

[By Zach Colman](#)

Reps. Cory Gardner (R-Colo.) and Peter Welch (D-Vt.) launched a bipartisan caucus Wednesday to promote government use of energy-savings contracts with private firms.

While Democrats and Republicans have split on ways to implement broader energy-efficiency policy, Gardner and Welch say the energy-savings contracts hit a sweet spot for both parties.

“You can still support this standard or that standard, but this sort of navigates around some of the thornier issues that may exist, and it gets to the point where we can promote energy efficiency,” Gardner said in a Wednesday interview with The Hill.

The Hill first reported on the caucus [here](#) .

The other Energy Savings Performance Caucus members include: Reps. Earl Blumenauer (D-Ore.), Charles Rangel (D-N.Y.), Lee Terry (R-Neb.), Joe Wilson (R-S.C.), Paul Gosar (R-Ariz.), Charlie Dent (R-Pa.), Mike Michaud (D-Maine), Ron Kind (D-Wis.) and Del. Madeleine Bordallo (D-Guam).

President Obama in 2011 allowed federal agencies to use up to \$2 billion on energy-savings performance contracts, with the goal of cutting agency energy costs. The Energy Department has said that the contracts could yield \$20 billion in energy savings.

The contracts call on private firms to make energy-efficiency upgrades for federal agencies. Those companies get reimbursed through a portion of the energy savings accrued from the renovations they install.

But Gardner and Welch contend the government has used the contracts too infrequently.

They say their caucus will push federal agencies to use the contracts by holding agencies accountable to reaching energy-savings goals.

“I think it’s a hesitancy, whether it’s a slowdown on the contract and getting them approved. It’s not so much to point fingers, but to really give a good push,” Gardner said.

Gardner and Welch have co-sponsored successful amendments to provide for the contracts in four appropriations bills.

They predicted congressional support for the contracts would grow in the next Congress with the help of their caucus, contending that most lawmakers are merely unaware of how the contracts work.

The lawmakers said the contracts circumvent more-divisive options for boosting energy efficiency, such as bolstering standards or expanding tax incentives.

They framed the contracts as a no-cost solution to achieving energy efficiency, as they rely entirely on private-sector firms financing the upgrades.

In turn, that would increase jobs for contractors and energy-efficiency auditors, they said.

“The work that has to be done is all local contractors, many of whom are out of work because of the housing slump. They’ve got the skills, and they need the work,” Welch told The Hill.

Industry and energy groups praised the formation of the caucus.

Ross Eisenberg, vice president of energy and resources policy with the National Association of Manufacturers, said in a statement that the contracts are “perpetually underutilized,” and that his organization, “is excited that Congress is taking a more active role to increase the use of performance contracting and make federal buildings more efficient.”

Bill Kovacs, senior vice president of environment, technology and regulatory affairs with the U.S. Chamber of Commerce, added that the contracts are a “commonsense approach to bring energy savings to the federal government.”

Kateri Callahan, president with lobby group the Alliance to Save Energy, said she hopes the caucus “will elevate the importance of this financing mechanism on Capitol Hill and before the administration.”