

December 2, 2020

The Honorable Richard Shelby
Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Patrick Leahy
Vice Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Nita Lowey
Chairwoman
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Kay Granger
Ranking Member
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Shelby, Vice Chairman Leahy, Chairwoman Lowey, and Ranking Member Granger:

As Congress prepares to pass omnibus appropriations for Fiscal Year (FY) 2021, we write in support of \$12 million for the Rural Energy Savings Program (RESP). This would be consistent with the recommendation approved by the U.S. House of Representatives.

RESP is administered by the U.S. Department of Agriculture Rural Utilities Service. **The House-approved funding level of \$12 million would ensure this program has the resources it needs to provide zero-interest loans to electric cooperatives, state financing entities, and others to establish or expand residential and small business energy efficiency programs.** The improvements are made at no upfront cost and repaid via utility bill line-items. On average, these improvements can cost between \$5,000 to \$15,000—an investment otherwise out of reach for many Americans, particularly in rural areas where families pay on average 40 percent more of their income for energy compared to their urban counterparts.

RESP loans are leveraged so each federal dollar facilitates zero-interest loans worth about \$10. **The Senate's proposed \$2 million cut in appropriations for RESP would result in a shortfall of about \$20 million.** A cut to RESP would cause many rural utilities to miss an opportunity to help make energy more affordable for their residential and small business customers.

Lower funding for RESP would also compromise the program's ability to help support local economies. By implementing RESP-funded programs, rural electric cooperatives and other state financing entities support good-paying local jobs for workers trained to implement energy efficiency improvements. This need is especially acute in many communities facing the unprecedented stress of the on-going coronavirus pandemic.

Thank you for your consideration. We look forward to continuing working with you to support RESP and other efforts to help lower energy bills for rural Americans.

Sincerely,

American Council for an Energy-Efficient Economy
Environmental and Energy Study Institute
National Association of State Energy Officials
National Cooperative Business Association CLUSA