consumption Survey. Additional data is also needed on LEDs (light-emitting diode bulbs and fixtures), commercial building codes and transmission.

Accountability at the Department of Energy: Additionally, we request you once again include clear direction to DOE to obligate funds consistent with Congressional intent and in a timely manner and direct DOE to maintain a comprehensive approach that includes early, middle, and late-stage research, development, deployment and demonstration activities. Continued DOE involvement throughout this process is critical to delivering innovative advanced energy technologies, practices and information to American consumers. Specifically, in the Direction on Research and Development Activities section of the Department of Energy Title, we request the addition of the following language:

• "The Committee recognizes that buildings are an important element of U.S. infrastructure; building energy efficiency programs are critical to energy emergency preparedness and response, resilience and reliability, and physical and cyber security. The Committee directs the Department to aggressively implement mid- and late-stage research and development activities to spur further innovation in the market. The Committee restates its concerns about how the Department is deploying funds and staff resources appropriated in previous fiscal years and directs the Department to implement the activities as directed in a timely manner and for EERE leadership to meet no less than quarterly with Committee staff to provide a status report on activities, including filling vacancies at EERE."

Thank you for your consideration of our request. Funding at the levels requested would provide DOE with the resources it needs to accomplish its mission, help the federal government meet its goals and implement initiatives that benefit and deliver direct savings across all sectors of our economy.

Sincerely,

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WANNE SHAHEEN ' United States Senator

Long Drawn

CORY GARDNER United States Senator

and Slan **RICHARD BLUMENTHAL**

United States Senator

JEFFREY MERKLEY United States Senator

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BENJAMIN L. CARDIN United States Senator

CC: Chairman and Ranking Member, U.S. Senate Committee on Appropriations