Testimony of Paula R. Glover
President
Alliance to Save Energy

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Thank you Chairman Rush and Ranking Member Upton for holding this hearing and inviting me to testify. You both have been strong supporters of energy efficiency over the years, and the entire efficiency community appreciates your leadership. I also want to recognize the members of this committee on both sides of the aisle who serve on our honorary board: Chairman Rush and Representatives Tonko, Welch, Burgess, McKinley, and Kinzinger. The Alliance is proud of our bipartisan approach, and it is gratifying to see that reflected on this committee. I look forward to working with all of you.

My name is Paula Glover and I am president of the Alliance to Save Energy, a position I've held since the beginning of the year. The Alliance is a bipartisan advocacy organization founded in 1977 and focused on pushing energy efficiency into every corner of the U.S. economy – from more efficient houses, to cars, to air conditioners and buildings. The Alliance has been involved in every major energy efficiency bill that has been signed into law since our founding four decades ago, and we look forward to continuing that this year.

There has been a lot of discussion recently, including in this committee, about the risks and opportunities of the clean energy transition. I think it boils down to one essential question that we would all agree we have to get right. And that is: How do we tackle the climate crisis in a way that uplifts every community? How do we avoid leaving future generations the costs and life-threatening dangers of climate change, while at the same time making sure we're not increasing energy costs or leaving communities without jobs today? We cannot make this transition fair unless we are thinking of the communities that could be harmed in the process, as well as communities that have already been harmed – communities where history tells us we need to be so much better at providing clean air, economic opportunity, and more affordable energy costs.

If you take anything away from my testimony today, I hope it is that energy efficiency is perhaps the most powerful answer we have for addressing this challenge. Energy efficiency means doing more with less of our energy resources. It means reducing greenhouse gas emissions and reducing energy burdens for families – while increasing jobs and economic opportunities across the economy. I would argue that energy efficiency should be the starting point in the conversation about an equitable clean energy transition.

Let's start with jobs. The economic opportunity around clean energy is so much bigger than many people realize, and energy efficiency plays a greater role than is often understood. In fact, energy efficiency is by far the largest employer in the clean energy economy. Even after losing more than

300,000 jobs since the pandemic began, efficiency employs more than 2 million Americans. (Please see jobs by Congressional District chart in Appendix A). That's about seven times that of the wind and solar industries combined, and more than 10 times the size of the coal workforce. Energy efficiency jobs are spread all over the country – they are construction workers and HVAC contractors retrofitting homes and buildings, factory workers making windows and insulation, electricians and plumbers, and increasingly, engineers and tech workers designing or installing digital controls and systems to manage energy demand.

These are the types of jobs that will be created if we launch a national campaign to modernize our infrastructure by retrofitting millions of homes and buildings, creating a more efficient transportation system, and cleaning up our industrial sector. It is an incredible opportunity to create durable, skilled-trade jobs that pay good wages and that are available in 99% of U.S. counties. And, if we start our planning today, we can ensure that those opportunities are available first for the communities that need them most – whether it's a struggling rural town in West Virginia or a low-income neighborhood in Chicago.

We also must carefully consider energy affordability. I started my career accepting payments in a utility billing department, and I know first-hand what the energy cost burden looks like for struggling families. One in five U.S. households has had to reduce or forego food, medicine, and other necessities just to pay their energy bills. Imagine at the end of the month being forced to choose between feeding your family or keeping the lights on. I am not here to tell you that energy efficiency can make this burden disappear. But what it can do is deliver hundreds or even thousands of dollars a year in lower bills, savings that can make all the difference for a family struggling to get by.

And the cost savings are not just for consumers: Energy efficiency improvements can cut costs and increase profits for small businesses and manufacturing plants, making them more productive and competitive.

Finally, we would of course not be here today if it were not for the pressing need for tackling climate change. When it comes to greenhouse gas emissions, energy efficiency is simply the fastest, cheapest, and most effective solution we have. The International Energy Agency projects that energy efficiency – using existing technologies – will account for nearly half of the emissions reductions needed to meet the goals of the Paris Agreement. Yet we are significantly off track for meeting that target, and the agency reports that global efficiency gains have been slowing since 2015.

For all its benefits, energy efficiency suffers from one primary obstacle, which is that it often requires upfront investment. The most meaningful efficiency improvements often require up-front spending or capital to reap long-term gains. And of course, our society and our markets are often looking for the opposite. This is where policy comes in – where this committee and this Congress can help bridge the gap and deliver a more efficient and sustainable future.

So what needs to be done?

First, I would emphasize that we need to continue strengthening the core energy efficiency programs at the Department of Energy that steadily and consistently deliver efficiency gains. Programs like appliance and equipment standards and building energy codes are critically important. We build 1 million new homes a year in this country, and they will be in the ground for 50 or 100 years, so having sound building

energy codes is essential for getting them built right in the first place to avoid decades of unnecessary emissions and costs. We urge you to support bolstering the role the department plays in providing technical assistance and other resources to help states that want to adopt model buildings codes do so.

Similarly, having a consistent and robust appliance and equipment standards program is foundational for lowering our emissions and reducing consumer costs. The Appliance Standards Awareness Project estimates that standards alone save the average household some $500 per year. We applaud the Biden administration's recent efforts to get those standards back on track with the kind of stable, predictable programs that both advocates and industry want.

The Weatherization Assistance Program is another core program at the Department of Energy proven to deliver energy efficiency to communities that otherwise may not be able to access its benefits, but it is in high demand and has long waiting lists across the country. We propose not just increasing funding but also developing new approaches to ensure that households that need the assistance most can get it. Too many of our lowest-income households are turned away when their houses aren't in good enough condition to be weatherized, and we should find solutions for overcoming those obstacles.

We are also excited about the emerging technologies work the department is doing, particularly the Building Technologies Office's Grid-Interactive Efficient Buildings program and Connected Communities Funding Opportunity. The Alliance calls this Active Efficiency – optimizing energy use by integrating traditional energy efficiency solutions with opportunities presented by digital technologies. It is the next frontier in efficiency, and the Department of Energy can play a key role in ensuring that the U.S. leads in the development and deployment of Active Efficiency solutions.

We also strongly support efforts to improve energy efficiency at the federal level. As you know, the federal government is the largest energy user in the nation, spending some $6 billion per year on energy for its buildings alone. It's one thing for a financially strapped homeowner to delay making efficiency improvements when they simply don't have the resources, but it is short-sighted and wasteful for the federal government to fail to capitalize on these improvements that would save taxpayers money. There is a significant opportunity for the federal government, through programs such as the Federal Energy Management Program, to reduce federal spending on energy bills while also leading by example and accelerating the adoption of new efficiency technologies.

As I mentioned earlier, the energy efficiency sector has been hard hit by the pandemic. With investment dropping and efficiency programs in some cases shut down, we have seen more than 300,000 job losses in the sector since March, according to Bureau of Labor Statistics data analyzed by Environmental Entrepreneurs and others,

In response to this crisis, the Alliance has developed a suite of priorities that is specifically aimed at quickly creating jobs and economic activity while reducing carbon emissions – and at the same time ensuring the opportunities and benefits are delivered equitably. We urge you to consider them as you develop infrastructure and clean energy legislation this year. I will highlight several of them here that particularly are under the committee's jurisdiction.

First, we are working with Representative Welch and others to develop a new program for helping small businesses improve their efficiency, with an emphasis on boosting minority-owned businesses and businesses in disadvantaged communities. This plan – which we're calling the Main Street Efficiency Act

– would target federal grants to match utility incentives to provide low and no-cost efficiency upgrades to small businesses – immediately and permanently lowering their operating expenses. Since 80% of energy efficiency contractors are small businesses themselves, this is small business helping small business.

We also have helped lead and strongly support a proposal championed by Representative Blunt Rochester to retrofit mission critical public buildings around the country – our schools, hospitals, airports and other facilities – not just to be more efficient but also to be safer and more resilient in the face of natural disasters and other emergencies. This proposal calls for leveraging federal funding to draw billions in private capital through performance contracting and other financing, and, importantly, ensures that at least 40% of the projects are in low-income or disadvantaged communities. We know that our nation's infrastructure desperately requires upgrades, and this bill would do that while locking in decades of cost and emission savings.

While these aren't under the committee's express jurisdiction, I would highlight that we also are working with the tax-writing committees to win badly needed reforms and improvements to tax incentives encouraging energy efficiency improvements in homes and buildings, and we also have a suite of proposals to modernize the U.S. transportation system to make it more efficient, equitable, and sustainable.

I would emphasize that all of these proposals – because they are so tailored to creating jobs – go hand in hand with improved worker training programs. We strongly support Chairman Rush's longstanding workforce legislation – the Blue Collar to Green Collar Jobs Development Act – because it will ensure that anyone seeking a skilled position can get the training they need.

In closing, I believe energy efficiency is a foundational solution to the challenges this committee is trying to address and must be a part of the conversation at every turn. We at the Alliance are eager to work with all of you to move solutions forward in this Congress. Thank you again for the opportunity to testify, and I'm happy to answer questions.

APPENDIX A

U.S. House of Representatives Subcommittee on Energy			
Energy Efficiency Sector Employment By District			
Member (District)	**Pre-COVID-19 EE Jobs**	**Statewide Decline**	**Est. Job Losses, District**
Rep. Bobby Rush (D-Ill.-01), Chairman	5,237	7.0%	367
Rep. Scott Peters (D-Calif.-52)	10,236	13.3%	1,361
Rep. Michael Doyle (D-Pa.-14)	5,015	18.2%	913
Rep. Jerry McNerney (D-Calif.-09)	4,687	13.3%	623
Rep. Paul Tonko (D-N.Y.-20)	5,701	7.3%	416
Rep. Marc Veasey (D-Texas-33)	129	7.8%	10
Rep Kim Schrier (D-Wash.-08)	6,308	19.5%	1,230
Rep. Diana DeGette (D-Colo.-01)	11,314	6.7%	758
Rep. G.K. Butterfield (D-N.C.-01)	10,143	15.1%	1,532

Rep. Doris Matsui (D-Calif.-06)	6,310	13.3%	839
Rep. Kathy Castor (D-Fla.-14)	5,664	13.9%	787
Rep. Peter Welch (D-Vt.-AL)	11,032	11.4%	1,258
Rep. Kurt Schrader (D-Ore.-05)	4,265	10.7%	455
Rep. Ann Kuster (D-N.H.-02)	5,444	7.7%	42
Rep. Nanette Barrigan (D-Calif.-44)	1,772	13.3%	236
Rep. Don McEachin (D-Va.-04)	6,065	10.2%	619
Rep. Lisa Blunt Rochester (D-Del.-AL)	12,543	12.3%	1,543
Rep. Tom O'Halleran (D-Ariz.-01)	4,500	10.6%	477
Rep. Frank Pallone (D-N.J.-06), Ex Officio	2,378	15.9%	378
Rep. Fred Upton (R-Mich.-06), Ranking Member	5,547	16.9%	938
Rep. Michael Burgess (R-Texas-26)	1,553	7.8%	121
Rep. Bob Latta (R-Ohio-05)	8,567	12.6%	1,079
Rep. David McKinley (R-W.Va.-01)	2,790	12.9%	360
Rep. Adam Kinzinger (R-Ill.-16)	4,814	7.0%	337
Rep. Morgan Griffith (R-Va.-09)	4,259	10.2%	434
Rep. Bill Johnson (R-Ohio-06)	5,321	12.6%	670
Rep. Larry Bucshon (R-Ind.-08)	6,709	12.9%	865
Rep. Tim Walberg (R-Mich.-07)	8,347	16.9%	1,411
Rep. Jeff Duncan (R-S.C.-03)	4,036	13.2%	533
Rep. Gary Palmer (R-Ala.-06)	6,630	16.5%	1,094
Rep. Debbie Lesko (R-Ariz.-08)	1,149	10.6%	122
Rep. Greg Pence (R-Ind.-06)	5,660	12.9%	730
Rep. Kelly Armstrong (R-N.D.-AL)	5,581	13.3%	782
Rep. Cathy McMorris Rodgers (R-Wash.-05), Ex Officio	5,695	19.5%	1,111
Subcommittee Total	**195,401**	**12.5%**	**-24,431**
Sources: BW Research Partnership and E4TheFuture			