

United States Senate

WASHINGTON, DC 20510

June 28, 2022

The Honorable Charles Schumer
Majority Leader
U.S. Senate
Washington, D.C. 20510

Dear Leader Schumer:

With family budgets strained by high energy costs and more and more and more Americans experiencing climate-related natural disasters, I urge you to redouble efforts to pass meaningful energy and climate legislation and build upon the foundation laid by the bipartisan infrastructure law. I encourage you to prioritize policies that will expand energy efficiency and affordable clean energy, as well as those that harness natural climate solutions through sustainable management and conservation of our forests.

Families and businesses in New Hampshire are not only facing sharply increased prices at the gas pump, but we are also seeing major utilities seek electric rates that will likely increase many household bills by more than 50% due to spikes in fuel costs, particularly for natural gas. While global events underlie much of the run up in prices, we must do more to provide real opportunities for long-term solutions and near-term relief.

As you work to develop legislation, I respectfully request inclusion of the following priorities that promote energy efficiency and clean energy in order provide consumers and businesses new opportunities to make lasting improvements that will help insulate them against the volatility of energy price spikes, while reducing harmful emissions:

- **HOPE for HOMES:** Funding to provide immediate and long-term incentives for energy efficiency improvements in homes would help households lower their energy costs, support good, local jobs and reduce emissions from the residential sector, which accounts for almost 900 million metric tons of carbon dioxide emissions according to the Energy Information Administration. Providing approximately \$6 billion to help homeowners and multi-family building owners with technology-neutral, energy saving rebates with additional incentives for low and moderate income families would enhance the efficiency and resilience of our nation's housing stock and provide much-needed help in lowering energy bills. Additionally, providing at least \$360 million for grants for efficiency contractors to conduct trainings would help provide good, local job in our communities. A program of this scale would not only help those who participate, but would help ease pressures on the electric grid during times of peak demand, such as extreme heat waves or unusual cold snaps that are becoming more common due to climate change.
- **Improving energy efficiency in buildings:** Congress provided more than \$6 billion in the bipartisan infrastructure law to enhance the energy efficiency of buildings, including a new \$250 million program to help states and localities implement building energy codes. To achieve the

full benefits of improved codes, which will affect buildings that will exist decades into the future, we must also incentivize states and localities to adopt the most-up-to-date versions of building energy codes and support those who choose to adopt stretch codes to further drive our buildings toward achieving net-zero energy use. Accordingly, I urge inclusion of at least \$300 million for this purpose. I also encourage inclusion of \$500 million for the purposes of resiliency, energy efficiency, renewable energy, and grid integration improvements at public and non-profit buildings.

- **Energy tax provisions:** Long-term certainty of energy tax policy that supports energy efficiency, clean electricity and clean transportation fuels should be the cornerstone of a climate and energy package. I support the work of the Senate Finance Committee to develop the Clean Energy for America Act and the Committee's work with the House Finance Committee to continue to refine an energy tax policy package. I encourage any final package to ensure support for residential and commercial thermal biomass, domestic solar manufacturing, and providing a mechanism to support residential renewable energy and energy efficiency projects for those who may not have sufficient tax liability to fully realize the value of incentives.

I also encourage you to incorporate funding for forestry programs and that help address climate change by promoting sustainable forest management and keeping our forested lands intact, all while supporting rural economies. Programs supporting nonfederal forests should be included alongside those that invest in our U.S. Forest System lands. More than half of forests in the United States are privately owned, and more than a third are owned by families and individuals. These private forests contribute billions to states' economies, employ thousands of people, protect wildlife habitats and reduce carbon in the atmosphere. However, unfortunate shifts in the U.S. forest products markets, including consolidations in the pulp and paper sector, downturn in the housing market and significant losses of mills, have made it difficult for families to afford to keep their land in trees and pay for needed management. Accordingly, I encourage investment in the following programs in line with the bipartisan Forest Incentives Program Act, the bipartisan Community Wood Facilities Act and the Forest Legacy Program, which has longstanding bipartisan support:

- **Pilot program for forest carbon incentives:** Reconciliation offers a unique opportunity to promote natural climate solutions and provide additional incentives for landowners who are under constant pressure to develop their forestlands. A \$500 million pilot program based upon the bipartisan Forest Incentives Program Act (S.1043) would establish incentives for private forest owners to improve and maintain sustainable forest management that sequesters additional carbon through long-term contracts. I also encourage the addition of incentives for non-residential building owners to use less energy-intensive products, such as wood, as structural building materials. Including funding through reconciliation would enhance the critical role that private forests and forest products play in sequestering carbon and mitigating climate change.
- **Forest Legacy Program:** As you know the Forest Legacy Program (FLP) helps states and private forest owners maintain working forest lands through permanent conservation easements and acquisitions. FLP investments have led to conservation of more than 2.8 million acres of working forest lands. And yet, millions of dollars' worth of ready-to-go projects are left unfunded each year. This leaves substantial opportunity to supplement funding from the Land and Water Conservation Fund to facilitate additional conservation projects that protect forests

from fragmentation and development. I encourage you to provide \$1.5 billion to this voluntary program that brings together federal, state and private partners to conserve forested lands and fight the climate crises by sequestering carbon, protecting drinking water and promoting habitat resilience.

- **Community wood energy and wood innovation program:** Finding uses for low value wood is a continuing concern for private forest owners and wood processing facilities alike. For landowners, who often need to remove low value biomass from their woods keep it healthy and tackle issues like wildfires or insect infestation, finding a market for this low value material is increasingly challenging. The existing Community Wood Energy and Wood Innovation Program, or CWEIP assists municipal governments, small businesses and others in making capital investments in energy-efficient, community-scale heating and combined heat and power projects and supports cutting-edge innovations in wood product manufacturing. To further enhance CWEIP, I respectfully request that the reconciliation package include funding to spur investments in wood energy systems and innovative wood product manufacturing facilities.

Thank you for your consideration. I look forward to working with you to move forward investments in energy efficiency and clean energy, as well as natural climate solutions that support our forests and rural economies.

Sincerely,

A handwritten signature in blue ink that reads "Jeanne Shaheen".

Jeanne Shaheen
United States Senator