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Prepared for: House Subcommittee on Energy and Water Development and Related Agencies

Subject: U.S. Department of Energy (DOE) FY2025 Appropriations

The Alliance to Save Energy, a bipartisan, non-profit organization representing a coalition of businesses, government, environmental, & consumer leaders, respectfully submits this testimony alongside the undersigned allied organizations to urge you to support robust energy efficiency (EE) investments in critical programs managed by the U.S. Department of Energy (DOE): **\$399M – BTO; \$250M – AMMTO; \$400M – IEDO; \$113M – MESC; \$180M – OCED; \$70M – FEMP; \$442M – WAP; \$90M – SEP; \$40M – SCEP PD; \$2M – USEER; \$157M – EIA.** Increasing investment in these programs can deliver significant emissions reductions, grow jobs in the clean energy sector, and provide savings to American consumers. Energy efficiency, a key domestic resource, is critical to ensuring safe, reliable, & affordable energy to Americans now & in the future. Efficiency measures have cut our energy use in half relative to the size of the U.S. economy since 1980. This energy waste reduction has effectively delivered more than \$2,000 in annual savings per American. According to ACEEE, scaling up key EE-related policies & programs can slash U.S. energy use and GHG emissions by about 50% by 2050, saving more than \$700 billion in 2050.

The U.S. EE workforce is comprised of over 2.2 million Americans, which is the largest share of the entire U.S. energy sector and is more than all combined jobs in clean and fossil energy generation. These jobs are high-paying and cannot be shipped overseas, ensuring that future generations of Americans can pursue competitive careers in energy efficiency. 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. U.S. DOE EE programs provide exceptional value to American consumers and businesses, yielding benefits that far outweigh the relatively nominal outlays appropriated by Congress. According to various impact evaluation studies, DOE's innovation investments have had a benefit-to-cost ratio of 33 to 1 and generated billions of net economic benefits for the country. We respectfully request FY2025 regular appropriations funding for the following DOE programs, as summarized below:

Buildings Technologies (BTO): \$399 million to develop innovative, cost-effective technologies, tools, and solutions that help U.S. homeowners, consumers, & businesses achieve peak energy efficiency performance in their buildings across all sectors of our economy. Within this account, robust funding is needed for:

- **Residential Buildings Integration (RBI): \$91 million** for DOE to collaborate with the residential building industry to improve the energy efficiency of both new and existing homes. RBI should continue to provide for residential grid-interactive efficient buildings (GEBs) activities and information sharing on associated technologies, costs, and benefits.
- **Commercial Building Integration (CBI): \$91 million** for the program's research, development, and evaluation help advance a range of innovative building technologies and solutions, paving the way for high performing buildings that could use between 50% and 70% less energy than typical buildings. CBI should continue to provide for commercial grid-interactive efficient buildings (GEBs) activities and information sharing on associated technologies, costs, & benefits.
- **Efficiency Standards, Building Codes, and Test Procedures: \$90 million** for equipment and building standards, including **\$60 million** for appliance standards and **\$30 million** for the Building Energy Codes Program.

- **Emerging Technologies (ET): \$127 million** for the program to enable cost-effective, energy-efficient technologies to be developed and introduced into the marketplace.

Industrial Programs: Within the EERE, at least:

- **\$250 million for Advanced Materials and Manufacturing Technologies (AMMTO)** to drive manufacturing innovation and decarbonization, particularly in material innovations and building the energy technology workforce.
- **\$400 million for Industrial Efficiency and Decarbonization (IEDO)**, to conduct work in energy and emission-intensive industries, crosscutting decarbonization efforts, and workforce development.

We also urge consideration of the President’s budget request for the full complement of EERE offices, the Office of Manufacturing and Energy Supply Chains (MESC), as well as the Office of Clean Energy Demonstrations (OCED). This level of funding is intended to accommodate an ambitious agenda of decarbonizing U.S. manufacturing by the midcentury.

- EERE should continue its efforts promoting energy efficiency, decarbonizing manufacturing processes, and reducing the embodied carbon in manufactured products. Additionally, as EERE continues to build its staffing, it should focus on adding expertise in important decarbonization technology areas identified in its research road mapping.
- **Industrial Electrification:** Report on the future electricity needs of the industrial sector and work with National Labs and relevant stakeholders to develop electrification pathways that would meet industry and clean energy goals while preserving affordable electricity rates for consumers and grid reliability.
- **Smart Manufacturing:** Support the development and adoption of smart manufacturing practices directed toward small and medium-sized manufacturers. This includes but is not

limited to, expanded funding for the Clean Energy Smart Manufacturing Innovative Institute (CESMII) to increase educational and technical assistance activities directed to smart manufacturing adoption and MESC's State Manufacturing Leadership Program.

- Industrial Process Heating Decarbonization: Continued research, development, and deployment by EERE within the Industrial Heatshot to promote adoption of technologies to dramatically reduce the GHG emissions from process heating applications.
- Flex Tech: Establishment of a Flex-Tech program that provides grants to states and tribal governments partnered with educational institutions and trade associations to provide energy and greenhouse gas reduction assessments and loans to implement identified measures at small and medium-sized manufacturers.

Federal Energy Management Program (FEMP): At least **\$70 million** to provide project and policy expertise to all federal agencies, including not less than **\$20 million** for the Department to continue its work through the Assisting Federal Facilities with Energy Conservation Technologies (AFFECT) program under the Federal Energy Efficiency Fund and **\$2 million** for the Performance Based Contract National Resource Initiative (PCNRC).

Weatherization Assistance Program (WAP): At least **\$442 million** is recommended for the Weatherization Assistance Program, including **\$375 million** for the base Program, **\$15 million** for training and technical assistance, and **\$52 million** for the Weatherization Readiness Fund.

State Energy Program (SEP): At least **\$90 million** is recommended for State Energy Program grants to the States. The Department should be directed not to utilize funds from the State Energy Program appropriation, either from annual appropriations, IJA, or IRA funds for TA.

U.S. Energy & Employment Report (USEER): \$2 million for the Office of Policy to complete the annual U.S. energy employment report that includes a comprehensive statistical survey to collect data, publish the data and provide a summary report.

Energy Information Administration: \$157 million to continue important data collection, analysis, and reporting activities on energy use and consumption, including the energy consumption surveys (CBECS, RECS, & MECS). The EIA account should provide **\$5 million** in new funding to implement data collection activities required in Sec. 40413 of the IJA.

We stand ready to work with Congress to identify ways the U.S. can improve the affordability and access of energy-efficient technologies, unlock utility savings for consumers, reduce energy-related carbon emissions, and improve public health. We encourage Congress to forgo inclusion of any controversial policy riders that may hinder the regular order of the FY25 process. We appreciate your consideration of our requests.

Sincerely,

Alliance to Save Energy, Advanced Energy United, American Council for an Energy-Efficient Economy, ASHRAE, Building Performance Association, Building Potential, California Efficiency + Demand Management Council, E4TheFuture, Environmental and Energy Study Institute, Federal Performance Contracting Coalition, Institute for Market Transformation, International Code Council, Midwest Energy Efficiency Alliance, National Association for State Community Services Programs, National Association of Energy Service Companies, National Association of State Energy Officials, North American Insulation Manufacturers Association, Northeast Energy Efficiency and Electrification Council, Northeast Energy Efficiency Partnerships, Polyisocyanurate Insulation Manufacturers Association, Southeast Energy Efficiency Alliance, Southwest Energy Efficiency Project, U.S. Green Building Council.