

November 30, 2022

US Department of Energy 1000 Independence Ave. SW Washington DC 20585

RE: RFI Defense Production Act

To Whom It May Concern:

The Alliance to Save Energy (Alliance) is a bipartisan, nonprofit coalition of business, government, environmental, and consumer leaders advocating to advance energy efficiency adoption and is a leading voice informing federal and state energy efficiency policies and standards. We thank the U.S. Department of Energy (DOE or Department) for the opportunity to provide comment and recommendations in response to the Request for Information (RFI) on the Defense Production Act (DPA).

In March 2022, as the Biden Administration was considering use of the DPA to further its energy and climate objectives, the Alliance forwarded a letter to the White House, which among other things urged the administration to include energy efficiency and demand-side solutions in future DPA policy initiatives. The letter was signed by 30 energy efficiency industry associate members (See Attachment I for list of members).

In June of this year, President Biden issued a presidential determination providing DOE with the authority to utilize the DPA to accelerate the production of key energy related technologies: solar; transformers and electric grid components; heat pumps; insulation; and electrolyzers, fuel cells, and platinum group metals.¹ According to the administration, "DPA authority, with the necessary funding appropriated by Congress, will allow the federal government to invest in companies that can build clean energy facilities, expand clean energy manufacturing, process clean energy components, and install clean energy technologies for consumers."² As part of the White House strategy to accelerate domestic manufacturing of clean energy, the administration included insulation as a targeted technology among others as needed to assist the nation in achieving its climate objectives.

With insulation included as one of the five key technology areas, the White House announcement indicates that "about half of all homes in the U.S. were built before modern-day

¹ https://www.energy.gov/articles/president-biden-invokes-defense-production-act-accelerate-domestic-manufacturing-clean

² *Id*.

building energy codes, meaning they lack contemporary insulation, causing energy to seep out. At a time when conserving energy means limiting the reliance by the U.S. and allies on adversaries such as Russia for oil and gas, building retrofits can reduce energy use by 50% or more." Additionally, conserving energy will lower costs to American families while also providing clean energy jobs.

In response to the RFI, the Alliance will focus its comments on the insulation technology only. It is anticipated that the insulation industry will also provide more detailed comments, and the Alliance is in support of those views. The Alliance comments are as follows:

- Of the five technologies identified for DPA investments, they are each unique in their goals and objectives and face a unique set of challenges to reach full deployment. Each is providing a different function to the US energy system. Insulation is seeking to ensure the survivability of the system by reducing demand while maintaining and growing our standard of living.
- The five technologies all share a commonality in that they all stand to benefit greatly from the investments made under the Infrastructure Investment and Jobs Act and the Inflation Reduction Act. Some will benefit from increased deployment while others may benefit from increased investment in development for commercialization.
- The Inflation Reduction Act provides a number of incentives to encourage residential and commercial building envelope retrofits and the purchase of energy efficient equipment, including through the various energy efficiency rebate programs, and the 25C, 45L, and 179D tax incentives. However, taxpayers are not always aware of the availability of such incentives and some may lack the resources to navigate program access, including at the small business level. With this barrier in mind, the Alliance supports funding for marketing and educating the public to optimize access and use of the various tax and rebate incentives to facilitate large-scale insulation retrofits throughout the country.
- The Alliance supports the industry recommendation that \$50 million of the of the \$500 million allocated under the section 30001 of the Inflation Reduction Act go to demonstration projects that will increase production and installation of innovative insulation products in the residential, commercial, and industrial built environments.
- The Alliance is pleased to see that "efficient building heating and cooling" included as one of the priority areas in the administration's Net Zero Game Changers Initiative, an effort to build and upgrade America's national laboratories and advance American leadership in science, research, and innovation. Although the priority area is focused upon heating and cooling equipment for buildings, we urge the administration to also

³ *Id*.

include insulation, both within the building and its associated equipment, as part of the overall effort.

The Alliance to Save Energy thanks the administration for its focus on insulation and recognizing the foundational role insulation plays in sealing the building envelope and reducing carbon emissions. We look forward to working with DOE and others and join with you in using energy efficiency as an effective strategy to help achieve the nation's energy and climate objectives. Please do not hesitate to contact the Alliance if you have questions or need additional information.

Sincerely,

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Attachment I. Alliance to Save Energy Associate Members in the Insulation Sector

Acuity Brands, Inc.

ACEEE

Alliance to Save Energy

American Chemistry Council

American Institute of Architects

ASHRAE

Business Council for Sustainable Energy

Carrier Global Corporation

Covestro LLC

Daikin US Corporation

Dallas-Fort Worth International Airport, DFW

DuPont

Google Nest

Illuminating Engineering Society

Insulation Contractors Association of America

International Window Film Association

Johnson Controls

Knauf Insulation

Metrus

Midwest Energy Efficiency Alliance

NAESCO

North American Insulation Manufacturers Association

Polyisocyanurate Insulation Manufacturers Association

Rheem Manufacturing Company

Signify

The Combined Heat and Power Alliance

The International Copper Association

Uplight

Watsco

Window and Door Manufacturers Association