The Honorable Tom Cole
Chair
U.S. House Committee on Appropriations

The Honorable Rosa DeLauro
Ranking Member
U.S. House Committee on Appropriations

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

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

July 8, 2024

Dear Chair Cole, Ranking Member DeLauro, Chair Fleischmann, and Ranking Member Kaptur:

The undersigned groups urge you to **reject the proposed $1.5 billion cut (43%) to the Department of Energy's Office of Energy Efficiency and Renewable Energy (EERE) contained within the FY 2025 (FY25) House Energy & Water Appropriations bill**. EERE plays a pivotal role in accelerating research, development, and demonstration of technologies and solutions that boost U.S. economic competitiveness and job creation, advancing our national security and energy security, reducing emissions of greenhouse gases and other harmful pollutants, and ensuring that the clean energy economy benefits all communities.

EERE is an essential component to keeping the United States at the forefront of the global clean energy technology transition. In partnership with research institutions, private companies, state and local governments, national labs, and other federal agencies, EERE plays a vital role in fostering American leadership in catalyzing new intellectual property and facilitating the development of next-generation clean energy technologies. The House's FY25 funding proposal undercuts our energy security by providing less capacity to be competitive globally in the clean energy transition.

Delivering a cleaner, more affordable and more reliable energy system is dependent on innovation—including research, development, demonstration, and deployment. EERE's collaborative approach to building more resilient and reliable energy systems across the five sectors of the economy have yielded positive results:

- *Industrial* – As interest in industrial decarbonization ramps up across the country, the **Industrial Efficiency and Decarbonization Office (IEDO)** leads the way. In 2023

alone, IEDO announced 104 new projects across 40 states valued at $304 million, which are expected to drive industrial decarbonization and create jobs across the country.

- *Buildings* – EERE's partnership with public and private stakeholders to improve energy efficiency through the **Better Buildings Initiative** has saved partners 3 quadrillion BTUs of energy, resulting in savings of more than $18.5 billion and a reduction of CO2 emissions by 190 million metric tons. This program is supported by the **Building Technologies Office**, which plays a critical role in charting the path to sustainable decarbonization of our built environment and achievement of greater consumer energy savings.

- *Transportation* – The **Vehicle Technologies Office (VTO)** has been integral in the development and deployment of new transportation technologies. In 2015, VTO announced the development of a new type of cathode for lithium-ion PEV batteries which lowered manufacturing costs and increased the all-electric range of PEV vehicles. Since then, VTO continues to lead in the research, development, and deployment of batteries and other sector changing technologies.

- *Electricity* – The **Solar Energy Technologies Office** has played a large part in decreasing the cost of utility-scale solar energy installation by more than 80 percent since 2010. In 2017, the solar industry achieved the Solar Energy Technologies Office's original SunShot cost target of $0.06 per kilowatt-hour for utility-scale photovoltaic (PV) solar power three years ahead of schedule, dropping from about $0.28 to $0.06 per kilowatt-hour (kWh). Since then, DOE has set a goal of further cutting that cost in half by 2030. With prices dropping, EERE is taking the next step through its Renewable Energy Siting through Technical Engagement and Planning (R-STEP) to help improve siting and permitting of these resources.

- *Agriculture* – In 2020, the **Water Power Technologies Office**, in coordination with the robust National Labs system, developed a new system titled IrrigationViz, to help irrigators and farmers access federal funding programs, identify the best and most cost-efficient ways of modernizing their systems, and run real time analysis on overall project costs.

The House proposal for EERE significantly threatens energy innovation in the United States. Not only would its proposed cuts hamper innovation within the United States, but they also would hinder a program that has provided significant return on investment for taxpayers. Several independent impact evaluation studies have assessed one-third of EERE's R&D portfolio to date and have found that **$12 billion in total investment has generated more than $388 billion in net economic benefits to the United States**, with an overall annual rate of return of more than 27 percent. It is abundantly clear: investments in EERE pay for themselves many times over by

reducing consumer energy costs and improving the efficiency of our energy systems, thus boosting our economy overall.

The proposed cuts to EERE go beyond the Department of Energy: these are cuts felt by our research institutions, state and local governments, national labs, and other federal agencies that are at the forefront of clean energy innovations; by businesses who are looking to build the future of the clean energy economy; and by our communities who have benefitted from cost-saving innovations supported by EERE. To bolster our domestic clean energy economy, keep the United States at the forefront of the clean energy transition, and create a reliable low-cost energy future, we ask that you **reject the proposed funding cuts to EERE**.

Sincerely,

Natural Resources Defense Council
American Council for an Energy-Efficient Economy
American Council on Renewable Energy
American Geophysical Union
Center for Climate and Energy Solutions
Clean Air Task Force
E2
Ecology Action
êffecterra, inc.
Elevate
Endangered Species Coalition
Environmental Defense Fund
Evergreen Action
Good Energy Collective
IIAR - International Institute of All-Natural Refrigeration
ITIF
League of Conservation Voters
National Wildlife Federation
North American Sustainable Refrigeration Council
Refrigerant Emissions Elimination Forum (REEF)
Rewiring America
Sierra Club
U.S. Green Building Council
Union of Concerned Scientists
West Virginia University

CC:
Members of the U.S. House Committee on Appropriations