

## WASHINGTON, DC 20510

November 1, 2023

The Honorable Jennifer Granholm Secretary, U.S. Department of Energy 1000 Independence Avenue SW Washington, D.C. 20585

## Dear Secretary Granholm:

As Senators with a longstanding interest in improving the energy efficiency of federal facilities, we write to urge the Department of Energy (DOE) to implement the Energy Act of 2020 (EA2020) as quickly as possible and to ask for an update on the Department's plans to implement provisions related to performance contracting.

EA2020 included the *Energy Savings Through Public-Private Partnerships Act*, a bill we sponsored that requires the federal government to implement efficiency upgrades identified in evaluations that are found to be cost-effective. The measure required that 50% of the upgrade measures be done via performance contracting—a mechanism the Administration can use to more quickly and cost-effectively upgrade the efficiency of the federal building stock.<sup>1</sup>

We appreciate the work the Biden Administration has done to address energy usage at federal facilities, which account for 25% of the government's direct emissions, and support the President's ambitious goal of reaching net-zero emissions in all federal buildings by 2045. DOE has taken important steps to meet these goals, including issuing an efficiency rule that will fully decarbonize new buildings and renovations by 2030—drastically slashing emissions and saving taxpayers up to a projected \$8 million in upfront equipment costs. The Energy Savings Performance Contracting Campaign that DOE recently announced will support efficiency at the state and local government levels as well. We applaud these efforts and look forward to seeing them implemented.

However, more must be done to improve energy efficiency in federal buildings and meet our climate goals—which is why we urge the Department to quickly implement provisions of EA2020 that require agencies to implement all cost-effective measures after facility efficiency audits and require 50% of these measures to be completed with performance contracts. These measures will help reduce emissions from our nation's building stock as quickly as possible.

<sup>&</sup>lt;sup>1</sup> Department of Energy, *Energy Savings Performance Contracts for Federal Agencies* (online at: <a href="https://www.energy.gov/femp/energy-savings-performance-contracts-federal-agencies">https://www.energy.gov/femp/energy-savings-performance-contracts-federal-agencies</a>) (accessed Oct. 17, 2023).

<sup>&</sup>lt;sup>2</sup> Center on Environmental Quality, *The Federal Building Performance Standard*, (Dec. 2022) (online at https://www.sustainability.gov/pdfs/federal-building-performance-standard.pdf).

<sup>&</sup>lt;sup>3</sup> Department of Energy, *Press Release: Biden-Harris Administration Announces Steps to Electrify and Cut Emissions from Federal* Building (Dec. 7, 2022. (online at: <a href="https://www.energy.gov/articles/biden-harris-administration-announces-steps-electrify-and-cut-emissions-federal-buildings">https://www.energy.gov/articles/biden-harris-administration-announces-steps-electrify-and-cut-emissions-federal-buildings</a>).

<sup>&</sup>lt;sup>4</sup> Department of Energy, *ESPC Campaign*, (online at: <a href="https://www.energy.gov/scep/espc-campaign/home">https://www.energy.gov/scep/espc-campaign/home</a>) (access Oct. 30, 2023).

<sup>&</sup>lt;sup>5</sup> 42 USC 8253(f)(4)

Specifically, a rulemaking should emphasize the statutory 50% performance contracting requirement from our legislation for implementing identified measures. Supported by investments Congress made in the Infrastructure Investment and Jobs Act and the Inflation Reduction Act, this rule will help achieve net-zero federal buildings in the near term and lock in emissions reductions for decades to come.

We request a staff-level briefing on DOE's efforts to implement these provisions of EA2020 and further energy efficiency in federal facilities. We look forward to collaborating with DOE and the administration to improve energy efficiency, slash emissions, and save taxpayers money.

Thank you for your attention to this issue.

Sincerely,

Peter Welch

United States Senator

Christopher A. Coons United States Senator

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<sup>&</sup>lt;sup>6</sup> 42 USC 8253(f)(4)