

SIGN THE LETTER TO SUPPORT

A 10% Energy Efficiency Resource Standard

Creating Green Jobs and Fostering Economic Growth Despite a Lagging Economy

Energy efficiency is the quickest and cheapest way for Americans to save on their energy bills, promote green jobs and help transition to a green economy.

What is an EERS?

An Energy Efficiency Resource Standard (EERS) is a simple mechanism to encourage more efficient use of electricity. An EERS would set a national standard for saving a certain amount of energy every year, adding up to 10% savings by 2020. Additionally, an EERS allows states to determine the specific business model that utilities pursue to achieve the standard and allows the states to set or retain equal or higher efficiency standards. The programs would be implemented and enforced at the state level and would be a compliment to the 20 state standards already in place across the country.

Why an EERS?

An EERS is a way to achieve short and long-term energy savings.

- Quick: Promoting efficiency is the fastest way to achieve cost savings and reduce greenhouse gas emissions because energy efficiency measures are available and start saving energy (and money) immediately.
- Cheap: Energy Efficiency is the cheapest energy resource option at 2.5 cents per kWh. By comparison, traditional energy resources, such as coal and nuclear energy, can cost up to 13.5 cents per kWh.

What are the Economic Impacts of an EERS?

In the face of rising unemployment, implementing a strong EERS will put hundreds of thousands of Americans to work immediately using the skills they already have. An American Council for an Energy Efficient Economy (ACEEE) analysis estimates that a 10% national EERS could create approximately 150,000 net American jobs by 2020 (8,000 by 2012 and 40,000 by 2015).

An ACEEE analysis shows that an EERS will reduce consumers' energy bills by at least \$78 B by the year 2020. This would be equivalent to saving approximately \$590 per household over ten years. Additionally, savings via an EERS show up sooner than with implementation of any other policy. Again, efficiency is the quickest, cheapest, cleanest way to meet our growing

energy needs while creating jobs, saving consumers money, boosting American competitiveness and reducing greenhouse gas emissions.

- Savings from an EERS accrue to the **consumer** immediately by reducing their energy bills.
 - Consumers who take advantage of energy efficiency programs under an EERS will see consistent reductions in their monthly energy bills.
 - All consumers in the state will see some reductions since an EERS reduces or eliminates the need to build expensive new power generation facilities.
- Utility rates, although potentially increasing slightly with implementation of an EERS, will rise significantly less than they would if new generation was instead required: “negawatts” are significantly less expensive than any new megawatts. A 10% EERS will displace almost 190 new power plants.
- An EERS reduces consumers’ costs for compliance with any potential emissions reduction mandates and makes achieving a Renewable Electricity Standard (RES) easier and less expensive. It is the emissions reduction equivalent of taking over 22 million automobiles off the road.

Where does the EERS position the United States in the global energy market?

Enhanced efficiency in factories, assembly lines, and commercial and retail buildings and operations will improve the bottom line for American businesses and give American workers an edge in an increasingly competitive global marketplace. Importantly, reduced manufacturing costs in the U.S. will **keep American Businesses in America**. Business and industrial efficiency measures, including use of combined heat and power plants at industrial and institutional facilities, improve the competitiveness of industrial facilities and allows the United States to become a leader in energy-efficient manufacturing and efficiency-related products and processes.

- 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 in the U.S. and save 550 jobs.
- Dow Chemical has saved \$8.6 billion through a \$1 billion investment in energy efficiency improvements since 1994 and continues to reap those savings year after year.
- The CHP system at Qualcomm’s San Diego corporate campus has been saving more than \$700,000 per year since its installation in 1995.