

Window & Door Dealers Alliance



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October 5, 2010

Senator Jeff Bingaman
United States Senate
703 Hart Senate Office Building
Washington, DC 20510

Re: "Reduce Energy Bills at Home Act"

Dear Senator Bingaman,

On behalf of the Window & Door Dealers Alliance, which represents independent window and door dealers across the United States, I am writing to applaud the initiative you have taken with Sen. Olympia Snowe to extend important residential energy efficiency tax credits. The WDDA supports the goals of your proposed "Reduce Energy Bills at Home Act," though we have several suggestions for improvement that we encourage you to incorporate in the final language.

As you are well aware, the current tax incentives have been extremely beneficial in many ways. Homeowners are adding more energy-efficient windows, doors, skylights, siding, insulation and HVAC systems, thus reducing energy consumption. This, in turn, has lowered utility bills at a time when most consumers are struggling financially, while reducing our dependence on foreign oil. The incentives have also provided a much-needed boost to our industry in an otherwise difficult environment, which has allowed many of our member companies to increase hiring and/or preserve well-paying jobs.

In order to maintain the positive momentum on all fronts – improved energy efficiency, reduced need for foreign oil, improved business climate and job expansion – the WDDA believes it is imperative to extend and expand the current credits. In order to maximize the benefits of the legislation, we urge you to consider the following important adjustments to your proposed bill –

1. Incentives should promote the greatest good: energy conservation; reduced dependence on foreign oil; reduced expenses for homeowners and job creation, while promoting measurable results and the broadest possible participation.
 - a. A \$200 credit is insufficient incentive to encourage broad participation.
 - b. Building science does not support favoring heating equipment upgrades above window and door replacement. It is important to note the vital role that windows and doors play in any building's energy use. Inefficient windows and doors are often the weak link in a building's envelope, as hot air will seek the coldest surface it can reach (e.g., the window and door glass). It makes little sense to burn fossil fuels to create heat that escapes the building envelope. For this reason, consumers should be encouraged to replace inefficient windows as a first step; and based on our collective experience, \$200 is an insufficient motivator.
2. We support a tiered approach to encourage energy conservation. \$1,000 to \$1,500 is needed to motivate homeowners. The \$3,000 credits outlined in the proposed bill will stimulate the most effective consumer behavior. We see no justification in preferential treatment of one industry

3. over another (i.e. HVAC versus window and door). No one industry should be considered more valuable than another when providing energy efficient gains.
 - a. Existing legislation should be modified to incorporate the recommendations of industry experts, building scientists and others who recognize the applicability of different energy-efficient products in different climate zones. Specifically, we recommend a \$1,500 credit on the lower ranked Energy Star products and the full \$3,000 credit on higher value products.
4. The new credit should be in addition to the current credit.
5. We're in the process of polling our members about the tax credit for the cost of installation. While we recognize the importance of proper installation, some of our members believe the goal of energy conservation and reduced costs to taxpayers is best served by encouraging the installation of energy efficient material.
 - a. The WDDA will be consulting with its members and with other industry groups to see if we can reach consensus. We hope to have our final suggestions to you within a few weeks.

Again, we support your initiative with this important legislation, and we urge you to improve the bill as outlined above. Toward that end, we would welcome the opportunity to meet with you and/or your staff to discuss our recommendations in more depth. Please feel free to contact me at any time to arrange a meeting.

We look forward to working with you to advance meaningful legislation that improves our nation's energy efficiency, reduces our dependence on foreign oil and stimulates job-creating business.

All the best,

David W. Walker
Vice President