

## Statement of the Alliance for Industrial Efficiency January 6, 2017

Media Contact: Jennifer Kefer, Alliance for Industrial Efficiency (202) 816-9302, jennifer@dgardiner.com

The <u>Alliance for Industrial Efficiency</u> is a growing coalition of business, labor, and non-profit organizations that advocate for policies that increase U.S. manufacturing competitiveness through industrial energy efficiency, particularly the use of Combined Heat and Power (CHP) and Waste Energy Recovery (WER). In response to Ohio Governor John R. Kasich's decision to veto House Bill 554, the Alliance issued the following statement:

We applaud Governor Kasich's commitment to clean energy in Ohio and his decision to veto a bill that would have been a step back in the state's energy reform policies. Thanks to Governor Kasich's leadership, the state's Energy Efficiency Resource Standard (EERS) has now been reinstated, unleashing incentives to support energy-efficiency investments for the state's manufacturing sector.

The Ohio industrial sector—including manufacturing, mining, construction and agriculture consumes about one-third of electricity generated in Ohio and is the state's single largest energy user. This energy use can be reduced through investments in industrial efficiency and the installation of Combined Heat and Power (CHP) and Waste Energy Recovery (WER) systems. Until recently, Ohio's electric utilities did not have a stake in CHP/WER project development. But under the EERS, utilities began offering incentives and rebates to customers who install CHP and WER systems. HB 554 would have removed this incentive until Governor Kasich stopped it in its tracks.

<u>Our analysis</u> finds that Ohio businesses can save an estimated \$12.5 billion in cumulative cost savings (2016-2030) from avoided electricity purchases by investing in industrial efficiency, including combined heat and power and waste heat to power. By vetoing HB 554, Governor Kasich has helped jumpstart these investments and empowered Ohio businesses to become more competitive by giving them the necessary tools to reduce their energy usage and cut their energy bills.

We commend Governor Kasich's good judgement and commitment to being a champion for Ohio businesses.

For more information on the economic opportunity industrial efficiency can provide to Ohio, please see this recent <u>factsheet</u> from the Alliance.