

January 13, 2017

The Honorable Paul D. Ryan
Speaker of the U.S. House
Washington, DC 20515

The Honorable Nancy Pelosi
U.S. House Democratic Leader
Washington, DC 20515

The Honorable Mitch McConnell
U.S. Senate Majority Leader
Washington, DC 20510

The Honorable Charles E. Schumer
U.S. Senate Democratic Leader
Washington, DC 20510

Dear Speaker Ryan, Democratic Leader Pelosi, Majority Leader McConnell, and Democratic Leader Schumer:

Representing a coalition of businesses, trade associations, energy efficiency organizations, environmental organizations, consumer groups, and public interest groups, we write to express our strong concerns regarding efforts in Congress that would deny consumers substantial savings and threaten jobs, U.S. competitiveness by removing an important driver of innovation, and years of progress improving energy efficiency of appliances and other equipment. Nearly two million Americans are employed in the energy efficiency sector, which includes product manufacturing and services related to appliances and equipment. We urge you to proceed with caution as Congress considers how best to accomplish broad regulatory reform to ensure that cost-saving energy efficiency standards, which have enjoyed 30 years of bipartisan support, are not put at risk.

Energy efficiency has long been a bipartisan pursuit in both Congress and the executive branch, and appliance and equipment standards are no exception. President Ronald Reagan signed the first federal appliance and equipment standards into law in 1987. Since then, the federal energy efficiency standards program has been improved and expanded several times with the support of bipartisan majorities in the House and Senate as well as Presidents George H.W. Bush and George W. Bush. President Barack Obama proposed and finalized a number of energy efficiency standards over the past eight years, building upon the bipartisan efforts of previous administrations.

In the first days of the 115th Congress, some regulatory reform proposals have received consideration that would have negative effects on federal energy efficiency standards. The House of Representatives passed two such bills—H.R. 21, the Midnight Rules Relief Act, and H.R. 26, the Regulations from the Executive in Need of Scrutiny (REINS) Act—in quick succession.¹ Other legislation, including one bill that would set cost thresholds for new regulations without accounting for benefits and another that would repeal the entire appliance and equipment standards program (while leaving state preemption in place) have been introduced.

¹ In the Senate, S. 21, the Regulations from the Executive in Need of Scrutiny (REINS) Act is comparable to H.R. 26, and S. 34, the Midnight Rules Relief Act, is comparable to H.R. 21. Both bills have been referred to the Senate Homeland Security and Governmental Affairs Committee.

Federal appliance and equipment standards have contributed to improvements in U.S. energy efficiency and energy productivity over the past 30 years. The regulatory proposals in question could overturn the four standards finalized since at least June 13, 2016, none of which are particularly controversial, jeopardize future standards by adding burdensome new steps to the standards-development process based on arbitrary cost thresholds, or end the federal program outright. All of these proposals would put at risk the tremendous net financial gains to consumers, jobs supported through energy efficiency, and U.S. competitiveness.

Federal energy efficiency standards are carefully reviewed and developed over many years, establishing certainty and a level playing field for manufacturers. In recent years, the U.S. Department of Energy has increased the use of negotiated rulemakings, resulting in consensus support from affected industries and stakeholders for some of the most beneficial standards. These are textbook examples of effective federal policy-making, and we urge you to support and defend these standards as you consider the path forward.

On a cumulative basis since 1987, energy efficiency standards have saved U.S. consumers and businesses over \$1.1 trillion (net, after any incremental costs). A typical American household with appliances and other products meeting the latest standards saves about \$500 on utility bills each year compared to what they would have paid before the first national standards were implemented. Energy savings from existing standards reached 13 percent of electricity consumption and four percent of natural gas consumption in 2015. More impressive, these benefits have accrued while covered appliances and equipment have generally become more functional, higher performing, and, in many cases, less expensive. And as your constituents who have shopped for home appliances and air conditioners or browsed the lighting aisle of their local hardware store can attest, manufacturers are constantly innovating and providing more and more choices for consumers than ever before.

We urge you to proceed thoughtfully, and resist treating all regulations as inherently harmful, so parties can come together and reach consensus on improvements to the energy efficiency standards program on a bipartisan basis as has happened so many times in the past. The standards-development rulemaking process is intentionally exhaustive to ensure that only meaningful and cost-effective efficiency standards are finalized. There should be equally thorough deliberations and public input involved in any efforts to revise or reform this program. Likewise, the rulemaking process should not become so burdensome that new standards face nearly insurmountable obstacles to passage. We cannot afford to lose the real benefits of the appliance and equipment standards program for consumers and businesses, as well as states, manufacturers, and the U.S. economy.

Thank you for your consideration.

Sincerely,

Alliance to Save Energy
American Council for an Energy-Efficient Economy
Appliance Standards Awareness Project
ASHRAE

California Energy Commission
Consumer Federation of America
Copper Development Association
Cree
Environmental and Energy Study Institute
Hannon Armstrong
Midwest Energy Efficiency Alliance
National Consumer Law Center on Behalf of Its Low Income Clients
Natural Resources Defense Council
Northeast Energy Efficiency Partnerships
Polyisocyanurate Insulation Manufacturers Association
Southeast Energy Efficiency Alliance
Southwest Energy Efficiency Project
Urban Green Council
Vermont Energy Investment Corporation