

# National Association of Manufacturers' Energy Efficiency Task Force

## Federal Policies to Promote Building Sector Energy Efficiency

- 1. Promote consumer transparency through energy use labeling for buildings.** Direct the Department of Energy (DOE) to develop an “energy performance score” that provides purchasers and lessees of residential and commercial buildings with standard building performance energy metrics, similar to nutrition labels on food and miles-per-gallon ratings on vehicles. A harmonized, consumer-friendly rating system is critical in those states that have enacted market disclosure regulations requiring standard and consistent building energy information to be transaction based and available publicly.
- 2. Improve the existing national database of energy consumption information.** Direct the DOE to improve and enhance the voluntary system for collecting and organizing operational energy use data in buildings for generic benchmarking.
- 3. Encourage open and visible access to energy usage and pricing.** Direct the DOE to provide funding for voluntary programs for buildings that expand real-time energy data access to consumers and foster market solutions based on energy awareness and management.
- 4. Partner with the private sector to support research, development and deployment.** Energy efficiency in commercial and residential buildings represents the largest short-term opportunity to reduce U.S. energy consumption and concomitant greenhouse gas emissions. To capitalize, policymakers should increase federal government investment to research, develop and deploy energy-efficiency standards.
- 5. Save taxpayers money by reducing government energy spending.** The federal government spends more than \$7 billion annually on building-related energy costs—or \$70 billion each decade. Government estimates suggest that at least 15 percent of that spending could be avoided by modernizing energy systems in government buildings. Energy-saving performance contracts (ESPCs) and utility energy service contracts (UESCs) offer attractive mechanisms to leverage private financing to realize guaranteed energy savings and save taxpayers money. Federal policy should establish an annual target for federal agencies of \$2 billion in guaranteed energy savings through ESPCs and UESCs.
- 6. Recognize and value energy-efficiency investments.** Unleash private financing of energy efficiency in commercial and residential sectors by supporting property tax repayment (property assessed clean energy lending), public-private partnerships, bill financing and other mechanisms that guarantee private sector performance and require no upfront cash from the government; integrate energy-efficiency criteria into residential and commercial building loan underwriting standards (the Sensible Accounting to Value Energy Act); and require energy-efficiency disclosure in new and existing home sales backed by federal mortgages.
- 7. Provide an incentive for states to update building codes.** While the current stakeholder-based model building code process for residential and commercial buildings has a successful track record in substantially raising energy efficiency over time, many states and localities fail to keep apace of code updates. Congress should direct the DOE to provide financial and technical support to states and localities for the timely adoption and enforcement of current stakeholder-developed energy-efficiency codes for both residential and commercial construction.