

February 20, 2025

The Honorable Chris Wright Secretary of the U.S. Department of Energy 1000 Independence Avenue, S.W. Washington, D.C. 20024

The Honorable Lee Zeldin Administrator of the U.S. Environmental Protection Agency 1200 Pennsylvania Ave, N.W. Washington, D.C. 20004

The Honorable Russell Vought Director of the U.S. Office of Management and Budget 725 17th Street, N.W. Washington, D.C. 20503

Dear Secretary Wright, Administrator Zeldin and Director Vought:

The Energy Marketers of America (EMA) applauds the Trump administration's efforts to unleash American energy dominance, in part, to lower domestic heating fuel prices for consumers and businesses. EMA strongly supports President Trump's directive to all agencies to suspend disbursements of Inflation Reduction Act (IRA) funds, including those supporting electrification programs, such as the New England Heat Pump Accelerator. These programs disrupt markets and restrict consumer choice by mandating home electrification regardless of cost or the effect on energy reliability and security.

EMA is a federation of 49 state and regional trade associations representing family-owned and operated small business energy marketers throughout the U.S. Energy marketers represent a vital link in the motor and heating fuels distribution chain. EMA members supply 80 percent of all finished motor and heating fuel products sold nationwide, including renewable hydrocarbon biofuels, gasoline, diesel fuel, biofuels, heating fuel, jet fuel, kerosene, racing fuel and lubricating oils. Moreover, energy marketers represented by EMA own and operate approximately 60,000 retail motor fuel stations nationwide, supply motor fuels to an additional 40,000 gas stations and heating fuel to more than five million homes and businesses.

In accordance with Section 7 of the *Unleashing American Energy* Executive Order<sup>1</sup> and subsequent OMB guidance, EMA respectfully requests that disbursement of IRA funds be halted for the following electrification programs:

- **High-Efficiency Electric Home Rebate Program under 42 U.S.C. § 18795a** This \$4.3 billion program discriminates against efficient liquid-fired heating systems and effectively mandates electrification through its structure and implementation guidance.
- Greenhouse Gas Air Pollution Plans and Implementation Grants under 42 U.S.C. §7437
  These funds are allocated for state and local building electrification efforts, including \$450 million for the New England Heat Pump Accelerator program and \$38 million to subsidize the installation of air source heat pumps in homes in coastal Alaska.
- Greenhouse Gas Reduction Fund under 42 U.S.C. §7437 This initiative allocates \$27 billion in various electrification programs, including the expansion of residential solar energy, aimed at creating an uneven playing field for liquid fuels.
- Heat Pump Manufacturing under the Defense Production Act The \$500 million provided under IRA for the Biden administration's use of the Defense Production Act to subsidize heat pump manufacturing has distorted the HVAC marketplace and has disadvantaged manufacturers of other efficient heating technologies.

As the DOE shifts its focus from carbon reduction to energy and national security, and as the EPA moves to lower energy costs, it is imperative to halt the above programs that mandate and/or subsidize electrification. The disbursement of IRA funds for these programs is a substantial intervention by the Federal government in established energy markets and threatens the affordability and reliability of energy for millions of consumers.

EMA, its member associations, and energy marketers want to work with the Trump administration to advance sensible policies that preserve consumer energy choices while reducing emissions and supporting small energy marketers nationwide. Suspending the above programs pending review by the administration will result in more balanced energy and environmental policies that better serve the nation's interests.

Sincerely,

Rob Underwood

President

**Energy Marketers of America** 

<sup>&</sup>lt;sup>1</sup> Executive Order, Unleashing American Energy (Jan. 20, 2025).