ONE HUNDRED EIGHTEENTH CONGRESS

Congress of the United States

House of Representatives COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515-6115 Majority (202) 225-3641 Minority (202) 225-2927

March 27, 2024

The Honorable Jennifer M. Granholm Secretary U.S. Department of Energy 1000 Independence Avenue, SW Washington, DC 20585

Dear Secretary Granholm:

We write to request information regarding the Department of Energy's (DOE) recent funding announcements to incentivize the adoption of international building energy codes, which could increase housing prices and utility bills for the American people. On December 18, 2023, the DOE announced a new spending program to provide up to \$530 million in grants for "the adoption and implementation of the latest model energy codes, zero energy codes, building performance standards, and innovative codes that achieve equivalent energy savings to the latest model and zero energy codes." This announcement followed a September 19, 2023, announcement issued by the DOE, to provide \$400 million in funding for "adopting and implementing building energy codes that reduce utility bills, increase efficiency, lower greenhouse gas emissions that fuel the climate crisis, and make buildings more resilient to climate disasters." Each of these announcements referenced authorities and funding provided by Congress through the Inflation Reduction Act of 2022 (IRA).

Building codes are complex laws and regulations that set minimum requirements for commercial and residential building construction to address structural, plumbing, electrical, ventilation, energy efficiency, and related requirements. In the U.S., building codes are predominately and appropriately regulated by State and local jurisdictions – not the Federal government. In recent years, activist environmental groups have begun pressuring international organizations, Federal agencies, States, and local jurisdictions to develop and enforce "model" building energy codes that mandate expensive, one-sized-fits-all construction requirements and restrict fuel choices, even when it is not technologically feasible or cost-effective for the homeowner or tenant.

¹ See https://www.energy.gov/articles/biden-harris-administration-announces-530-million-building-energy-efficiency-and

² See https://www.energy.gov/articles/biden-harris-administration-announces-400-million-states-improve-building-energy

State and local governments should not be forced to adopt international energy codes that set efficiency requirements, ban the use of natural gas, or require expensive electrification retrofits for appliances and electric vehicle charging. We are concerned that the DOE's building codes grant programs will exacerbate the current housing affordability crisis and limit energy choices for the American people by encouraging the adoption of such one-sized-fits-all building codes that are not appropriate or cost-effective for all income levels and regions of the country. We are also concerned that these grant programs will encourage a so-called "zero-energy" building code that would effectively ban the use of fossil fuels in favor of more expensive and less reliable electric options.

To assist with our review of the DOE's statutory authorities and responsibilities relating to building energy codes, we ask that you respond to the following questions by April 10, 2024:

- 1. Please provide a description of all programs and funding across the Department and the National Labs relating to building energy efficiency, including, but not limited to programs within the Office of Energy Efficiency and Renewable Energy and the Office of State and Community Energy Programs.
- 2. The IRA authorizes the DOE to award grants for different categories of energy codes, including the "latest" energy code, a "zero-energy" code, or an "equivalent" building code. Please describe how DOE interprets the statutory authority to award grants for these categories of energy codes.
 - a. Please define the term "zero-energy" code.
 - b. Please explain the DOE's process for establishing the "zero-energy" code definition and describe any involvement by officials or representatives of the DOE with non-governmental organizations or code councils.
 - c. The DOE recently proposed a definition of "zero emissions building" through a Federal Register notice.³
 - i. Please explain what statutory authorities, if any, DOE has to propose such a definition.
 - ii. In what contexts is DOE planning on using this definition?
 - iii. Will DOE modify the definition based upon public and industry input?
 - iv. Will this "zero emissions building" definition be fuel neutral?

³ https://www.federalregister.gov/documents/2024/02/16/2024-03285/national-definition-for-a-zero-emissions-building-part-1-operating-emissions-version-100m-draft?utm_campaign=subscription+mailing+list&utm_medium=email&utm_source=federalregister.gov

- 3. Please explain why the DOE prioritizes "zero-energy" codes for funding awards ahead of more affordable energy codes.
- 4. Many States may have already received DOE funding through their State Energy Plan to support the adoption of building energy codes. Please provide a table of funding and description of projects and awardees.
- 5. The December 2023 Funding Opportunity Announcement⁴ indicates that grants would assist eligible entities "in further decarbonizing" their buildings through the adoption of the latest model building energy codes, zero-energy codes, and other codes that deliver equivalent or greater energy savings. Please explain whether or not DOE supports the following:
 - a. Does the DOE support energy codes that ban the direct use of natural gas for home heating or cooking?
 - b. Does the DOE support energy codes that ban the use of electricity produced with coal, natural gas, or nuclear?
 - c. Does the DOE support energy codes that require the use of renewable energy?
 - i. Does the DOE support energy codes that evaluate the full lifecycle environmental impacts of wind, solar, and batteries?
 - d. Does the DOE support energy codes that require the installation of electric vehicle charging for all residential and commercial construction?
- 6. The December 2023 Funding Opportunity Announcement states that "DOE is particularly interested in supporting States and local governments in implementing local capacity building, multi-year investments in workforce and education, and long-term improvements in building energy codes through multi-cycle adoption and building performance standards (BPS)."
 - a. Please explain how the DOE intends to encourage multi-cycle adoption of energy codes.
 - b. Will the DOE make grant awards contingent upon multi-cycle adoption?
- 7. Why did the DOE fail to define the types of expenditures that qualify for DOE grants?
 - a. What measures are in place to prevent waste, fraud, and abuse of taxpayer dollars?

⁴ See https://infrastructure-exchange.energy.gov/Default.aspx#FoaIda25503b3-faa7-4a9e-8216-579246093ec7

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We look forward to your prompt response. Thank you in advance for your cooperation. If you have any questions regarding this matter, please contact the Majority staff at (202) 225-3641.

Sincerely,

Chair

Committee on Energy and Commerce

Subcommittee on Energy, Climate, and

Grid Security