

April 15, 2021

The Honorable Joseph Biden
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, D.C., 20500

Dear Mr. President:

Thank you for your attention to energy efficiency, resiliency and clean energy in America's built environment, evidenced by your commitment to facilitate the renovation of four million buildings. We support your Administration's commitment to addressing sustainability in Federal facilities and we are encouraged that the federal government will lead by example.

We respectfully ask you to include a substantial federal performance contracting challenge that surpasses the government's 2012-2016 levels. A Federal Performance Contracting Challenge was undertaken in 2011 through 2016 as a part of the Better Building Initiative and ensured that agencies were able to maximize energy and water savings using private sector expertise and financing. This effort was highly successful, surpassing the \$4 billion goal of private investment over five years. We believe your administration can accomplish more efficiency, resiliency, renewable on-site generation and even more emissions reductions with a more aggressive goal.

We know from experience that high level visibility is critical and there is much to be done. As a result of required audits for energy savings the Federal Energy Management Program (FEMP) identified at least \$8 billion in energy efficiency measures that should be addressed at federal facilities. Legislation passed in 2020 mandates that those audits lead to actual improvement projects if they are cost effective. Further, the legislation mandates the use of performance contracting to address half of the value of the projects identified.

Added together, federal departments and agencies have hundreds of billions of dollars in backlog maintenance, much of which can be addressed by Energy Savings Performance Contracts (ESPCs) and Utility Energy Service Contracts (UESCs). These private sector delivery mechanisms pay for energy efficiency improvements through performance-based energy and water savings alone. In addition to reducing energy and water use and reducing facilities' GHG emissions, performance contracts allow agencies to take a comprehensive approach to achieving facility goals backed by highly qualified and experienced energy experts.

Further, entering into, for example, a \$5 billion performance contracting challenge has the potential to create almost 50,000 clean energy jobs without any incremental federal investment. Most of these jobs are local and all are subject to prevailing wage requirements.

Thank you for taking bold action to make energy efficiency a cornerstone of your governing legacy.

Sincerely,

Alliance to Save Energy
Bipartisan Policy Center
Business Council for Sustainable Energy
Edison Electric Institute
Federal Performance Contracting Coalition
Institute for Market Transformation
National Association of Energy Service Companies
National Association of Manufacturers
National Association of State Energy Officials
U.S. Chamber of Commerce
United States Green Building Council