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## **Business and Labor Leaders Praise “Building STAR” Proposal to Reduce Energy Waste in Buildings**

*Insulation plant tour demonstrates how cutting energy waste creates jobs and benefits North Carolina workers and industry*

Mebane, NC — Leaders of labor, manufacturing and energy advocacy organizations today praised “Building STAR”, a newly crafted proposal under consideration in federal jobs legislation to create 300,000 jobs reducing energy waste in commercial and apartment buildings. This fast-acting, short-term program, modeled on the successful “cash for clunkers” program, is a product of *Rebuilding America*, a diverse coalition with a shared commitment to wholesale investment in the energy efficient retrofit of 50 million buildings by 2020.

After expert presentations, Armacell hosted a facility tour. The facility manufactures elastomeric insulation, which is used to save energy and protect indoor air quality. The process uses ovens, which are more than half the length of a football field, to cure sheets and tubes of specially formulated rubber into insulation for pipes, HVAC equipment and duct work. The facility is the largest of its kind in the United States and employs 300 workers in North Carolina, with 200 based in its Mebane facility.

Thomas Himmel, Vice President, Business Manager North America for Armacell said, “Our insulation products save American businesses and families thousands of dollars a year on their energy bills, and provide good-paying jobs to almost three hundred North Carolinians. Congress now has the opportunity to replicate our success story across the country by passing a robust commercial building retrofit proposal in pending jobs legislation.”

“Congress has an immediate opportunity to create thousands of jobs in the building efficiency industry by passing Building STAR legislation in the next few weeks. New insulation orders would flow into manufacturing firms like Armacell, creating good jobs right away in Mebane, in North Carolina and across the United States,” said Dan Seligman, Coordinator of the *Rebuilding America* initiative.

“Mechanical insulation maintenance is an excellent example of ‘shovel-ready’ green job opportunities. It can put tens of thousands of people to work and retain existing jobs while contributing to the competitiveness of U.S. manufacturing, reducing our country’s dependence on foreign energy sources, improving our environment, and increasing profitability of private and public businesses and facilities,” said Ronald King, Past President and Consultant, National Insulation Association. “The majority of insulation contractors who install and maintain insulation systems represent independent small businesses in every state.”

“One in five construction workers – over 1.7 million people – are out of work. Building retrofits deliver a cost-effective, high-impact solution and a fast-acting strategy to revitalize the economy and job growth,” said Frank Stark, Senior Vice President, McKenney’s, Inc. “For every one million dollars spent on building energy efficiency retrofits it creates 12.5 new jobs.”

“Without question, our offices from North Carolina to Maryland have seen a very positive economic response and job improvement picture due to the many federal, state and local buildings included on the list for billions of dollars in renovation and retrofit under the American Recovery and Reinvestment Act,” said Paul Porter, Raleigh Operations Manager for Stromberg Metal Works, Inc. “Unlike simply resurfacing a road, retrofitting a large commercial building involves a far more skilled labor force which will make the building far more productive and far less expensive to operate.”

The “Building STAR” proposal will:

- **Create 200,000-300,000** jobs in 2010, depending on the funding level.
- **Provide direct benefits to hundreds of small businesses**, including the 98 percent of construction firms with fewer than 100 employees.
- **Work fast**, because the incentive levels are based on proven utility rebate programs and tax incentives, and will be established in the legislation rather by agencies.
- **Deliver real energy savings**, because contractors in the commercial and multi-family sector generally perform at a high level of technical and financial sophistication.
- **Establish simple and effective procedures** for administration and enforcement.
- **Win wide support in Congress** since endorsers include diverse interests, including leading real estate manufacturing, construction, labor, and efficiency organizations.

*Rebuilding America* is a joint initiative of the Center for American Progress Action Fund and the Energy Future Coalition. It has been endorsed by more than 50 organizations in the fields of finance, manufacturing, labor and energy advocacy. *Rebuilding America’s Vision Statement* proposes a comprehensive package of solutions, including five principal incentives for energy-smart building retrofits:

- **Establish** a stand-alone, national Energy Efficiency Resource Standard of 10% by 2020.
- **Require** that at least one-third of utility allowances are used for energy efficiency while increasing the state allowance allocation for renewable and efficiency to 10% through 2030, dedicating 25% to retrofits.

- **Support** innovative financing tools for energy efficiency including the Clean Energy Development Administration (CEDA) and its backing for Property Assessed Clean Energy Bonds.
- **Establish** provisions for accelerated depreciation, investment tax credits, and other incentives for advanced HVAC, smart meters, and other energy-efficient technologies.
- **Link** federal financial support for retrofits to standards for job quality, skills training, reporting, and transparency to ensure consumer confidence and verifiable energy savings.

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## **BACKGROUND**

*Rebuilding America* is a joint initiative of the Center for American Progress Action Fund and the Energy Future Coalition. It has been endorsed by more than 50 organizations in the fields of finance, manufacturing, labor and energy advocacy. *Rebuilding America* calls on our nation's leaders to implement a comprehensive national strategy to grow a retrofit industry that can renovate 50 million residential and commercial buildings by 2020 – 40% of the nation's building stock. Incentives to retrofit that many homes and small businesses will generate \$500 billion in new investment and support approximately 625,000 sustained full-time jobs, while saving consumers \$32 billion to \$64 billion on their energy bills each year for an estimated energy savings of \$685 billion through 2020.

The **Energy Future Coalition** is a broad-based, non-partisan alliance that seeks to bridge the differences among business, labor, and environmental groups and identify energy policy options with broad political support. The coalition aims to bring about changes in U.S. energy policy to address the economic, security and environmental challenges related to the production and use of fossil fuels with a compelling new vision of the economic opportunities that will be created by the transition to a new energy economy.

The **Center for American Progress Action Fund** is the sister advocacy organization of the **Center for American Progress**. The Action Fund transforms progressive ideas into policy through rapid response communications, legislative action, grassroots organizing and advocacy, and partnerships with other progressive leaders throughout the country and the world. The Action Fund is also the home of the Progress Report.

For more information, see:

[http://www.americanprogress.org/issues/2009/08/rebuilding\\_america.html](http://www.americanprogress.org/issues/2009/08/rebuilding_america.html) or  
<http://www.energyfuturecoalition.org/What-Were-Doing/Energy-Efficiency/Rebuilding-America>.

**Armacell** is the largest manufacturer in the United States of elastomeric insulation, widely used to improve the energy efficiency of homes and businesses. Armacell's products save American businesses and families thousands of dollars a year on their energy bills, and provide good-paying jobs to almost three hundred North Carolinians. Armacell invented Armaflex®, the world's best known and most trusted trademark in elastomeric foam insulation. With more than 50 years of experience in foams, Armacell manufactures foams and expanded rubber products for automotive, industrial, sports, leisure and packaging industries – in addition to mechanical insulation.

The **National Insulation Association** represents the mechanical and specialty insulation industry, and was founded in 1953. It has approximately 350 member companies consisting of contractors, manufacturers, distributors, laminators and fabricators. NIA members conserve enormous amounts of energy by efficiently insulating mechanical and process systems in commercial buildings.

**Stromberg Metal Works, Inc.** is one of the largest sheet metal fabrication and installation plants on the east coast. Founded in 1940, Stromberg has manufacturing facilities in Beltsville, Md., Raleigh, N.C. and Richmond, Va. The firm employs close to 450 sheet metal workers.

**McKenney's, Inc.** is one of the largest mechanical contractors in the United States with expertise in heating, ventilating, air conditioning, process piping, plumbing, building automation and control systems, as well as service and maintenance. Founded in 1948, the firm has offices in Atlanta, Charlotte and Chattanooga.