U.S. Consumer Products, Manufacturing, Real Estate, and Retail Sectors Strongly Support the ENERGY STAR Program

June 6, 2025

The Honorable Mike Lee, Chairman The Honorable Martin Heinrich, Ranking Member Committee on Energy and Natural Resources U.S. Senate

The Honorable Brett Guthrie, Chair The Honorable Frank Pallone, Ranking Member Committee on Energy and Commerce U.S. House of Representatives

The Honorable Shelley Moore Capito, Chairman The Honorable Sheldon Whitehouse, Ranking Member Committee on Environment and Public Works U.S. Senate

Dear Chairmen and Ranking Members:

On behalf of the consumer products, manufacturing, real estate, and retail sectors, the undersigned organizations strongly support continuation of the non-regulatory and non-partisan ENERGY STAR program within the federal government.

Our industries are engines of the U.S. economy. <u>Manufacturers of consumer and other goods</u> <u>contributed \$2.94 trillion</u> at the annual rate to the U.S. economy in Q4 2024 alone. The <u>consumer</u> <u>technology industry projects record retail revenues</u> and 3.2% growth (\$537 billion) from 2024 to 2025. <u>The value of America's commercial real estate is estimated at \$22.5 trillion</u>, or about 44% of the market capitalization of all U.S. publicly traded companies. <u>Housing's combined contribution to GDP</u> <u>generally averages 15%-18%</u>. The value of new residential construction alone was about \$1.1 trillion in the second quarter of 2024, approximately <u>4% of U.S. GDP</u>. Retail is the nation's largest private-sector employer, contributing <u>\$5.3 trillion to annual GDP</u>.

We create tens of millions of American jobs. Retail supports one in four U.S. jobs — <u>55 million</u> working Americans. U.S. consumer technology supports more than <u>18 million</u> U.S. jobs. Real estate supports over <u>14 million</u> direct U.S. jobs. There were nearly <u>13 million</u> manufacturing workers in April 2025.

ENERGY STAR has saved families and businesses hundreds of billions of dollars on energy costs since its inception – equating to \$40 billion in annual savings per year to U.S. households, a significant return on investment for U.S. taxpayers. It has achieved massive costs savings and avoided energy waste by delivering highly efficient products for America's consumers, homes for America's families, and commercial buildings for America's businesses.

ENERGY STAR is a key element of an "all of the above" national energy strategy that has received overwhelmingly bipartisan support down the years. Electricity saved by ENERGY STAR helps free-up space on the grid needed so the U.S. can lead the world to power and grow artificial intelligence, support the burgeoning crypto asset industry, and bring more manufacturing plants back to our shores. ENERGY STAR reduces Americans' energy bills, a clear priority across party lines.

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ENERGY STAR is an excellent example of a non-regulatory partnership between the government and private sector. <u>90% of households recognize the blue ENERGY STAR label</u>, a remarkable level of brand awareness. It is a symbol of consumer trust built over 30+ years that should remain a federal government asset.

Importantly, clear legislative authorization¹ backs ENERGY STAR as a voluntary public-private partnership run by the federal government. We respectfully request that ENERGY STAR not be supplanted by non-governmental efforts that could significantly alter and overly complicate the program – and undermine its primary, bipartisan goals to support innovations in energy efficient products, buildings, and plants.

The manufacturing, consumer goods and technologies, real estate, and retail sectors urge Congress to devote the necessary resources so ENERGY STAR continues to thrive as a federal government program – and deliver compelling returns on taxpayers' investments.

Air-Conditioning, Heating and Refrigeration Institute (AHRI)

American Bakers Association

American Chemistry Council

American Lighting Association

Association of Home Appliance Manufacturers

Building Owners and Managers Association (BOMA) International

Cellulose Insulation Manufacturers Association

Consumer Technology Association

EPS Industry Alliance

Home Innovation Research Labs

ICSC

Illuminating Engineering Society

¹ 42 U.S.C. § 6294a (The ENERGY STAR program "<u>is established</u> within the Department of Energy and the Environmental Protection Agency") (enacted in 2005). Dozens of other provisions in the U.S. Code refer to ENERGY STAR as "established" at § 6294a. As illustrative, see, e.g.; 15 U.S.C. § 657h (requiring EPA to develop and coordinate a government-wide "ENERGY STAR for Small Business program"); 26 U.S.C. § 45L (new energy efficient homes eligible for tax credit if they are ENERGY STAR certified); 42 U.S.C. § 8295(b) (federal procurement of ENERGY STAR products); 42 U.S.C. § 15821 (residential rebate program for ENERGY STAR products); 42 U.S.C. § 17085 (energy efficient commercial tenant leased space program established within the ENERGY STAR program); 42 U.S.C. § 17112 (DOE and EPA shall consider data center energy efficiency best practices for use by the ENERGY STAR program). See also US Government Accountability Office, <u>GAO-11-888</u>, *ENERGY STAR: Providing Opportunities for Additional Review of EPA's Decisions Could Strengthen the Program* (Sept. 2011) ("In the Energy Policy Act of 2005, Congress <u>formally authorized</u> the Energy Star program to identify and promote energy efficient products and buildings."

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Information Technology Industry Council (ITI)

Insulation Contractors Association of America (ICAA)

Leading Builders of America

NAIOP, the Commercial Real Estate Development Association

Nareit

National Apartment Association

National Association of Electrical Distributors (NAED)

National Association of Home Builders

National Association of Manufacturers

National Electrical Manufacturers Association (NEMA)

National Insulation Association

National Multifamily Housing Council

National Retail Federation

North American Insulation Manufacturers Association

PIMA -- Polyisocyanurate Insulation Manufacturers Association

Pool and Hot Tub Alliance

Retail Industry Leaders Association

Spray Foam Coalition

Spray Polyurethane Foam Alliance

Real Estate Board of New York (REBNY)

The Real Estate Roundtable

Cc: The Honorable Chris Wright, Secretary, U.S. Department of Energy The Honorable Lee Zeldin, Administrator, U.S. Environmental Protection Agency