



Plastics Division

May 22, 2024

The Honorable Jeff Duncan
Chair, House Committee on Energy and
Commerce Subcommittee on Energy,
Climate, and Grid Security
U.S. House of Representatives
Washington, D.C.

The Honorable Diana DeGette
Ranking Member, House Committee on
Energy and Commerce Subcommittee on
Energy, Climate, and Grid Security
U.S. House of Representatives
Washington, D.C.

RE: Statement for the Record from the American Chemistry Council to the House Committee on Energy and Commerce Subcommittee on Energy, Climate, and Grid Security hearing “Green Building Policies: Jeopardizing the American Dream of Homeownership.”

Dear Chair Duncan and Ranking Member DeGette:

The American Chemistry Council’s (ACC) Plastics Division is appreciative for the opportunity to provide the following Statement for the Record as part of the Committee on Energy and Commerce’s Subcommittee on Energy, Climate, and Grid Security hearing titled “Green Building Policies: Jeopardizing the American Dream of Homeownership”. Highlighting and prioritizing energy efficiency in the built environment will provide significant environmental, economic and cost-saving benefits to American people and businesses.

The American Chemistry Council (ACC) is a national trade association representing chemicals and plastics manufacturers in the United States. Our members are committed to the safety of their products and to the protection of public health. Chemistry is essential to the U.S. economy and plays a vital role in driving innovations that make our world safer, more sustainable, and more productive. Chemistry supports over 25% of the U.S. GDP and 10% of U.S. goods exports – a \$639 billion enterprise. 550,000 skilled American jobs are provided by the business of chemistry. The U.S. is the 2nd largest global producer, providing 11% of the world's chemicals.

The chemical industry supplies many products and materials to the building and construction value chain, including those that deliver energy efficiency throughout the entire structure, such as high-performance building insulation and sealants that reduce energy bills and help reduce air leakage, to roof membranes and coatings that protect against moisture and help keep roofs cooler in hot climates to reduce the urban heat-island effects. ACC’s members are also large users of energy, so the responsible use of energy is important to the industry’s economic health and competitiveness. Energy efficiency is the lowest cost option for meeting energy demand. Energy

efficient buildings create economic opportunities for businesses and industry by promoting new energy efficient technologies and reducing energy waste.

Energy efficiency has been shown to lower energy costs for residential and commercial buildings such as multi-family housing, reducing the high burden of utility bills on low-income households, reducing the strain on the electric grid, particularly at peak usage periods, and increasing national energy security.

Small Business Success: Energy costs are one of the top three business expenses in more than a third of small businesses, with heating and cooling expenses being the primary energy costs for a third of them, according to the National Federation of Independent Businesses (NFIB).

Housing Affordability: Energy efficiency programs reduce energy costs, which are disproportionately high for low-income households and communities of color. Research shows that about two-thirds of low-income households in the United States face a high or severe energy burden. (Drehobl, Ross, and Ayala 2020). According to the U.S. Energy Information Administration, across the United States, high utility bills are costing homeowners a significant portion of their monthly incomes. According to the most recent EIA Residential Energy Consumption Survey,¹ about one in five households reported reducing or forgoing basic necessities like food and medicine to pay an energy bill. Stronger energy codes and more widespread code compliance can help change the tide on this type of energy poverty.

Occupant Health: Energy efficiency measures such as improving ventilation, insulation and sealing building envelopes can help to address conditions that contribute to many illnesses. Poorly sealed building envelopes allow pests, moisture, and air pollution to infiltrate. These can harm respiratory health through mold growth and allergens, while leaky windows and poor insulation can lead to cold drafts and extreme temperatures in a home during summer and winter months. (ACEEE Advancing Equity through EER Stds, 2023).

Security: Prioritizing energy efficiency in the building sector will improve energy security. Enabling individuals and businesses to defray upfront capital costs to improve energy efficiency offers a strong value proposition for federal dollars, helping deliver efficiency and cost-saving returns over time. Improving energy efficiency helps to insulate Americans from price fluctuations in energy markets due to natural disasters, supply chain challenges, and global unrest.

Prioritizing energy efficiency in the building sector will also help reduce GHG emissions. With building lifespans of 50-100+ years, the energy efficiency achieved in construction and retrofits in the near-term can have a significant impact on the U.S.'s ability to meet its carbon emissions reductions goals for the building sector and overall. ACC member products are durable and can last for many years and often the entire life of the building with little or no maintenance. Given that up to 39% of U.S. GHG emissions are produced by the building sector, the importance of the

¹ See [Residential Energy Consumption Survey \(RECS\) - Energy Information Administration \(eia.gov\)](https://www.eia.gov/energyconsumption/)

energy efficient materials and products of chemistry our members provide to address emissions across the United States is more important than ever.

For instance, a recent ICF report found that the distribution of normalized GHG savings in all climate zones demonstrates a positive impact of insulation on GHG emission reduction (ICF Impact of Building Envelope Thermal Insulation on Use-Phase Emissions, 2024)

National model building energy codes are but one policy tool to support implementation of efficiency measures that are cost effective. The 2021 IECC represents the latest model code to be evaluated by the US DOE to reduce both energy use and energy costs, offering a positive payback for homeowners. ACC is a participant in the code development process and supports the consideration and adoption of the 2021 IECC by federal agencies, states, and local jurisdictions.

Energy efficiency in the built environment has a long-standing history of bipartisan support as the benefits of efficiency accrue to individual homeowners, renters, and businesses, as well as to the nation as whole. We strongly encourage the Committee to maintain a strong posture of support for building energy efficiency. To drive down wasted energy, high costs and GHGs, with congressional support, America can and must focus on energy efficiency policies and technologies that prioritize the building envelope. For our nation. And our environment.