

The Honorable Dianne Feinstein
Chair
Energy and Water Development
Subcommittee
U.S. Senate Committee on Appropriations

The Honorable Chuck Fleischmann
Chair
Energy and Water Development and
Related Agencies Subcommittee
U.S. House Committee on Appropriations

The Honorable John Kennedy
Ranking Member
Energy and Water Development
Subcommittee
U.S. Senate Committee on Appropriations

The Honorable Marcy Kaptur
Ranking Member
Energy and Water Development and
Related Agencies Subcommittee
U.S. House Committee on Appropriations

March 17, 2023

Dear Chair Feinstein, Chair Fleischmann, Ranking Member Kennedy, and Ranking Member Kaptur:

As the Appropriations Committees ramp up work toward a Fiscal Year 2024 (FY24) Energy and Water Development (E&W) appropriations bill, our diverse set of organizations strongly urge you to prioritize investing in clean energy innovation programs at the U.S. Department of Energy (DOE). In particular, we want to emphasize the importance of continuing to increase annual appropriations for DOE's Office of Energy Efficiency and Renewable Energy (EERE).

EERE is the single-largest investor in clean energy technology development in the Federal Government, and it is focused on accelerating the research and development (R&D) of technologies and solutions that will boost U.S. economic competitiveness and job creation, advance national and energy security, reduce emissions of greenhouse gases and other harmful pollutants, and ensure that the clean energy economy benefits all Americans.

EERE's R&D activities span multiple critical industries and technologies, including clean electricity, sustainable transportation, advanced manufacturing, industrial decarbonization, advanced building technologies, low-carbon fuels, and hydrogen. At a time when the Intergovernmental Panel on Climate Change has [once again](#) sounded the alarm for rapid decarbonization before climate catastrophe becomes inevitable – and when the geopolitical tensions and energy crisis triggered by the Russian invasion of Ukraine have laid bare the risks of our fossil fuel dependence – it is more apparent than ever that we must immediately accelerate the cultivation and commercialization of the clean energy technologies of the future right here at home.

Several independent impact evaluation studies have assessed one-third of EERE's R&D portfolio to-date and [found](#) that \$12 billion in total investment has generated more than \$388 billion in net economic benefits to the United States, with an attractive overall annual rate of return of

more than 27 percent. In other words, investments in EERE pay for themselves many times over in terms of the boost to our economy.

Other countries have recognized the economic opportunity in clean energy innovation and have been racing to dominate the global clean energy supply chain. In 2021, both China and the European Union [outpaced](#) the United States in clean energy investment levels. These investments have paid off: For example, the [vast majority](#) of electric vehicle battery components and solar panels produced worldwide are made by Chinese companies.

With that said, the United States has made significant strides forward through the Infrastructure Investment and Jobs Act of 2021 (IIJA) and the Inflation Reduction Act of 2022 (IRA). Taken together, these two pieces of legislation contain nearly [\\$450 billion](#) in much-needed funding for clean energy over five to ten years. Nevertheless, now is not the time to consider the job done and turn our focus elsewhere: First, sustained and robust annual appropriations are necessary to foster and support a robust clean energy innovation ecosystem that does not fall off a cliff in a few years when IIJA and IRA programs expire. Second, the bulk of the funding in IIJA and IRA was oriented toward the demonstration and deployment phases of the innovation lifecycle as opposed to the earlier-stage R&D phases. While these demonstration and deployment programs will be critical to building robust new industries in the United States for batteries, clean hydrogen, and more, enhanced support is needed throughout the entire innovation lifecycle to ensure new clean energy technologies are invented and made here – and that’s where EERE’s core focus on earlier-stage R&D comes into play.

The benefits of federal investments in clean energy R&D are distributed all throughout the country: EERE’s budget funds activities in all 50 states, drawing upon the ingenuity and unparalleled scientific and technical expertise of our national laboratories, businesses, industries, universities, and private research facilities across the United States. EERE also supports partnerships with innovators in the private sector to test and demonstrate new technologies. To cite a few examples: In 2011, EERE [awarded](#) \$3 million to Pennsylvania-based Alencon Systems to develop an innovative power optimization technology to increase the efficiency of solar photovoltaic plants. Since then, Alencon Systems has taken its innovative product to the manufacturing floor, [doubled](#) its staff in 2021, and doubled its factory size last year. Second, EERE [awarded](#) \$3 million last year to Florida Agricultural and Mechanical University to develop a modular solar-plus-storage energy system to increase the resilience of local communities during pre-disaster preparedness and post-disaster restoration. Additionally, EERE recently [announced](#) \$80 million in funding for Georgia-based AVAPCO LLC to construct and operate a sustainable aviation fuel and renewable diesel demonstration plant. As is clear from those examples, EERE’s approach ensures that every part of the country has an opportunity to contribute to and benefit from the breakthroughs in clean energy technologies that are supported by federal investments.

We appreciate your leadership in securing steady funding increases for EERE over the last several years. As you and your colleagues negotiate the FY24 E&W appropriations bill, we

respectfully request your support for continued robust growth in annual appropriations for EERE to ensure ongoing American leadership in clean energy innovation. We cannot afford to take our foot off the pedal when the stakes and the potential rewards are so high.

Sincerely,

Center for Climate and Energy Solutions (C2ES)
Clean Air Task Force
Clean Energy Business Network
Data for Progress
Elevate
Environmental Defense Fund
Evergreen Action
Information Technology and Innovation Foundation
Institute for Market Transformation (IMT)
League of Conservation Voters
National Wildlife Federation
Natural Resources Defense Council
Third Way

CC:

Members of the Energy and Water Development Subcommittee of the U.S. Senate Committee on Appropriations
Members of the Energy and Water Development and Related Agencies Subcommittee of the U.S. House Committee on Appropriations