

U.S. Real Estate Industry Strongly Supports ENERGY STAR

April 4, 2025

The Honorable Lee Zeldin
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Ave., NW
Washington, DC 20460

Dear Administrator Zeldin:

Our organizations represent the U.S. real estate sector, a driving force of our nation's economy. The value of America's commercial real estate is estimated at \$22.5 trillion, or about 44% of the market capitalization of all U.S. publicly traded companies. Development and operation of new and existing commercial buildings contribute an estimated \$2.5 trillion to U.S. GDP. Our sector supports about 14 million direct U.S. jobs. Approximately \$900 billion in pension funds and other investments help secure the retirement nest eggs of America's workers who rely on real estate and its performance.

We applaud EPA's commitment to its core mission to protect the environment and rollback burdensome and costly regulations and write to express our **strong support for the [ENERGY STAR program](#)**. Our industry relies upon ENERGY STAR more than any other voluntary standard developed and maintained by the United States government. Additionally, EPA's landmark, non-regulatory, public-private partnership with the U.S. real estate industry can play a significant role to fulfill the Trump Administration's promise to unleash America's energy dominance.

Our members' buildings touch virtually every aspect of American life. They own develop, construct, finance, and manage all types of income-producing properties in every U.S. market and abroad. We provide housing for our citizens, offices for our businesses, and classrooms for our students. Patients heal in our health care facilities and innovation happens in our laboratories. Our data centers are critical for AI technologies and crypto asset markets; our cell towers enable communication; and our warehouses support supply chains for storing and transporting goods. Our members own shopping centers where commerce happens, and hotels where we connect with family and friends.

All of these real estate assets rely on the ENERGY STAR buildings program to monitor their economic performance and report to their investors. Last year alone, more than 330,000 buildings – comprising nearly 25% of U.S. commercial building floor space – used [Portfolio Manager](#), EPA's secure, open-source, online software. It is our industry's standard business tool to measure how much energy a building uses and saves. Real estate assets that do more with less energy – as quantified, monetized, and recognized through Portfolio Manager and other ENERGY STAR offerings – are critical to achieve EPA's [pillars](#) to "power the great American comeback":

- **Restore American Energy Dominance and Global Competitiveness:** ENERGY STAR enables cost savings and profitability enhancement, and relieves electricity grid constraints to accommodate more energy users. Since 1992, the program has helped families and businesses save nearly \$200 billion in utility bills, with \$14 billion in cost savings in 2024 alone. The top performing buildings with ENERGY STAR certifications use **35% less energy** on average than similar buildings – and those energy savings bring

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reduced costs of operations for our members and greater affordability for their customers. Domestic and overseas investors and tenants seek out the ENERGY STAR “brand.” It denotes buildings that are among the best operated and maintained in the world and helps bring investment capital to our shores.

- **Support Cooperative Federalism:** ENERGY STAR Portfolio Manager is a key platform to support EPA’s work with its state and local partners. EPA’s energy benchmarking tool has become the critical national standard that building owners use to identify opportunities for energy saving investments and innovations in their assets. Portfolio Manager is also necessary to reduce regulatory burdens on the real estate industry to comply with city and state rules and regulations, each with their own approach to building codes and performance standards. In most cases, our industry has supported Portfolio Manager as the accepted and logical tool to avoid regulatory chaos with the “patchwork” of local laws varying in requirements for measuring and managing building energy use.
- **Make the U.S. the Artificial Intelligence Capital of the World:** Buildings and factories must operate at heightened levels of efficiency and dynamic management of peak demand to save electricity and place less strain on the grid. In 2024, ENERGY STAR helped commercial buildings and industrial plants avoid consumption of 230 billion kWh of electricity – or about 92% of the electricity sold to consumers in the [state of Florida](#) for an entire year. Electricity *savings* supported by ENERGY STAR free up *existing* power generation and supply. Combined with *new* American made energy of all types, energy efficiency promoted by ENERGY STAR is essential to meet the massive demands for power we need to lead the world in AI innovation.

ENERGY STAR drives the agency’s mission forward without heavy-handed federal regulations. Bipartisan laws enacted by Congress in 1990, 2005, and 2015 calling for non-regulatory, voluntary strategies for energy conservation and end-use efficiency – developed with industry support – have provided the foundation stretching back decades upon which the ENERGY STAR program is built.

Our industry is proud of the public-private partnerships we have forged with ENERGY STAR over many years. We look forward to working with EPA under your stewardship to achieve the Trump Administration’s “all of the above” plan to propel America’s energy dominance, independence, competitiveness, and profitability.

The Real Estate Roundtable
American Hotel & Lodging Association (AHLA)
Building Owners and Managers Association (BOMA) International
CRE Finance Council
ICSC
Leading Builders of America
National Apartment Association
NAIOP, Commercial Real Estate Development Association
Nareit
National Association of Home Builders (NAHB)
National Association of REALTORS®
National Multifamily Housing Council (NMHC)
Real Estate Board of New York (REBNY)