

December 10, 2020

President-elect Joseph R. Biden, Jr.
Vice President-elect Kamala Harris
1401 Constitution Avenue, NW
Washington, DC 20230

Dear President-elect Biden and Vice President-elect Harris,

On behalf of the members of the Business Council for Sustainable Energy (BCSE), I offer congratulations on your historic election victory. The BCSE looks forward to working with you and your Agency Review Teams on the organization of your administration and the development of policies that will support the *Build Back Better* agenda, especially in the areas of economic recovery and climate change.

BCSE and Clean Energy Business Network Represent Thousands of Companies in all 50 States

The BCSE is a coalition of companies and trade associations representing the energy efficiency, natural gas and renewable energy sectors. Founded in 1992, the Council advocates for policies that expand the use of commercially available clean energy technologies, products and services. BCSE's membership includes project developers, industrial manufacturers, equipment and technology providers, investor-owned and public power utilities, independent electric power producers, and energy and environmental service companies. BCSE is pleased to have an independent initiative under its banner, the Clean Energy Business Network (CEBN). CEBN represents small- and medium-sized businesses providing clean energy technologies and services.

Together, BCSE and CEBN represent a broad range of the clean energy economy, from Fortune 100 companies to small businesses working in all 50 states. These businesses have seen significant growth over the past decade, providing over 3 million jobs across the country, with the majority of those jobs in small businesses. Please see the [BCSE's Recommendations for Energy and Climate Change](#) as a foundation for our approach on policy.

Clean Energy Solutions Can Support a Sustainable and Robust Economic Recovery

As you have stated during your campaign, both revitalizing the economy and addressing global climate change are national imperatives that we can achieve simultaneously. As documented in the [Sustainable Energy in America Factbook](#), we have witnessed over the past decade that increased use of readily available clean energy technologies in the energy efficiency, natural gas and renewable energy sectors have reduced greenhouse gas emissions and improved our national resilience to climate change threats, all while creating millions of family-supporting jobs, improving our national competitiveness and providing Americans with a more modern, secure, resilient and affordable energy system.

BCSE Recommends Executive Actions to Implement the *Build Back Better* Plan

We commend your commitment to use this seminal moment in U.S. history to tackle our current challenges in a holistic and strategic fashion, with the clean energy transformation and its economic benefits at the forefront. In addition, BCSE members understand the unprecedented health and human impacts of the COVID-19 pandemic and the effects it is having on families and communities.

We offer our preliminary suggestions for federal executive actions with the urgency of addressing the current health pandemic in mind.

We also understand that actions and investments in the public and private sectors must address racial and social injustices. Clean energy industries have a role to play to improve the diversity and inclusivity of their workforces and to support policies that broaden the economic and environmental benefits that these sectors provide.

Achieving the *Build Back Better* objectives will be an ongoing process and will require sustained action by the public and private sectors for years to come. However, there are immediate steps that your administration can take through executive action that can move our country down the path of meeting these objectives.

Specifically, we wholeheartedly support your pledge to rejoin the Paris Agreement on climate change. This will send an immediate signal to the world community and the private sector that the U.S. federal government will resume a leadership position on climate mitigation and adaptation. It will also accelerate clean energy sector investments at home and abroad, spurring domestic manufacturing, U.S. exports and technology innovation.

BCSE also supports the appointment of a Special Presidential Envoy on Climate Change. In addition, we urge cabinet-level oversight across the federal government's vast programs and funding resources to reduce greenhouse gas emissions and to improve the resilience of the federal government and the U.S. military.

Please see enclosed policy recommendations for the first phase of the Biden/Harris administration. These are based on the 100-day plans of several BCSE members, and the recommendations are focused on executive actions¹. BCSE will share its legislative priorities with you separately in the coming weeks.

BCSE members respectfully request the opportunity to meet with the relevant Agency Review Team members to discuss these recommendations in more detail. Please contact me at ljacobson@bcse.org to schedule a virtual meeting.

Thank you for your consideration.

Sincerely,



Lisa Jacobson
President, Business Council for Sustainable Energy

¹Please see the following as additional resources:

[BCSE Energy Efficiency Building Letter](#) • [American Wind Energy Association, *Vision for Driving a Clean Energy Transformation*](#) • [Solar Energy Industries Association, "The Solar Vision for 2021 & the 117th Congress"](#)

RECOMMENDATIONS FROM



Executive Actions to **Increase Efficiency** and **Clean Energy Deployment** in Support of the *Build Back Better* Plan

DECEMBER 10, 2020

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However, there are immediate steps that the Biden/Harris administration can take through executive action that can move our country down the path of meeting these objectives.

Please see the following set of policy recommendations for the first phase of the Biden/Harris administration. These are based on the 100-day plans of several BCSE members, and the recommendations are focused on executive actions. Business Council for Sustainable Energy (BCSE) will share its legislative priorities in the coming weeks.

Please note that as a diverse coalition, not all BCSE members take a position on or endorse these recommendations.



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Please see the following as additional resources:

[BCSE Energy Efficiency Building Letter](#) • [American Wind Energy Association, *Vision for Driving a Clean Energy Transformation*](#) • [Solar Energy Industries Association, "The Solar Vision for 2021 & the 117th Congress"](#)

Issue

Executive Orders to Improve the Efficiency, Resilience and Sustainability of the Federal Government

Releasing new Executive Orders can address a variety of federal government goals, while increasing transparency and ensuring that agencies leverage private and innovative financing to achieve greater impact.

Set federal government-wide goals for sustainability and resilience in federal buildings and infrastructure.

These goals should address energy, water efficiency and resiliency goals, deep energy retrofit goals as well as efficiency improvement targets for other modernization projects in existing buildings.

- Implementation should leverage public-private partnerships such as energy-as-a-service, power purchase agreements, and performance contracting, among others, to meet overall goals for emissions reductions.
- Direction should be given to agencies to ensure sufficient resources to implement such projects and should encourage agencies to use federal funding in concert with private sector financing mechanisms to achieve deep energy retrofit, resilience and security goals.
- High-level administration tracking and follow up has proven successful in past efforts and are strongly encouraged.

Set federal government-wide clean energy procurement goals.

Commit the federal government to increased energy efficiency improvements and the purchase of an increasing amount of renewable energy for electricity, thermal loads and transportation fleets.

Set renewable energy goals for federal public lands and waters.

Establish a federal renewable energy permitting target for public lands and public waters. These goals could include onshore and offshore renewable energy projects and Bureau of Ocean Energy Management (BOEM) permitting goals.

Confirm and expand the federal government's commitment to procuring sustainable materials.

Ensure that the sustainability benefits of clean energy are carried through to the other end of the supply chain by expanding the federal government's commitment to procuring sustainable materials and products as cataloged by the USDA BioPreferred® program.



Propose a Federal Budget for Fiscal Year 2022 with Increased Funding for Clean Energy RDD&D

Strengthen Agency Work and Fill Staff Vacancies

Establish Clean Air Act Authority to Regulate Carbon

Propose robust federal investments in clean energy RDD&D for FY 2022.

Build upon the bipartisan support for increasing funding levels at the Department of Energy (DOE), Environmental Protection Agency (EPA), Department of State (DOS) and other federal agencies supporting RDD&D, circularity/recyclability, resilience planning and grants as well as grid modernization and digitalization.

Quickly fill vacancies in understaffed agencies with top experts, especially at the DOE, EPA and DOS.

Addressing staffing vacancies is essential to achieving the *Build Back Better* goals. Specifically, deployment programs and market transformations that achieve large energy and carbon savings need new focus and support. In addition, vacancies must be filled so that there is a full complement of professional staff working at the Office of Energy Efficiency and Renewable Energy, the Office of Electricity and the Office of Fossil Energy.

Establish ARPA-C with a program focus on transformative technologies.

Focus the launch and work of the ARPA-C program on game-changing technologies in the areas of hydrogen, digitalization, carbon capture storage and utilization, renewables integration and energy systems management.

Repeal the Affordable Clean Energy Rule and issue a replacement rule.

Regulate carbon in the electric sector under Section 111 of the Clean Air Act to encourage Congress to adopt a meaningful federal carbon policy.

Require Updated Building Codes and a Manufactured Housing Standard in Federal Housing Programs

Require new homes receiving federally backed mortgages (FHA/VA/USDA) to be built to comply with the 2021 International Energy Conservation Code.

FHA/VA/USDA issued mortgages account for about 15 percent of new home sales. These mortgage products require varying minimum standards for energy efficiency that lag current model energy codes. At worst, VA loans only require compliance with the 1992 model energy code. Improving the energy efficiency of homes eligible for these mortgages will put pressure on the entire new housing market and will improve affordability by dramatically reducing energy bills.

Instruct the Federal Housing Finance Agency to direct Fannie Mae and Freddie Mac to institute the same criteria as the Department of Housing and Urban Development (HUD) and USDA and require mortgages with new homes to meet the 2021 International Energy Conservation Code.

Fannie Mae and Freddie Mac purchase about 50 percent of all home mortgages. They currently set property eligibility requirements for the loans they buy. Such requirements should extend to compliance with the minimum standards of the current model energy code.

Adopt DOE’s draft updated federal efficiency standard for manufactured housing that was issued in 2016 but withdrawn from interagency review by the Trump administration.

Manufactured housing makes up 7 percent of the new home market in the U.S. Unlike the rest of the housing industry, manufactured housing has a federal standard for energy efficiency requirements. The current standard is more than 25 years old.



Remove Market Barriers to Clean Energy Deployment

Remove trade barriers to clean energy.

Trade barriers increase costs in the clean energy project supply chain. The Department of Commerce should revisit and lower duties on foreign components. The United States Trade Representative should remove Section 301 tariffs for components used in fuel cells, solar, storage, wind and other sectors as well as considering revisiting Section 232 tariffs for steel used in clean energy projects and allowing Section 201 tariffs related to solar to expire.

Issue Department of Treasury, Internal Revenue Service guidance for the Production Tax Credit and Investment Tax Credit.

Allow renewable energy projects to demonstrate continuity via continuous efforts regardless of what method the project used to qualify (physical work or 5% safe harbor), which would provide needed regulatory flexibility and certainty for projects that fall outside of the continuity safe harbor to prove continuity using a broader universe of project activities.

Issue start-of-construction guidance that provides a 7-10 year continuity safe harbor for offshore wind projects given the reality that offshore wind permitting from lease award to final federal approval can take eight years or longer.

Revoke the Executive Order on securing the bulk power system and consider alternative measures to address the vital issue of grid security.

Protecting U.S. grid security is paramount. While focused on a critical issue, the [Trump administration's Executive Order](#) (EO) directing DOE to develop regulations to provide for the evaluation and prohibition of critical infrastructure equipment was poorly developed and is causing confusion in the market that inhibits innovation, business certainty and critical improvements to grid security. [Please see BCSE's comments to DOE on the EO from August 2020](#). BCSE recommends that DOE revoke the current EO and consider measures, in consultation with industry, to address this critical set of issues. Any DOE action going forward should leverage existing industry standards (e.g., NERC Reliability Standards and the IEC 62443 suite of standards for industrial automation systems cybersecurity) to address cybersecurity threats to critical equipment, including using industry-driven standards and proven best practices.



Remove Market Barriers to Clean Energy Deployment

Direct EPA to implement the Renewable Fuel Standard for electric vehicles.

When Congress enacted the Energy Independence and Security Act of 2007, it directed EPA to include electricity to meet the renewable fuel mandates of the Renewable Fuel Standard (RFS) when sourced from qualified feedstocks (such as biogas, waste wood and the biogenic portion of municipal solid waste).

In the 2010 Final Rule implementing EISA, EPA recognized electricity as a transportation fuel, and in 2014 the Agency approved a specific pathway (biogas electricity from digestors, wastewater treatment facilities and landfills). Following the 2014 Rule, numerous facility biogas registrations were submitted along with pathways seeking approval of a variety of statutorily authorized feedstocks such as waste biomass and the biogenic portion of municipal solid waste. To date, not a single registration has been processed nor additional pathways approved.

EPA should convene all stakeholders to arrive at an agreement to expeditiously implement the program starting no later than Q2 2021. This action should pertain to all applications from electricity producers using RFS-qualified feedstocks.



Please see the following as an additional resource: [RFSpower.com](https://www.rfspower.com)

Establish International Leadership on Clean Energy Deployment and Climate Change

BCSE commends the Biden/Harris pledge to rejoin the Paris climate change accord and the appointment of a Special Presidential Envoy on Climate Change. Please see additional areas of focus to establish U.S. federal leadership on global climate change.

Convene international leaders on clean energy and climate change action.

The U.S. should establish the country as a leader in addressing climate change at home and within the world community. This includes establishing domestic and international mitigation and resilience plans and working with other nations to increase ambition consistent with climate science.

Utilize business as a lever to accelerate climate action among the private sector.

Convene a “U.S. Climate Business Taskforce” comprising members of the private sector who have led in the areas of setting ambitious goals to decarbonize, investing in energy efficiency and resilience, renewable energy procurement and working to educate state- and federal-level policymakers on climate action. The Taskforce would allow for sharing of best practices in decarbonization, sustainability, procurement, job creation and leveraging of public-private partnerships to be socialized throughout the U.S. and international supply chain.

Propose increased funding for U.S. international climate change financing as part of the FY 2022 budget request.

BCSE urges increased funding for the United Nations Framework Convention on Climate Change, the World Bank, the Green Climate Fund and other multilateral funds that support climate change mitigation and adaptation.

Direct international development assistance to support clean energy deployment as part of U.S. Agency for International Development bilateral aid.

Support capacity-building efforts to assist countries in need in fulfilling economic development and climate change objectives.



Institute Infrastructure Siting, Permitting, and Regulatory Reforms to Speed Clean Energy Deployment

Streamlining of siting and permitting processes for electric grid, electric transmission, natural gas pipelines, power generation, hydropower projects, energy storage, and materials management are critical for infrastructure investment.

Further, federal government leadership is needed to promote and adopt policies that foster effective transmission and infrastructure planning. This includes ensuring that clean energy projects can be developed by implementing workable regulations for federal land management, wildlife, military and aviation interactions.

Direct federal agencies to expedite environmental reviews.

- Issue guidance from the Council on Environmental Quality proposing reasonable reforms to the National Environmental Policy Act (NEPA) to improve permitting timelines for clean energy projects.
- Issue guidance from the Bureau of Land Management (BLM) and the Bureau of Ocean Energy Management (BOEM) to expedite the siting of renewable projects on public lands.
- Issue guidance from the Fish and Wildlife Service (FWS) to expedite general permits under the Bald and Golden Eagle Protection Act and the Endangered Species Act for low-risk projects; and, if incidental take is deemed covered under the Migratory Bird Treaty Act (MBTA), issue enforcement assurances based on best practices or create a workable MBTA general permit program. FWS should approach enforcement of the MBTA thoughtfully. If changes are to be made, provide a clear pathway and workable timeline for the industry to adapt.

Ensure a quorum at the Federal Energy Regulatory Commission (FERC).

Maintaining a quorum at FERC will ensure that the federal responsibilities under this agency to support reliable, resilient and affordable energy infrastructure are continued.



Institute Infrastructure Siting, Permitting, and Regulatory Reforms to Speed Clean Energy Deployment



Improve interregional transmission planning and support natural gas infrastructure modernization.

Coordinated planning to establish long-distance transmission lines is critical to building a 21st-century electricity grid. Natural gas infrastructure is a backbone of the U.S. energy system. FERC and DOE should consider how to support planning and investment in electric and natural gas infrastructure.

Direct federal agencies with funding for state and local governments to prioritize integrated resilience solutions.

Direct agencies with infrastructure funding for state and local governments at the Department of Homeland Security (DHS), USDA, DOE and HUD to prioritize the integration of high-value energy efficiency, on-site renewable energy, fuel cells, combined heat and power (CHP) and energy storage for infrastructure resiliency for first responders, hospitals, pipelines, data centers and telecommunications, for continuity of operations for public and private purposes.

Direct EPA and DOT to Support Sustainability and Resilience at Non-Federal Critical Facilities.

The Department of Transportation and the EPA should create processes to support planning and goal setting at ports, airports, mass transit, and border points of entry, among other locations. These programs should examine and document resiliency, decarbonization, and modernization needs to establish a gap between need and current budget, with direction to utilize public-private partnerships as financing vehicles to meet shortfalls.

Promote use of efficient CHP within federal infrastructure.

Promoting CHP within federal and industrial sectors is recommended to support cost-effective power, heating and cooling for industrial facilities and buildings utilizing technologies such as district energy. These CHP facilities can leverage microgrid technologies to integrate with various renewable energy resources and provide resiliency and possibly spinning reserves to augment the intermittent supply of solar and wind. Longer term, these CHP sites can be designed with the ability to use lower-carbon fuels like hydrogen.

Institute Infrastructure Siting, Permitting, and Regulatory Reforms to Speed Clean Energy Deployment

Continue support for Solar Automated Permit Processing to streamline local permitting.

Costs associated with permitting and inspection can account for up to 30% of the total price of a rooftop solar system. By automating the process and moving permitting online, the costs of going solar can decrease dramatically. The Solar Automated Permit Processing (SolarAPP) program is under development by the National Renewable Energy Laboratory and provides a flexible, web-based permitting tool at no cost to authorities having jurisdiction. DOE should increase funding and resources for this program to ensure that as many local permitting offices as possible have access to this cutting-edge technology.

