

November 14, 2011

President Barack Obama
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Cc:

The Honorable Lisa Jackson, Administrator
Environmental Protection Agency
Room 3000, Ariel Rios Building
1200 Pennsylvania Avenue
Washington, D.C. 20460

Dear Mr. President:

We, the undersigned businesses and associations, share an interest in advancing energy efficiency and making US manufacturers more competitive.

As the Administration adopts greenhouse gas emission standards for power plants under the Clean Air Act, we respectfully write to request that you take full advantage of the emission-reducing potential of energy efficiency. Section 111 New Source Performance Standards for new and existing power plants offer the opportunity to marshal made-in-America solutions to address climate change. We will export these technologies to the world.

Study after study has demonstrated the potential for demand-side energy efficiency, demand management, combined heat and power, and waste heat recovery to reduce greenhouse gas emissions cost-effectively and improve grid reliability while creating jobs. For example, a 2008 review of 48 studies of state-level energy efficiency initiatives found that the policies could achieve an average 23% gain in efficiency with a benefit-cost ratio of nearly 2:1. The same review estimated that a 20 to 30% improvement in energy efficiency in the United States could generate an aggregate 0.5 to 1.5 million jobs and a 0.1% increase in GDP by 2030.¹ A study by the Oak Ridge National Laboratory found that the deployment of combined heat and power to provide 20% of U.S. electric capacity by 2030 would create one million new highly skilled jobs throughout the United States, save an estimated 5.3 quadrillion Btu of fuel annually, and reduce CO₂ emissions by more than 800 million metric tons every year—the equivalent of taking more than half of the current passenger vehicles in the U.S. off the road.² EPA itself has documented the value of energy efficiency in generating cost-effective air pollution reductions in other regulatory contexts.³

Reducing energy use lowers energy bills for American businesses and families, freeing up much-needed funds, and protecting industry from volatility in fossil fuel markets. Energy efficiency investments will give the power

¹ JOHN A. "SKIP" LAITNER AND VANESSA MCKINNEY, POSITIVE RETURNS: STATE ENERGY EFFICIENCY ANALYSES CAN INFORM US ENERGY POLICY ASSESSMENTS (2008), available at www.aceee.org/sites/default/files/publications/researchreports/e084.pdf.

² OAK RIDGE NATIONAL LABORATORY, COMBINED HEAT AND POWER: EFFECTIVE ENERGY SOLUTIONS FOR A SUSTAINABLE FUTURE (2008) at 4, available at <http://info.ornl.gov/sites/publications/files/Pub13655.pdf>.

³ In proposing toxic emission standards for utilities EPA noted that even very modest energy efficiency investments could reduce the cost of meeting the standards by \$2 billion in 2015, \$6 billion in 2020, and \$11 billion in 2030. U.S. Environmental Protection Agency, 76 Fed. Reg. 24,976, 25,074 (Table 23), May 3, 2011, "National Emission Standards for Hazardous Air Pollutants From Coal and Oil-Fired Electric Utility Steam Generating Units and Standards of Performance for Fossil-Fuel-Fired Electric Utility, Industrial-Commercial-Institutional, and Small Industrial-Commercial-Institutional Steam Generating Units."

sector greater flexibility in meeting air pollution emission standards, achieve multi-pollutant emission reductions, and help America to be more energy secure.

For all these reasons, we ask the Administration to recognize and incorporate energy efficiency when it is crafting greenhouse gas emission standards for power plants. Such standards will be a critical step toward making American manufacturers more competitive while addressing climate change. These standards will save Americans money, create jobs, and reduce air pollution. This is not an opportunity we can afford to miss.

Sincerely,

Access Energy, LLC
Alliance for Industrial Efficiency
Alliance to Save Energy
California Business Alliance for a Green Economy
Calnetix Technologies, LLC
Capital Communications/ Phanes Solar
Capstone Turbine Corporation
Cascade Power Group LLC
CFC Chiller Replacement Task Force
Conservation Services Group
Continuum Energy Solutions
Danfoss Turbocor Compressors, Inc.
Direct Energy
E-Finity Distributed Generation
ElectraTherm
Energy Future Coalition
EnergyNext, Inc.
EnerNOC
Ernest D. Menold, Inc.
Facility Strategies Group
FLS Energy
Gulf Coast Green Energy
Health and Energy Company
Heat Is Power
ImbuTec
Ingersoll Rand
KGRA Energy

LighTec, Inc.
Montana SMACNA
NewLoop Energy
Ormat Technologies
Pharmaceutical Industry Labor-Management Association (PIL-MA)
Primary Energy Recycling Corp.
Recycled Energy Development (RED)
The ServiceMaster Company
Sheet Metal and Air Conditioning Contractors' National Association (SMACNA)
Sheet Metal Contractors of Iowa
Sheet Metal Engineering, Inc.
SMACNA of Southern Nevada
Smardt Chillers, Inc.
SunRise Solar Inc.
TAS Energy
TerraScapes Environmental
The Ohio Business Council for a Clean Economy
Trieste Associates, Inc.
Turbo Thermal LLC
U.S. Clean Heat & Power Association (USCHPA)
Veolia Energy North America
Verdicorp, Inc.
Vidimos, Inc.

Kiltech Controls, Inc.