July 8, 2019

The Honorable Lisa Murkowski
Chairwoman
Committee on Energy and Natural Resources
United States Senate
Washington, D.C. 20510

The Honorable Joe Manchin
Ranking Member
Committee on Energy and Natural Resources
United States Senate
Washington, D.C. 20510

Re: Support for S. 1857, the Federal Energy and Water Management Performance Act of 2019

Dear Chairman Murkowski and Ranking Member Manchin:

We the undersigned represent a coalition of business and energy and water efficiency leaders who work together to improve U.S. energy productivity to achieve economic growth, a cleaner environment, and greater energy security, affordability, and reliability. We write today in support of **S. 1857, the Federal Energy and Water Management Performance Act of 2019**. This bipartisan legislation would authorize the Federal Energy Management Program (FEMP) and re-establish federal leadership by setting forward-looking targets to reduce the energy and water wasted within the federal government.

The federal government is the largest energy consumer in the nation, spending $6 billion annually to power its buildings alone.[1] With more than 350,000 buildings in the federal portfolio, the U.S. has an unparalleled opportunity to cut costs, reduce energy and water wastage, and decrease the greenhouse gas emissions resulting from inefficient energy and water use in outdated buildings. The Department of Energy (DOE) has identified energy conservation measures within these buildings that could trim nearly $800 million from its utility bill, by saving more than 34 trillion British thermal units (BTUs) of energy, 10 billion gallons of water, and 7.1 million tons of carbon dioxide equivalent each year.[2] The energy savings alone represent greater than 10% of the total energy consumption of federal buildings, which consumed 347 trillion BTUs in Fiscal Year (FY) 2017.[3]

FEMP has made significant contributions to reducing the energy footprint of nearly every federal agency, through assistance with energy benchmarking and tracking programs, procurement of energy-efficient appliances and equipment, sharing best practices, providing technical assistance, and enhancing cross-agency collaboration. FEMP also assists agencies entering into performance contracts, which provide a critical funding mechanism through public-private partnerships that install modern equipment and guarantee performance and energy savings at no upfront costs to the U.S. taxpayer. Since 1975, the federal government has nearly halved the energy intensity of its buildings, and energy management targets and the programs within FEMP played no small role in this achievement.[4] But the U.S. can do more, and the federal government must continue to lead by example.

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[1] Department of Energy (DOE). Annual Report to Congress, Fiscal Year 2015. November 30, 2017. Available at: https://www.energy.gov/sites/prod/files/2018/01/f46/fy15_annual_report.pdf
[2] DOE. FEMP EISA 432 Compliance Tracking System. Data as of June 18, 2019. Available at: https://ctsedwweb.ee.doe.gov/CTSDataAnalysis/Reports/PublicAgencyReport_ComprehensiveEvaluationFindings.aspx
[3] DOE. Comprehensive Annual Energy Data and Sustainability Performance. Federal Government Energy and Water Use in 2017. Available at: https://ctsedwweb.ee.doe.gov/Annual/Report/Report.aspx
[4] DOE. Office of Energy Efficiency and Renewable Energy (EERE). About the Federal Energy Management Program. Available at: https://www.energy.gov/eere/femp/about-federal-energy-management-program

Buildings are where people and commerce meet, creating a demand for 40% of the energy – including 75% of the electricity -- consumed in the United States. Existing buildings are responsible for up to 80% of peak demand, and therefore are vital to achieving any decarbonization strategy, yet the Energy Information Administration predicts that demand will grow.[5,6] Formally authorizing FEMP is critical to DOE's continued success at assisting agencies with their missions while also enabling progress toward energy security, reliability, resilience, and affordability goals. By modernizing our nation's federal buildings, grid operators can bridge the meter to gain real-time demand-side resources to provide ancillary support and avoid costly generation and transmission.

S. 1857 also gives critical recognition to the inextricable link between the water we use and energy consumption—i.e., the energy-water nexus. Significant amounts of energy are used daily to pump, treat, and distribute that water across a vast network of aging, leaking underground infrastructure, but there is an enormous information gap that constrains efforts to address the inefficiencies in this area. Setting forward-looking water and energy use intensity targets and understanding how we manage both at the federal level will create synergistic gains that simply are not achievable by addressing either in isolation. S. 1857 would encourage federal agencies to develop and share best practices and case studies among other partners, to better inform energy managers, utilities, energy service companies, and governmental entities to find even greater successes.

As innovative solutions emerge from DOE research, development, demonstration, and deployment programs, such as those within the Office of Energy Efficiency and Renewable Energy's (EERE's) Building Technologies Office, FEMP can help agencies achieve even greater gains.[7] FEMP can further assist with breaking down silos that currently exist by facilitating comprehensive systems-level planning practices that would enable greater opportunity for efficiency improvements.[8] For instance, collaboration across a range of public and private stakeholders, including architects, engineers, designers, developers, and building operators, would leverage greater resilience and energy and water savings opportunities across building systems while increasing occupant comfort and productivity.

We look forward to working with you and your colleagues to provide more assistance to identify specific information and research gaps that may warrant further Congressional direction and guidance. And we are ready to assist you and your staff by identifying further legislative measures, including ways to further strengthen the bill, that would improve the nation's energy productivity by maximizing opportunities within this critical energy-water nexus. Thank you for your continued support for energy efficiency and commitment to federal leadership in energy and water conservation. We know that through federal leadership, we can achieve the necessary policies to maximize energy efficiency in both the water and power sectors.

Thank you for your consideration,

Acuity Brands
Air-Conditioning, Heating, & Refrigeration Institute (AHRI)

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[5] DOE. Office of Energy Efficiency and Renewable Energy (EERE). *Grid-interactive Efficient Buildings: Overview*. April 2019. Available at: https://www.energy.gov/sites/prod/files/2019/04/f61/bto-geb_overview-4.15.19.pdf
[6] Energy Information Administration. Annual Energy Outlook 2019. January 24, 2019. Available at: https://www.eia.gov/outlooks/aeo/pdf/aeo2019.pdf
[7] DOE. Request for Information (RFI). DE-FOA-0002070: Efficient and Flexible Building Loads. January 28, 2019. Available at: https://eere-exchange.energy.gov/FileContent.aspx?FileID=efb3f9f5-dfa5-4772-954f-419e73504bc1
[8] Alliance to Save Energy. *Going Beyond Zero: A Systems Efficiency Blueprint for Building Energy Optimization and Resilience*. May 2017. Available at: https://ase.org/sites/ase.org/files/ase-sei_going_beyond_zero-digital-vf050317.pdf

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Cc: The Honorable Bill Cassidy
The Honorable Martin Heinrich
The Honorable Rob Portman
The Honorable Jeanne Shaheen
The Honorable Cory Gardner
The Honorable Mazie Hirono