

## **Energy Efficiency Resource Standard** *Green Jobs, Strong Economy, Clean Environment*

***Energy efficiency is the cheapest, cleanest, fastest source of new American energy. It is here now, states are using it and it can unleash the potential for a green economy***

Every day, American businesses and consumers spend millions on energy that is ultimately wasted. Becoming more efficient will let us take advantage of America's energy so we can do more while using less. An aggressive national energy efficiency resource standard (EERS) will encourage innovation, lower utility bills for American consumers and businesses, create new green jobs, reduce greenhouse gas emissions and boost a lagging economy.

Leading businesses, industry groups and environmental advocates are urging Congress to enact a national EERS that will require electric and gas utilities to reduce demand by 15 and 10 percent respectively, by 2020. In order to meet this standard, utilities would provide incentives and assistance to help customers make their homes and businesses more energy-efficient, utilizing programs including appliance standards, building codes, improvements to local distribution systems and combined heat and power systems.

In the face of rising unemployment, implementing a strong energy efficiency resource standard will put hundreds of thousands of Americans to work immediately using the skills they already have, including weatherizing homes, retrofitting buildings and conducting energy audits.

- A national EERS would create an estimated 222,000 net American jobs by 2020. (American Council for an Energy-Efficient Economy, *Laying the Foundation: Implementing a Federal Energy Efficiency Resource Standard*, March 2009)

Energy efficiency is more than just cost-effective – it saves Americans' money and boosts economic growth.

- A national EERS requiring a 15 percent electricity savings and 10 percent natural gas savings by 2020 could create net energy bill savings of \$168.6 billion. (ACEEE)
- The energy saved through the proposed federal EERS could power almost 48 million households in 2020 – 36 percent of the households in the United States. (ACEEE)
- For every dollar invested in efficiency, consumers save \$4 – savings that can be reinvested in other areas of the economy. (Environment Northeast, [Energy Efficiency](#))

Enhanced energy efficiency in factories, assembly lines and commercial and retail buildings will improve the bottom line of American businesses and give American workers an edge in an increasingly competitive global marketplace.

- Business and industrial efficiency measures – including use of combined heat and power plants at industrial and institutional facilities that use energy more efficiently than if power and steam are generated separately – improve the competitiveness of industrial facilities and allow the United States to become a leader in energy-efficient manufacturing and products.
- A combined heat and power (CHP) system at an Ethan Allen furniture factory in Vermont reduced energy costs by 10 percent, enabling it to continue operations and save 550 jobs. (U.S. DOE, *Combined Heat and Power: Effective Energy Solutions for a Sustainable Future*, 2008)

- Dow Chemical has saved \$8.6 billion through a \$1 billion investment in energy efficiency improvements since 1994. ([Testimony](#) before U.S. House Subcommittee on Energy and the Environment, 2/24/09)
- Daylight harvesting systems are now included in more than 95 percent of new Wal-Mart Supercenters and Sam's Clubs. Each daylight harvesting system can reduce up to 75 percent of the electric lighting energy used during daylight hours, saving enough energy to power 73 single-family homes for an entire year. (Wal-Mart Stores, [Sustainable Buildings Network Fact Sheet](#))
- Over the past 30 years, Mosaic, a leading fertilizer company, has invested in heat recovery and electrical generation systems at its manufacturing plants in the United States, enabling their plants to reduce electricity purchases by approximately 90 percent. ([Mosaic Co](#))
- The CHP system at Qualcomm's San Diego corporate campus has been saving more than \$700,000 per year since its installation in 1995. Success with this system motivated the company to install an even larger system nearby at a new data, engineering and test facility in 2007, which meets 85 percent of the campus's energy needs. (EPA CHP Partnership, *CHP – Energy Savings and Energy Reliability for Data Centers*, 2008.)

Achieving efficiency standards – such as those set by a national EERS – is the most cost-effective way to reduce harmful greenhouse gas emissions that contribute to climate change.

- Carbon dioxide emissions will be reduced as existing power plants are able to meet demand without increasing production. An EERS will eliminate the need to build 390 expensive new coal-fired power plants. (ACEEE)
- The national EERS we propose would reduce CO2 emissions by 262 million metric tons in 2020 – the equivalent of taking 48 million cars off the road for that year. (ACEEE)
- Energy efficiency measures can meet most or all the growth in electricity demand through 2030. (McKinsey Global Institute, [Reducing U.S. Greenhouse Gas Emissions: How Much at What Cost?](#))

The time has come for Congress to move quickly to enact national EERS legislation. Although 19 states have adopted individual EERS programs, Americans cannot realize the full potential for energy efficiency without adoption of a national program to expand and enhance states' efforts.

From ACEEE, [Success with Energy Efficiency Resource Standards](#):

- Efficiency Vermont, a program created in 2000 to deliver efficiency programs, cumulatively met more than 7 percent of Vermont's electricity needs through efficiency measures by the end of 2007. Efficiency Vermont has helped reduce annual energy costs for businesses and residential customers by more than \$31 million since 2000 – an amount exceeding the program's annual budget.
- In 1999, Texas was the first state to establish an EERS and successfully met annual goals of reducing load growth by 10 percent. By 2007, the state legislature increased the standard to 15 percent by 2009 and 20 percent by 2010.
- In recent years, Hawaiian utilities have used energy efficiency to achieve between 0.4 and 0.6 percent energy savings per year.

**Now it's up to Congress to do the right thing and pass a national EERS that will create jobs, lower bills and help America become a leader in effective energy efficiency policy.**

Representative Edward Markey (D-MA7) and Senator Charles Schumer (D-NY) have both introduced versions of the "Save American Energy Act" ([H.R. 889](#) in the House and [S. 548](#) in the Senate). These bills would create a national EERS that will work with utilities to reduce electricity usage by 15 percent natural gas usage by 10 percent by 2020.

For more information and list of campaign partners visit [www.energyefficiencyworks.org](http://www.energyefficiencyworks.org)