

June 30, 2023

Dr. Carolyn Snyder Deputy Assistant Secretary for Energy Efficiency Office of Energy Efficiency and Renewable Energy U.S. Department of Energy 1000 Independence Avenue SW Washington, DC 20585

Dear Dr. Snyder:

The Alliance to Save Energy, joined by the American Council for an Energy-Efficient Economy, Building Performance Association, Environmental and Energy Study Institute, Institute for Market Transformation, North American Insulation Manufacturers Association, Northeast Energy Efficiency Electrification Council, and U.S. Green Building Council, write to request a meeting to identify how we can be helpful in your current efforts to develop market awareness of the energy efficiency provisions within the Inflation Reduction Act (IRA), with a particular focus on the energy efficiency tax incentives 25C, 45L, and 179D, in addition to the home efficiency and appliance rebate programs. We greatly appreciate the lift required to develop relevant resource materials to drive awareness, and offer to convene our collective memberships and resources to work with you in identifying solutions to optimize existing efforts.

For both the residential and commercial sectors, the Department and the Biden administration more broadly have appropriately identified and encouraged energy efficiency as a priority solution to addressing greenhouse gas emissions from the buildings sector. Achieving the administration's goals in this sector requires a comprehensive approach that incorporates all components of the built environment. As you implement this historic suite of new programs, we encourage you to dedicate more attention and resources to consumer-friendly education of households and building owners about envelope solutions (which are often overlooked yet should be the foundation for comprehensive energy efficiency projects in buildings), equipment solutions, and how they work together.

As you consider strategies going forward, we propose that DOE build from the current <u>Energy Savings</u> <u>Hub</u>, which starts with homeowners and the recommendation to begin with an energy audit. DOE's recommendation to begin with an energy audit is valuable information, including the available tax credits. However, consumers would be advantaged if they also learned about the measures the audit may recommend, such as securing the building envelope, e.g. adding more insulation, high efficiency windows, skylights and doors, or replacing inefficient heating and cooling equipment with most efficient models. Much of that information is already at DOE's <u>Energy Saver site</u>, but the two sites do not seem to be linked (despite the almost identical names). Those visiting the Hub should also be able to easily identify how these solutions could qualify for the tax incentives, rebate programs, or other IRA provisions. The Hub addresses some of these issues under the *Incentives for Homeowners* section, and provides access to Form 5695, which is helpful, but the very prominent link to the <u>ENERGYSTAR tax credit</u> information page with information from the old 25C (for 2022) may be confusing. The *Incentives for Homeowners* section also provides information buttons for relevant equipment and appliances, but does not give consumers guidance as to how various solutions work together functionally. For example, before purchasing heating and cooling solutions, a consumer ideally should first address the building envelope, including insulation, air sealing, windows, and doors. Addressing these items first may positively impact capacity and costs related to heating and cooling equipment and should also reduce the cost of operating the equipment during the year. Although the consumer makes the final decision about how she approaches energy efficiency purchases, DOE can help by providing a roadmap of best practices, e.g. first conduct an energy audit; second address the building envelope; third identify the appropriate equipment type; etc. Thus DOE can begin to educate and migrate consumers toward desired energy efficiency practices.

We also request the opportunity to discuss the <u>Better Buildings Funding and Incentives Resource Hub</u>. When using the provided drop-down search features for *Residential* under Sector, combined with *Envelope/Enclosures*, under Technology, the user is led to a non-governmental <u>Your Savings Calculator</u> page that primarily provides information (and predictions for rebates that do not yet exist) associated with electrification measures, not envelope measures. There are better links for envelope measures, including DOE's own sites discussed above. Similarly, a search under *Multifamily* and *Envelope/Enclosures* links to the Your Savings Calculator site and not to government resources specifically about the expanded Sec. 45L tax credit, such as <u>this EPA page</u> or <u>this IRS page</u>, or on the 179D tax deduction.

Additionally, when searching for HVAC using the drop-down menu, consumers should be led to information on all qualifying equipment types (as the above DOE sites do) and not only electric products, which ideally should assist the consumer in making the most efficient and affordable solution with the greatest emission reductions.

We look forward to the opportunity to further discuss our recommendations and how we can assist DOE in optimizing awareness and use of the tax, rebate, and other energy efficiency incentives in the IRA. Please let us know times best for your team to meet (virtually) in the next few weeks and we will coordinate calendars on our end. Thank you in advance, and if you have questions or need additional information, please contact Vincent Barnes of the Alliance to Save Energy at <u>vbarnes@ase.org</u>.

Sincerely,

Alliance to Save Energy American Council for an Energy-Efficient Economy Building Performance Association Environmental and Energy Study Institute Institute for Market Transformation North American Insulation Manufacturers Association Northeast Energy Efficiency Electrification Council U.S. Green Building Council