June 21, 2017

The Honorable Mike Simpson
Chairman, Subcommittee on Energy
and Water Development, and Related
Agencies
U.S. House of Representatives
Committee on Appropriations
Washington, DC 20515

The Honorable Marcy Kaptur
Ranking Member, Subcommittee
on Energy and Water Development,
and Related Agencies
U.S. House of Representatives
Committee on Appropriations
Washington, DC 20515

The Honorable Lamar Alexander
Chairman, Subcommittee on Energy
and Water Development
U.S. Senate Committee on Appropriations
Washington, DC 20510

The Honorable Dianne Feinstein
Ranking Member, Subcommittee on Energy
and Water Development
U.S. Senate Committee on Appropriations
Washington, DC 20510

Dear Chairman Simpson, Ranking Member Kaptur, Chairman Alexander, and Ranking Member Feinstein:

On behalf of the undersigned businesses and business organizations, we are writing to urge your support for key energy efficiency (EE) programs managed by U.S. Department of Energy (DOE) in fiscal year 2018. Often through public private partnerships, these programs have a proven track record of creating and supporting jobs, fostering economic development and innovation, all while benefiting American businesses, consumers and homeowners.

Energy efficiency, a key domestic resource, is critical to ensuring safe, reliable, affordable energy to Americans now and in the future. Without the gains in EE made since 1973, the U.S. economy would today require 60% more energy than we currently consume. According to the American Council for an Energy Efficient Economy, the cumulative savings from energy efficiency over this 43-year period reduced our national energy bills in 2014 by about $800 billion. The importance of U.S DOE in research, technical assistance, and market integration efforts that have driven gains in energy efficiency cannot be overstated. U.S. DOE EE programs provide an exceptional value to American consumers and businesses, yielding benefits that far outweigh the relatively nominal outlays appropriated by Congress. We therefore respectfully request funding for the following priority U.S. DOE programs, as summarized below:

Office of Energy Efficiency and Renewable Energy (EERE):

Advanced Manufacturing: The mission of this program is to enable the research, development, demonstration and deployment of industrial EE and advanced manufacturing technologies that will keep our manufacturing companies internationally competitive and able to retain and grow manufacturing jobs in the U.S. 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 (SMMs). We support funding of Clean Energy Smart Manufacturing Innovation Institute (CESMII) that is creating the next generation open-source smart manufacturing platform.

Federal Energy Management (FEMP): With very minimal funding, FEMP supports all agencies of the Federal government in their quest to save energy and money for the American taxpayer while improving their 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, which have been used to finance hundreds of projects across two dozen agencies that will reduce energy outlays by $8 billion over the next 18 years and create 30,000 jobs.

Buildings Technologies (BTO): BTO develops critical technologies, tools, and solutions that help U.S. consumers and businesses achieve peak efficiency performance in their buildings across all sectors of our economy. The goal is to reduce the energy use intensity of the U.S. buildings sector by 30% by 2030.

- **Emerging Technologies (ET):** The program supports applied research and development (R&D) for technologies, systems, and models that contribute to reducing energy consumption. ET is helping to meet this goal by enabling cost-effective, energy-efficient technologies and accelerating the adoption of these technologies into the marketplace.
- **Residential Buildings Integration (RBI):** DOE collaborates with the residential building industry to improve the energy efficiency of both new and existing homes. 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% from 2010 levels. In RBI, the Building America program is a source of innovation in residential building energy performance, durability, quality, affordability, and comfort. This world-class research program partners with industry to bring cutting-edge innovations and resources to market.
- **Commercial Building Integration (CBI):** Many of our companies both produce and install energy efficiency equipment. Over the past 15 years, this program has been invaluable in addressing barriers to the commercial market and to providing innovative approaches to integrating efficiency equipment in America's commercial building stock.
- **The Building Energy Codes Program (BECP)**: Critical DOE functions under the codes program include assessing the savings impacts of model energy codes and coordinates with key stakeholders to improve model energy codes, including architects, engineers, builders, code officials, and a variety of other energy professionals. We also support their role in providing a variety of educational and training resources and assists states working to measure and improve code compliance.

Appliance Standards Program: While many of us are working to address process reform of the federal standards program, we fully support the existence of, and the necessary funding for, such a program. Without national standards, we would see different state and regional based standards, for which compliance would be incredibly complicated and expensive.

Weatherization and State Energy Programs:

- WAP is a successful program that spurs economic investment and job creation in all states by providing technical and financial assistance to low-income families, leading to reduced energy bills through energy efficient improvements to their homes. WAP funding is provided to states, territories, and Indian tribal governments. Typical weatherization measures may include insulation, duct sealing, heating and cooling systems repairs or replacement, air infiltration mitigation; and energy efficient lighting and appliances. According to DOE, the program has helped more than 7 million families by reducing their energy bills.

- The State Energy Program provides technical expertise and funding to states to improve their energy security, increase their energy efficiency, and to boost economic growth. SEP combines the scientific and economic knowledge of the Department of Energy with locally led planning to improve the energy et1'iciency of hospitals and schools, install clean energy projects, and support private sector energy innovation. A study by Oak Ridge National Laboratory shows that every SEP dollar spent leads to at least $4.70 in energy savings. The same study estimates that

businesses reinvesting these energy savings into job-creating opportunities leads to thousands of jobs created per year.

Advanced Research Projects Agency-Energy (ARPA-E):

- **ARPA-E** advances high-potential, high-impact energy technologies that are too early for private-sector investment. Awardees are unique, with a focus on developing entirely new ways to generate, store, and use energy. ARPA-E empowers America's energy researchers with funding, technical assistance, and market readiness. ARPA-E has used approximately $1.5 billion to fund more than 580 projects through 36 focused programs and three open funding solicitations. Since 2015, 74 of these projects have attracted more than $1.8 billion in private sector follow-on funding.

Office of Electricity Delivery & Energy Reliability

- **Grid Modernization:** One of the most important issues facing this country is grid modernization, requiring substantial technical solution development, this goes hand-in-hand with funding and policy development all working in parallel. Our businesses are particularly supportive of DOE efforts to provide a "smart" grid, connected to smart buildings and factories.

We urge the Subcommittee to support level funding for these key energy efficiency programs and provide U.S. DOE with the resources it needs to accomplish its mission, help the federal government meet its goals, and implement initiatives for the benefit of consumers and businesses across all sectors of our economy.

Sincerely,

Ameresco

BASF Corporation

Daikin US Corporation

Eaton

Ingersoll Rand

Johnson Controls

National Association of Manufacturers

Owens Corning

Schneider Electric

Siemens

United Technologies Corporation

US Chamber of Commerce