RESPONSE OF JENNIFER AMANN TO QUESTIONS

MARCH 30, 2009

QUESTIONS FROM SENATOR MURKOWSKI

1. *What are some examples where the market has moved energy efficiency in the right direction regardless of government mandates?*

   The combined efforts of manufacturers, retailers, contractors, utilities and other energy efficiency programs have moved the market toward adoption of more efficient technologies. Particular successes include compact fluorescent lamps, adjustable speed drives, T8 fluorescent lamps, and several categories of Energy Star qualified appliances and electronics.

2. *The federal and state governments have been engaged in several standardized programs to promote energy efficiency in the last few decades. It is also true that there have been advances in energy efficient technology without the government playing a role. Please describe the pros and cons of these two approaches.*

   While each approach has pros and cons, the most effective strategy is to use government and market approaches to complement each other. Government support of R&D often plays an important role in the development of new energy efficiency technologies. Programs such as Energy Star help build the market for high efficiency products and leverage the efforts of utilities, manufacturers and retailers to increase adoption of high efficiency products. Government mandates in the form of codes and standards can capture the full energy savings benefits of these advances once they are proven in the market and ensure that all consumers reap the benefits of investments in energy efficiency R&D and program activity.

3. *The recent stimulus bill directs billions to energy efficiency measures. How can these funds be targeted to be most effective?*

   These funds should be targeted toward the full array of cost-effective efficiency opportunities in the residential, commercial, and industrial sectors. Programs designed to reward actual performance can maximize energy savings and cost-effectiveness. Good opportunities can be found in comprehensive retrofits of existing buildings; promotion of very high efficiency appliances, equipment and other products; improvements in building codes including assistance to states for training of code officials and inspectors; and training of building contractors and service providers. Existing programs operated by state and local agencies, utilities and other program implementers have the infrastructure in place to get stimulus funding into the market rapidly.

4. *Also, as you know, $3.1 billion of energy efficiency block grants came with preconditions, namely energy efficiency rulemaking measures and updating*

building codes. Are you concerned with the inevitable delay in getting the energy efficiency funding out to states and localities?

As passed, the energy efficiency block grants provided through the ARRA require states to demonstrate that they are making their best efforts to pass specific regulatory actions such as decoupling and updated building codes, but do not require that these new rules be formally enacted or in place. This should reduce the delay in getting funds distributed to states and localities. DOE has recently published guidance on how the process will work and I understand that a considerable number of governors have already submitted certifications.

5. *In the 2007 Energy Independence and Security Act, Congress authorized an initiative for the development and establishment of zero net energy commercial buildings which applies to any commercial building newly constructed in the United States by 2030 as well as 50% of the of the commercial building stock of the United states by 2040. Groups such as the American Institute of Architects (AIA) have endorsed an immediate 50% reduction in fossil fuel-generated energy and a 10% reduction target every five years until new and renovated buildings achieve carbon neutrality in 2030.*

   Have we made any progress on these initiatives?

   Through its Commercial Buildings Initiative, the Department of Energy is working on industry partnerships, research, and tool development—all important activities laying the groundwork for meeting the stated goals for zero net energy commercial buildings. Details of their efforts are available on the DOE website at www1.eere.energy.gov/buildings/commercial_initiative/index.html.

6. *Like some of our other panelists, your testimony highlights a number of programs we endorsed during EPAct and EISA that haven't obtained the necessary funding for implementation or only recently received funding under the American Recovery and Reinvestment Act (stimulus).*

   - *Do you believe that Congress should authorize new programs with more stringent guidelines when many of our existing programs are not yet up and running, or have been tested?*

     Many of the new programs we recommend target markets or opportunities that have not received adequate attention in the past or where unusually high barriers to energy efficiency exist. These programs do not necessarily require more stringent guidelines so much as they expand the depth and reach of our efficiency policies. Authorization of these programs can lay the groundwork so they can be rolled out when funds are available. In the case of the recent stimulus bill, many good programs were not included for funding since there was not prior authorizing language.

- *How can we best spend the money that has now been allotted for these programs? What should our priorities be if an opportunity for more funding comes along?*

  States and municipalities must be given the support and assistance needed to enable them to run robust and effective programs. One critical need is technical assistance and training for contractors selling and installing energy efficiency measures and other market actors influencing product selections and purchase decisions. EPA has a lot of experience with this type of assistance through the Energy Star program, but unfortunately EPA Energy Star was not funded under ARRA.

  A key priority for any additional funding should be retrofits in residential and commercial buildings including multifamily and manufactured housing. Retrofits yield significant energy savings and carbon reductions while creating jobs and saving consumers and businesses money that can be redirected to other important needs.

FROM SENATOR CANTWELL

1. *I understand standby power is a growing source of energy consumption in buildings. While the typical power loss per appliance is low --about one to 25 watts-- when multiplied by the billions of appliances in buildings across America, and the fact that they occur basically 24 hours a day, standby losses are estimated to account for about 10 percent of all household power consumption.*

   To try and address this problem, I inserted an amendment in the 2007 energy bill that required that any electronic device or appliance purchased by the federal government use less than one watt of power while in standby mode. I was pleased that the House subsequently expanded this provision to incorporate standby power into all products already subject to federal efficiency standards.

   Are there other steps you believe we could be taking at the federal level to reduce standby power loads?

   In addition to the constructive efforts currently underway to reduce standby power consumption, there are other actions with the potential to yield greater energy savings. An increasing number of appliances and electronic products are incorporating networking capabilities allowing for communication with home and/or external networks. Research is needed to better understand "network modes" as one of the many low power modes comprising "standby power," in terms of power use and opportunities for managing and minimizing power consumption in network modes. Standards recently finalized in the European Union (eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:339:0045:01:EN:HTML) also provide a useful model for further federal action on standby power. In particular, a horizontal standard covering standby power for most energy-using products could capture savings from a broader range of product types and eliminate the need for developing standards on a product-by-product basis.