

**TESTIMONY OF DAVID TERRY, EXECUTIVE DIRECTOR,
NATIONAL ASSOCIATION OF STATE ENERGY OFFICIALS,
BEFORE THE SENATE INTERIOR, ENVIRONMENT AND RELATED
AGENCIES APPROPRIATIONS SUBCOMMITTEE IN SUPPORT
OF FY' 14 U.S. ENVIRONMENTAL PROTECTION AGENCY FUNDING
May 3, 2013**

Mr. Chairman and members of the Subcommittee, I am David Terry, Executive Director of the National Association of State Energy Officials (NASEO). NASEO represents the energy offices in the states, territories and the District of Columbia. NASEO is submitting this testimony in support of funding for the ENERGY STAR program (within the Climate Protection Division of the Office of Air and Radiation) at the U.S. Environmental Protection Agency (EPA). NASEO supports funding of at least \$55 million, including specific report language directing that the funds be utilized only for the ENERGY STAR program. The ENERGY STAR program is successful, **voluntary** and cost-effective. With energy prices increasingly volatile, ENERGY STAR can help consumers quickly, is strongly supported by product manufacturers, and leverages the states' efficiency efforts.

The ENERGY STAR program is focused on **voluntary** efforts that reduce the use of energy, promotes energy efficiency and renewable energy, and works with states, local governments and business to achieve these goals in a cooperative manner. NASEO has worked very closely with EPA and over 40 states are ENERGY STAR Partners. With very limited funding, EPA's ENERGY STAR program works closely with the state energy offices to give consumers and businesses the opportunity to make better energy decisions, without regulation or mandates.

ENERGY STAR focuses on energy efficient products as well as buildings. In 2008, 550 million ENERGY STAR products were purchased. The ENERGY STAR label is recognized across the United States. It makes the work of the state energy offices much easier, by working with the public on easily recognized products, services and targets. In order to obtain the ENERGY STAR label a product has to meet established guidelines. ENERGY STAR's voluntary partnership programs include ENERGY STAR Buildings, ENERGY STAR Homes, ENERGY STAR Small Business and ENERGY STAR Labeled Products. The program operates by encouraging consumers and working closely with state and local governments to purchase these products and services. Marketplace barriers are also eradicated through education. State energy offices are working with EPA to promote ENERGY STAR products, ENERGY STAR for new construction, ENERGY STAR for public housing, etc. In Alaska, the State's Home Energy Rebate Program leverages ENERGY STAR products in delivering this successful program. Another example of leveraging this key national program is the Nebraska Energy Office, which since 2005 has utilized ENERGY STAR as the standard for certifying home and office electronics that are eligible under the State's successful and long-running Dollar and Energy Savings Loan program.

In addition to the state partners, the program has over 14,000 voluntary partners including over 2,000 manufacturers using the label, more than 1,000 retail partners, more than 5,000

builder partners, 4,500 businesses, 550 utilities and thousands of energy service providers. The Home Performance with ENERGY STAR activity allows us to focus on whole-house improvements, not simply a single product or service. This is extremely beneficial to homeowners. Over 20 state energy offices, including those in Rhode Island, California, and Missouri, operate or support statewide Home Performance with ENERGY STAR programs. We are also working closely with EPA in the implementation of the ENERGY STAR Challenge, which is encouraging businesses and institutions to reduce energy use by 10% or more, usually through very simple actions. We are working with the building owners to identify the level of energy use and compare that to a national metric, establish goals and work with them to make the specified improvements. Again, this is being done without mandates.

The state energy offices are very encouraged with progress made at EPA and in our states to promote programs to make schools more energy efficient, in addition to an expanding Energy Star business partners program. In Kentucky, the State has partnered with school districts and engineering firms to advance ENERGY STAR rated schools, resulting in more than 169 ENERGY STAR rated schools in the State. The number has more than doubled over the last three years and this expansion will continue.

EPA has been increasing the technical assistance work with the state energy offices in such areas as ENERGY STAR Portfolio Manager (how to rate the performance of buildings), setting an energy target, and financing options for building improvements and building upgrade strategies.

The state energy offices are working cooperatively with our peers in the state environmental agencies and state public utilities commissions to ensure that programs, regulations, projects and policies are developed recognizing both energy and environmental concerns. We have worked closely with this program at EPA to address these issues. The level of cooperation from the agency has been extraordinary and we encourage these continued efforts.

Conclusion

The ENERGY STAR program saves consumers billions of dollars every year. The payback is enormous. NASEO supports robust program funding in FY'14. Funding for the ENERGY STAR program is justified. NASEO endorses these activities and the state energy offices are working very closely with EPA to cooperatively implement a variety of critical national programs without mandates.