March 16, 2026

The Honorable John Kennedy
Chairman
Subcommittee on Energy and Water Development
Senate Committee on Appropriations
142 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Patty Murray
Ranking Member
Subcommittee on Energy and Water Development
Senate Committee on Appropriations
142 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Chuck Fleischmann
Chairman
Subcommittee on Energy and Water Development, and Related Agencies
House Committee on Appropriations
2362-B Rayburn House Office Building
Washington, DC 20515

The Honorable Marcy Kaptur
Ranking Member
Subcommittee on Energy and Water Development, and Related Agencies
House Committee on Appropriations
1036 Longworth House Office Building
Washington, DC 20515

Re: Letter of Support for Robust FY27 U.S. DOE Energy Efficiency-Related Funding

Dear Chairs Kennedy and Fleischmann and Ranking Members Murray and Kaptur:

We, the undersigned, write today to urge you to support robust energy efficiency (EE) investments in critical programs managed by the U.S. Department of Energy (DOE). As the nation faces rapidly growing electricity demand, including the significant load increases driven by the expansion of artificial intelligence, manufacturing, data centers, and electrification, energy efficiency remains one of the most cost-effective and immediate tools we have to ensure a reliable, affordable, and resilient energy system. Increasing investment in these programs is essential as we use all the tools in our toolbox to address growing energy demand in the U.S. Addressing energy efficiency on the demand side will bolster grid reliability and resilience, grow jobs in the clean energy sector, and provide significant energy cost savings to American consumer when energy affordability is paramount.

Energy efficiency, a key domestic resource, is critical to ensuring safe, reliable, and affordable energy for all Americans - now and in the future. Efficiency measures have helped cut our energy use in half relative to the size of the U.S. economy since 1980. The energy waste reduction has effectively delivered more than $4,000 in annual savings per American. According to the American Council for an Energy-Efficient Economy, scaling up key energy efficiency-related policies and programs can slash U.S. energy use and greenhouse gas emissions by about 50% by 2050. These energy savings would amount to more than $700 billion in 2050.[1]

Buildings are central to addressing the growing energy demand challenge, as they account for 40% of total U.S. energy consumption, including 75% of all electricity use and 35% of the nation's carbon emissions. Without action, anticipated power sector infrastructure build-up is estimated to cost an additional $385-520 billion annually by 2050. **Energy efficiency can offset those costs by about $107 billion**, with about **75% of those savings going to residential families and homes**, resulting in lower energy bills.[2] Energy efficiency allows us to reduce electricity demand, without sacrificing our lifestyles or comfort. The U.S. energy efficiency workforce is composed of nearly 2.4 million

[1] Nadel, S., and L. Ungar. 2019. *Halfway There: Energy Efficiency Can Cut Energy Use and Greenhouse Gas Emissions in Half by 2050.* Washington, DC: ACEEE. https://www.aceee.org/research-report/u1907
[2] https://www.cell.com/one-earth/pdfExtended/S2590-3322(23)00342-1

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.[3] In 2024, the median annual salary for workers in the energy efficiency sector was $59,390, 20.0% higher than the national median salary.[4] Most of these jobs cannot be shipped overseas, ensuring that future generations of Americans can pursue competitive, well-paying careers in energy efficiency.

The importance of the DOE in research, technical assistance, and market integration efforts that have driven gains in energy efficiency cannot be overstated. DOE energy efficiency 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.[5] As the United States confronts unprecedented load growth and the need for a more reliable grid, now is the time to lean into one of our most proven, cost-effective energy resources: energy efficiency.

We respectfully request FY2027 regular appropriations funding for the following DOE programs, as summarized below:

Office of Energy Efficiency and Renewable Energy (EERE): $200 million for program direction funds to increase the number of staff to support mission-critical functions. EERE promotes innovative technologies, energy efficiency, and American competitiveness through an array of programs with the overarching goal of keeping energy affordable and reliable.

Building Technologies Office (BTO): $378 million to develop innovative, cost-effective technologies, tools, and solutions that help U.S. homeowners, consumers, and 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 develops critical technologies, tools, and solutions that help U.S. consumers and businesses achieve peak efficiency performance in residential buildings across the country. RBI should continue to provide for residential grid-interactive efficient buildings (GEBs) activities and information sharing on associated technologies, costs, and benefits to position American companies to lead in this area. RBI's work supports workforce development and training and has partnerships with thousands of small businesses in this sector, the construction trades, equipment, smart grid technology and systems suppliers, integrators, and state and local governments. RBI should continue to support the residential workforce, including by enabling non-profit and industry trade associations to administer nationwide training coordination, promoting recruitment and retention, and researching program efficiencies for workforce expansion in residential energy efficiency. The integration research, demonstration, and market transformation activities of RBI are critical to drive energy affordability and cut utility bills for all Americans.

[3] Building Performance Association, 2025. *Energy Efficiency Jobs in America Report*. https://building-performance.org/documents/2025/EEJAFullReport_2025.pdf.
[4] Ibid.
[5] Dowd, J. 2017. *Aggregate Economic Return on Investment in the U.S. DOE Office of Energy Efficiency and Renewable Energy.* U.S. Department of Energy. https://www.energy.gov/eere/analysis/downloads/aggregate-economic-return-investment-us-doe-office- energy-efficiency-and

- Commercial Building Integration (CBI): **$70 million** for the program's research, development, and evaluation help to 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, and benefits to position American companies to lead in this area. CBI works with industry, small businesses, academia, national labs, and other entities to advance energy efficiency solutions and technologies for commercial buildings. The program, which considers buildings as systems and as part of the electric grid, continues to be transformative in moving industry partners to embrace innovation.

- Efficiency Standards, Building Codes, and Test Procedures**: $90 million for equipment and building standards, including $60 million for appliance standards and not less than $30 million for the Building Energy Codes Program**. The Energy Policy and Conservation Act (EPCA) statutorily requires DOE to conduct regular reviews of appliance standards and to consider updates if they would be technologically feasible and economically justified. This funding would ensure that staff are able to undertake that work so that the program can continue delivering pocketbook savings to American families while supporting American manufacturers of high-quality products. DOE plays an important support and technical assistance role in the development and implementation of building energy codes, which are adopted by states and local governments for new construction and renovations of residential and commercial buildings, that reflect developments in building energy efficiency and "lock in" savings for the life of the building. Education, training, and technical assistance have been woefully underfunded over the past several years and can be very impactful in assisting in codes' adoption and effective implementation.

- Emerging Technologies (ET): **$107 million** for the program to enable cost-effective, energy-efficient technologies to be developed and introduced into the marketplace. ET funds and directs applied research and development (R&D) for technologies and tools that support building energy efficiency, particularly electric technologies for a carbon-free grid.

Advanced Materials and Manufacturing Technologies Office (AMMTO): $215 million to drive manufacturing innovation and boost American industrial competitiveness, particularly in material innovations and reshoring industrial capacity. AMMTO is at the center of DOE's efforts to build a secure and resilient American energy supply chain.

- AMMTO invests in manufacturing innovations for key energy system-enabling technologies to improve performance, improve lifecycle energy efficiency, reduce manufacturing costs, and accelerate market deployment. AMMTO supports RD&D for the manufacturing of energy efficient microelectronics, as well as the development and adoption of smart manufacturing practices focused on energy efficiency and directed toward small and medium-sized manufacturers. This includes but is not limited to expanded funding for Manufacturing USA partnerships like the Clean Energy Smart Manufacturing Innovative Institute (CESMII), which works to increase educational and technical assistance activities directed toward smart manufacturing adoption.

Industrial Technologies Office (ITO): $325 million to invest in research, development, and demonstrations across the domestic industrial base to modernize and strengthen American industrial leadership against global competitors. Funding at this level reflects the urgent need to deploy new, innovative process technologies across industrial subsectors that improve efficiency

and competitiveness, while keeping manufacturing jobs in the U.S. and lowering operational and energy costs. Furthermore, strengthening domestic manufacturing reduces reliance on foreign materials, protecting the U.S. from supply chain disruptions and adversarial economic pressures.

- ITO supports research, development, and demonstration (RD&D) of crosscutting technologies that reduce primary energy demand and minimize losses in the industrial sector, through energy efficiency, electrified process heat, load flexibility, and strategic energy management. Funding is needed to support programs that help deploy and commercialize the latest industrial technologies and best practices throughout America's industrial base, like the Better Plants Challenge, Onsite Energy Technical Assistance Partnerships (TAPs), and the Electrified Processes for Industrial Excellence (EPIXC) Institute. Funding for ITO should also support a report on the future electricity needs of the industrial sector and work with National Labs and relevant stakeholders to develop pathways that would meet industry energy goals while preserving affordable electricity rates for consumers and grid reliability. The report should consider a market assessment of existing and emerging technologies relevant to the future energy efficiency of data centers.

Office of Manufacturing and Energy Supply Chains (MESC): Not less than $19 million to support strengthening MESC's overall performance, organization, budget, operations, human capital, and project management as the office invests in manufacturing capacity and workforce development. MESC's programs build out America's energy supply chain and catalyze private sector manufacturing investments in communities across the U.S. In particular, continued funding support for the Industrial Training and Assessment Centers (ITAC) and the associated implementation grant program, which are critical tools to advance the competitiveness of small and medium-sized manufacturing facilities across the country. By providing free, no-cost energy assessments, the ITAC program trains the next generation of industrial energy professionals while saving manufacturers on average over $140,000 in energy costs.

Federal Energy Management Program (FEMP): Not less than $60 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).** With minimal funding, FEMP supports all agencies of the Federal government in their quest to save energy and money for the American taxpayer while improving agency 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. FEMP's work has attracted private capital used to finance over 454 projects across two dozen agencies and resulted in approximately $8.9 billion in investments in federal energy efficiency and renewable energy improvements. These improvements have generated approximately $19.3 billion in cumulative energy cost savings for the federal government and have created 63,000 job-years. Specified funding for AFFECT has been provided in prior fiscal years to provide small grants to federal agencies to help achieve energy savings and resilience goals. These grants are then leveraged through performance contracts, allowing agencies to utilize private finance to complete innovative and comprehensive energy and water conservation projects that would not otherwise be possible. **AFFECT has leveraged $290 million in congressional funding to attract $3.8 billion in private investment, saving the government more than $137 million annually in energy costs.** The PCNRC is a hub for best practices and solutions for performance contracts implemented in state, local, and federal markets.

Office of State and Community Energy Programs (SCEP): $22 million for Program Direction to support successful implementation and oversight of the Office's programs and priorities, such as the

Weatherization Assistance Program (WAP) and the State Energy Program (SEP) noted below.

Weatherization Assistance Program (WAP): Not less than $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. R&D investments will continue to make emerging technologies cheaper and more accessible, but DOE's Weatherization Assistance Program is particularly important for bringing energy efficiency to communities and families that need it most. According to the Energy Information Administration, over 25 million American households report forgoing food or medicine to pay energy costs, while over 12 million households report being unable to use their heating or cooling equipment. Since 1976, WAP has helped make more than 7.2 million homes more efficient, saving the average recipient about $4,200 over the lifetime of their home. Each WAP dollar produces $4.50 in benefits, including energy savings as well as improved health and safety. Federal weatherization assistance also helps workers and small businesses, directly supporting more than 8,500 jobs and supporting thousands more in related industries.

U.S. State Energy Program (SEP): Not less than $90 million is recommended for U.S. State Energy Program grants. The Department is to provide not less than 95% of these funds for formula grants to State Energy Offices in accordance with the formula that was in place as of January 1, 2026. SEP is used by states to develop energy emergency and security plans; electric transmission and distribution system strategies; strategic development plans and projects in such areas as geothermal, energy efficiency, and storage; analyses of energy-related critical minerals development and processing; and supporting energy workforce development. SEP leverages over $10 for every federal dollar invested and saves over $7 for every federal dollar invested. In addition to energy efficiency and renewable energy programs, SEP is critical for dealing with cyber security and energy emergency preparedness and response. SEP is extremely flexible and is the basis for a variety of partnership program**s**

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. The information collected will include data related to employment figures and demographics in the U.S. energy sector. The report presents a unique snapshot of energy efficiency employment in key sectors of the economy, including construction and manufacturing.

Energy Information Administration (EIA): Not less than $145 million to continue the important data collection, analysis, and reporting activities of the EIA, **including not less than $15 million to administer and increase the detail and frequency of the Commercial Buildings Energy Consumption Survey (CBECS), the Residential Energy Consumption Survey (RECS), and the Manufacturing Energy Consumption Survey (MECS) as directed in section 40413 of the Bipartisan Infrastructure Law (PL 117-58).** The EIA's data products ensure that Congress, federal and state governments, the private sector, and the public have access to timely and reliable energy information which inform important energy-related decisions, including market pricing. Key products include petroleum and natural gas inventory reports; short and long-term forecasts for energy markets, production and use; and trends in energy use in homes, buildings, and manufacturing. To better capture evolving national energy use trends, we strongly support an allocation of $15 million in funding for the CBECS, RECS and MECS, which are foundational for understanding and improving the energy use of sectors that account for more than two-thirds of U.S. energy consumption. This represents an increase of $5.2 million and would give EIA the resources to implement the directive in section 40413 of the Bipartisan Infrastructure Law that required more detailed and frequent reporting of this information but did not

include the needed funding.

ENERGY STAR® Program: $36 million is recommended for the ENERGY STAR program with funding included in legislative text. On March 3, 2026, DOE and EPA signed an agreement to shift primary management and responsibility for ENERGY STAR to DOE. Particularly at a time when ENERGY STAR is severely understaffed, such a transition creates risks for the program and the ENERGY STAR brand, which is an incredibly valuable public asset. It is critical that Congress provide adequate and direct funding to ENERGY STAR to maintain continuity of operations.

We stand ready to work with Congress, the White House, and federal agencies to identify ways the U.S. can improve affordability and access to energy-efficient technologies, unlock utility savings for consumers, reduce energy-related carbon emissions, and improve public health. **To prevent delays and maintain bipartisan support for FY2027 appropriations, we encourage Congress to reject the inclusion of any controversial policy riders that may hinder the regular order of the appropriations process.** We appreciate your consideration of our requests.

Sincerely,

Alliance to Save Energy (ASE)
American Council for an Energy-Efficient Economy (ACEEE)
Building Performance Association (BPA)
Building Potential
California Efficiency + Demand Management Council (CEDMC)
Cellulose Insulation Manufacturers Association (CIMA)
Environmental and Energy Study Institute (EESI)
Federal Performance Contracting Coalition (FPCC)
Institute for Market Transformation (IMT)
Midwest Energy Efficiency Alliance (MEEA)
National Association for State Community Services Programs (NASCSP)
National Association of Energy Service Companies (NAESCO)
National Association of State Energy Officials (NASEO)
New Buildings Institute (NBI)
North American Insulation Manufacturers Association (NAIMA)
Northeast Energy Efficiency and Electrification Council (NEEEC)
Polyisocyanurate Insulation Manufacturers Association (PIMA)
Southeast Energy Efficiency Alliance (SEEA)
Southwest Energy Efficiency Project (SWEEP)
U.S. Green Building Council (USGBC)

cc: The Honorable Tom Cole, Chair, U.S. House Committee on Appropriations
The Honorable Susan Collins, Chair, U.S. Senate Committee on Appropriations
The Honorable Rosa DeLauro, Ranking Member, U.S. House Committee on Appropriations
Members, U.S. Senate Committee on Appropriations, Subcommittee on Energy and Water Development
Members, U.S. House Committee on Appropriations, Subcommittee on Energy and Water Development, and Related Agencies