October 25, 2021

The Honorable Nancy Pelosi Speaker U.S. House of Representatives The Honorable Charles E. Schumer Majority Leader U.S. Senate

Dear Speaker Pelosi and Majority Leader Schumer:

Thank you for your leadership in using the budget reconciliation process to secure public investments that will protect future generations from the massive costs and damages resulting from climate change.

Improving our buildings must play a key role in that effort, and we are writing to convey our urgent concern that without meaningful sustainability requirements in reconciliation legislation, we could end up spending billions of dollars on new and renovated buildings that lock in decades of wasted energy and unnecessary greenhouse gas emissions.

Homes and buildings in the U.S. account for nearly 40% of U.S. energy consumption and nearly a third of our greenhouse gas emissions. The Build Back Better agenda rightly emphasizes modernizing our building stock – schools, affordable housing, veterans' hospitals, etc. – to create jobs, reduce energy costs and slash carbon emissions while improving quality of life.

The House's recently released reconciliation legislation includes a number of provisions, particularly in the tax and energy sections, that address this priority. Yet other titles of the bill would spend hundreds of billions of dollars for schools, affordable housing and other buildings without meaningful sustainability criteria – ignoring the opportunity to truly build back better. Adding clear energy efficiency requirements appropriate to each of these programs will help reduce energy costs and carbon emissions for decades – the outcome we all want from this bill.

Studies have repeatedly shown that we can't meet our climate goals without bold investments in decarbonizing buildings, including energy efficiency and clean heating and cooling. We certainly won't meet them by building status quo homes and buildings that will be used for decades to come. In addition to addressing the climate crisis, what we build today will have a major impact on future energy costs and reliability. As we rightfully speed investments in renewable power, we must also aggressively invest in energy efficiency to deliver a clean energy transition that is affordable and reliable.

While we understand the limits and complexity of the budget reconciliation process, we believe that if this issue is appropriately prioritized, Congress can take steps to ensure that all funded projects are sustainable, energy efficient, and increase the use of clean energy. For example, we ask that you require that projects funded in this package at least meet the most recent applicable model building energy code or standard, with preferences in grant programs and other appropriate sections for projects that demonstrate that they exceed the model code or standard. In the case of public buildings, this will substantially reduce long-term energy costs to taxpayers.

We look forward to working with you and providing technical assistance as you continue to refine this legislation. Please don't hesitate to contact Ben Evans with the U.S. Green Building Council (<u>bevans@usgbc.org</u>) with any questions or for additional information.

Sincerely,

U.S. Green Building Council NRDC RMI Alliance to Save Energy American Council for an Energy-Efficient Economy (ACEEE) **Environmental Defense Fund** Sierra Club National Wildlife Federation **Union of Concerned Scientists Environment America** Environmental Entrepreneurs (E2) Institute for Market Transformation **New Buildings Institute** Advanced Energy Economy American Institute of Architects National Association of Energy Services Companies ASHRAE UndauntedK12 Architecture 2030 Southwest Energy Efficiency Project Inclusive Prosperity Capital Green Building Initiative

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The Honorable Patty Murray, Chair, U.S. Senate Committee on Health, Education, Labor and Pensions The Honorable Robert C. "Bobby" Scott, Chairman, U.S. House Committee on Education and Labor The Honorable Sherrod Brown, U.S. Senate Committee on Banking, Housing and Urban Affairs The Honorable Maxine Waters, Chairwoman, U.S. House Committee on Financial Services The Honorable Bernie Sanders, Chairman, U.S. Senate Committee on the Budget The Honorable Joe Manchin III, Chairman, U.S. Senate Committee on Energy and Natural Resources The Honorable Frank Pallone Jr., Chairman, U.S. House Committee on Energy and Commerce