

Bipartisan energy efficiency bill arrives to U.S. Senate floor

September 23, 2013

After a series of bills on energy efficiency legislation over the past several years, the “Energy Savings and Industrial Competitiveness Act of 2011,” sponsored by Senators Rob Portman (R-OH) and Jeanne Shaheen (D-NH) seems to be gaining momentum. The Senate Committee on Energy Savings and Natural Resources breathed new life into the bill when an updated, renamed and renumbered version of the bill was reported out of Committee this spring. The “Energy Savings and Industrial Competitiveness Act of 2013” (S. 1392) was introduced on the Senate floor on July 30, 2013. On September 11 of this year, the Senate moved and agreed by unanimous consent to consider the measure.

Through a mix of building codes, financing, voluntary labeling, technical assistance and rebate programs, the bill promotes efficiency improvements in residential and commercial buildings and industry.

To achieve efficiency improvements in residential and commercial buildings, the bill provides for the:

- development of voluntary “model energy codes” with energy savings targets;
- encouragement and support of states’ adoption of building codes that meet or exceed the model building energy codes through certification, annual reports, technical assistance and incentive funding;
- expansion of worker capacity by establishing building training and assessment centers; and
- establishment of a voluntary “Commercial Building Energy Efficiency Financing Initiative” that promotes energy efficiency retrofit projects for private sector and commercial buildings.

The bill also has significant provisions for encouraging energy efficiency in the industrial sector, including the establishment of:

- a “Future of Industry Program” and “Sustainable Manufacturing Initiative” to reform and reorient Department of Energy programs, establish clear authority, accelerate tech deployment, increase manufacturing efficiency and stimulate economic growth;
- a voluntary “Supply Star” program to maximize supply chain energy efficiency through coordination, evaluation, grants and incentives, and training;
- an “Electric Motor Rebate” program for purchase and installation of new constant-speed motors that reduce energy use by at least 5 percent; and
- an “Energy Efficient Transformer Rebate” program for owners of industrial facilities who purchase and install energy efficiency transformers that meet or exceed the National Electrical Manufacturers Association Premium Efficiency designation.

A recent analysis of the bill by the American Council for an Energy Efficient Economy (ACEEE) estimates that the implementation of the bill’s provisions will result in a cumulative reduction of U.S. energy use by 10.7 quads — an amount equivalent to the combined annual consumption of California and Michigan. The analysis also shows that consumers would save money due to the energy efficiency provisions in the bill, with net annual savings projected to total approximately \$2.3 billion in 2020 and \$14.7 billion in 2030. Additionally, the ACEEE’s analysis also indicates that the bill will support approximately 66,000 jobs in 2020 and 136,000 in 2025.

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