



Using less. Doing more.

April 21, 2015

The Honorable Lamar Smith
Chairman, House Committee on Science,
Space, and Technology
2409 Rayburn House Office Building
Washington, DC 20515

The Honorable Eddie Bernice Johnson
Ranking Member, House Committee on
Science, Space, and Technology
2468 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Smith and Ranking Member Johnson:

On behalf of the Alliance to Save Energy, I write to express our deep concern with the America COMPETES Reauthorization Act of 2015, HR 1806, which is scheduled for markup by the Committee on Science, Space, and Technology this week. We recognize the significant challenges facing the federal government to reduce spending and spur economic growth, yet we strongly believe that failing to provide robust federal funding for energy efficiency research and development (R&D) will undermine our national economic, environmental and security interests.

This bill threatens to cut funding for Energy Efficiency and Renewable Energy (EERE) R&D by 29%, or \$496 million, below FY15 appropriated levels, and 50% below the President's FY16 request. It would also cut funding for ARPA-E by 50%, or \$140 million, below FY15 levels, and 57% below the President's FY16 request. Further, provisions to require ARPA-E project applicants to first seek private funding will likely inhibit the pursuit of the type of high-risk, high-reward, breakthrough research that ARPA-E is designed to support and that is important for American economic competitiveness. This bill proposes to strike existing authorization for Advanced Energy Technology Transfer Centers to develop and distribute informational materials on how to use energy more efficiently. This bill would also bar the results of any Fossil Energy R&D activity from being "used for regulatory assessments or determinations by Federal regulatory authorities," essentially preventing the federal agencies from using the most up-to-date research results when developing regulations.

Energy efficiency has served for nearly four decades and remains today America's cheapest, cleanest and most abundant resource. Economy-wide improvements in energy efficiency, along with structural changes in our economy, have supplied more energy over the last 30 years than domestic coal, natural gas, and oil combined. The energy productivity of the U.S. economy—the amount of energy it takes to produce one dollar's worth of goods—has increased by 50% over the past three decades. The economic productivity improvements over this period have reduced our national energy bill by about \$700 billion.

These economy-wide benefits would not have been possible without federal funding of R&D into energy efficiency technologies and practices. Energy efficiency R&D is vitally important to developing and deploying this abundant and cost-effective resource. Also, the type of R&D supported by ARPA-E is critical for developing breakthrough technologies that can propel U.S. technological strength and economic competitiveness forward. Federal R&D develops and incubates new energy efficiency technologies and practices that have wide-ranging benefits to the entire American economy.

To cut energy efficiency R&D now would shortchange American taxpayers and cut them out of the energy savings and jobs created by energy efficiency. However, by investing in energy

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efficiency R&D, we can lessen our dependence on imported energy sources, reduce pollution, improve America's competitiveness in the global marketplace, alleviate stress to the electric grid and water infrastructure, and forestall the need for costly new electricity generating capacity.

We urge you to vote against the current America COMPETES Reauthorization Act of 2015, HR 1806, and to instead craft a bill that ensures that energy efficiency R&D is well funded for the benefit of American households and businesses.

Sincerely,

A handwritten signature in black ink, appearing to read "Kateri Callahan". The signature is fluid and cursive, with a long horizontal stroke at the end.

Kateri Callahan
Alliance to Save Energy

cc: Members of the House Committee on Science, Space, and Technology