FOR IMMEDIATE RELEASE
September 22, 2016

CONTACT: Kris Fetterman
202-827-9672, kris@blueenginemedia.com

New GA Tech Study and Alliance for Industrial Efficiency Report Conclude that Clean Power Plan Means Significant Savings for Manufacturers Nationwide

ATLANTA, GEORGIA – The ability of U.S. firms to manufacture goods and sell them to world markets has propelled the nation into its current position as a worlds greatest economy. Despite this historic strength, global competition for export markets, foreign investments and raw materials is intensifying, and U.S. manufacturing is struggling to remain competitive.

However, new studies by Dr. Marilyn Brown and the Georgia Institute of Technology (Georgia Tech), and the Alliance for Industrial Efficiency (The Alliance), have found that implementation of the Obama Administration's Clean Power Plan, state climate and energy policies, and investments they're spurring in energy efficiency and cleaner sources of energy provide a way for manufacturers to be more competitive, not less.

During a telephone news conference this morning, Dr. Marilyn Brown, the Georgia Tech study's author, said that if states were to adopt a low-cost Clean Power Pathway to compliance, United States' industries could realize an estimated annual energy savings of $39.6 billion (8.3%) in 2030 (see figure below). Over 15 years, cumulative savings of $442 billion could be used for plant modernization, product improvements, or many other possibilities with favorable impacts on local jobs.

"Manufacturers can become more competitive by improving the energy efficiency of their operations in order to cut their energy bills. An added benefit is that their carbon pollution would be cut simultaneously," said Dr. Marilyn Brown, the Georgia Tech study's author. "Transitioning to a low-carbon economy will also create opportunities for business growth. Many business owners and industry leaders are motivated not just by the 'push' of environmental regulation, but also by the 'pull' of potential cost savings, new customers, higher staff retention, and good publicity."

Conversely, Dr. Brown says that if we stick with "business as usual," we can expect that the energy bills of United States industries would rise by 44.2% over the next 15 years.

The Alliance study released last week – State Ranking of Potential Carbon Dioxide Emission Reductions through Industrial Energy Efficiency – also demonstrates that states could help the industrial sector seize enormous opportunities to cut carbon emissions, while saving money and making manufacturers more competitive, by making energy efficiency and clean energy investments associated with climate change policy compliance.

"In the debate about how states are going to tackle emissions, our report shows businesses can slash emissions and save money on their electricity bills at the same time," said Jennifer Kefer, executive director of the Alliance. "By investing in industrial energy efficiency, including combined heat and power, states can also achieve nearly one-third of their Clean Power Plan targets."

Kefer cited Nissin Brake, an Ohio-based auto parts company, as an example of what other U.S. Manufacturers might expect from industrial efficiency investments.

"They partnered with their utility -- AEP Ohio -- since 2008 to install a variety of energy efficiency improvements to their facility, including compressed air, chiller, and manufacturing equipment upgrades," Kefer described. "They estimated that they have saved $3.4 million in avoided energy costs since 2008, while investing only $1.7 million,

through their participation in AEP Ohio's program. That's a pretty impressive return!"

Elinor Haider, VP for Communications & Public Affairs at Veolia North America, a leading operator and developer of global energy efficiency solutions, says these kinds of savings are not atypical.

"Simultaneous production of power and thermal energy – also known as combined heat and power (CHP) or cogeneration -- consumes less fuel than if produced separately and can exceed 80 percent efficiency," said Haider. "We also put our money where our mouth is when it comes to industrial efficiency. Not only does Veolia advise our clients to use such efficient and sustainable approaches to save money, but we apply CHP best practices to our own operations ensuring the most efficient use of our own resources."

The new Georgia Tech study examined the finalized August 2015 Clean Power Plan developed by the U.S. Environmental Protection Agency and the Obama Administration. The following are links to fact sheets on the impacts of CPP to industrial energy bills in 13 key states examined.

(CA, CO, FL, GA, IL, MA, MI, MO, NY, PA, TN, TX, VA)

###