

November 23, 2020

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

The Honorable Marcy Kaptur
Chairwoman
Energy and Water Subcommittee
U.S. House Appropriations Committee
Washington, DC 20515

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

The Honorable Mike Simpson
Ranking Member
Energy and Water Subcommittee
U.S. House Appropriations Committee
Washington, DC 20515

Chairman Alexander, Chairwoman Kaptur, Ranking Member Feinstein, Ranking Member Simpson:

We commend the House and Senate for sustaining funding for the Department of Energy's (DOE) Building Technologies Office (BTO). As you work to finalize spending levels within the FY2021 Energy and Water appropriations bill for BTO, we write to express our support for funding BTO's Building Energy Codes Program (BCEP) at \$10 million, consistent with last year's funding and this year's House-passed level.

The consequences of high utility costs for people at or below the poverty line demonstrates why energy efficiency is an important part of our solutions to affordable housing challenges. Middle-income and high-income ratepayers spend 1 to 5 percent of their income on energy bills, whereas low-income customers face energy burdens from 6 to 30 percent or more depending on their state of residence.¹ Increased household expenditures on energy contribute to greater mortgage delinquency.² DOE has found that energy codes, when fully implemented, can provide \$126 billion energy cost savings through 2040.³ BCEP plays a vital role in supporting the development and implementation of building energy codes and standards by providing technical assistance for code development, adoption, and compliance.

Last year's funding level advanced BCEP's work to update methods for assessing and quantifying the cost effectiveness of code provisions. This analysis helps inform national and state deliberations surrounding code updates and is critical to ensuring the impacts of updated codes and standards are well understood by those responsible for adopting and implementing them.

BCEP has also worked to bolster assistance for code and standard implementation. It developed a new methodology through which states can validate how their codes are being implemented and quantify energy savings, cost savings, and environmental benefits. Following an initial pilot program funded by BCEP, over twenty states have used this methodology. These studies have been instrumental in helping states understand how their codes are being implemented in the field, and in identifying targeted areas on which to focus ongoing state- and industry-funded workforce education and training programs.

¹ Thompson, A., *Protecting Low-Income Ratepayers as the Electricity System Evolves*, Energy Law Journal (Nov. 2016).

² Kaufmann, R., et. al., *Do household energy expenditures affect mortgage delinquency rates?* Energy Economics (Mar. 2011).

³ Pacific Northwest National Laboratory, *Impacts of Model Building Energy Codes* (Oct. 2016).

By sustaining funding, BECP will be able to reprioritize workforce education and training initiatives, which are critical for the design and construction industry. Although energy codes and standards have been updated significantly—adapting to and incorporating several new and advanced energy technologies—BECP’s education and training efforts have lacked resources in recent years. Providing level funding for BECP would help support state and industry training programs for key professionals, including continuing education for builders, architects, engineers, home energy raters, and other building trades. This helps increase knowledge and awareness of adopted codes and standards, which is one of the most cost-effective means of ensuring their intended benefits are realized in the field. After training and education in 7 states, a DOE residential field study found that annual energy costs due to varying levels of code compliance decreased by an average of about 45 percent.⁴

Maintaining continuity in each of these areas is important, as energy codes and standards will continue to evolve based on the many new and advanced technologies and construction practices that are finding a foothold in the market. It is critical that states, local governments, and industry stakeholders have access to analysis and technical assistance to help them in adapting to emerging trends.

For these reasons we encourage you to support funding BECP at \$10 million in the FY2021 Energy and Water Appropriations bill. Thank you for your consideration.

Sincerely,

Alliance to Save Energy
American Chemistry Council
American Council for an Energy-Efficient Economy
American Institute of Architects
American Society of Heating, Refrigerating and Air-Conditioning Engineers
American Society of Interior Designers
Covestro
DuPont
Environmental and Energy Study Institute
Institute for Market Transformation
International Code Council
Knauf Insulation
National Association for State Community Services Programs
National Association of Counties
National Association of State Energy Officials
National Institute of Building Sciences
Natural Resources Defense Council
North American Insulation Manufacturers Association
Owens Corning
Polyisocyanurate insulation Manufacturers Association
U.S. Green Building Council

⁴ Williams, J., *Single-family Residential Field Study: Phase III Data and Findings*, Building Technologies Office, DOE (2019)