



The Honorable Jeanne Shaheen  
520 Hart Senate Office Building  
Washington, DC 20510

The Honorable Rob Portman  
448 Russell Senate Office Building  
Washington, DC 20510

February 16, 2017

Dear Senator Shaheen and Senator Portman:

The Alliance for Industrial Efficiency (“The Alliance”) welcomes your re-introduction yesterday of the Energy Savings and Industrial Competitiveness Act (S. 385) and commends you both for your strong leadership on energy-efficiency issues. This landmark bill represents strong bipartisan leadership that will help make our nation more energy efficient. The Alliance is a diverse coalition that includes representatives from the business, environmental, labor and contractor communities. We are committed to enhancing manufacturing competitiveness, improving electric reliability, and reducing carbon emissions through increased industrial energy efficiency, particularly from greater use of combined heat and power (CHP) and waste heat to power (WHP).

In confronting our nation’s energy challenges, it is absolutely critical that we focus on energy efficiency—“the cheapest and cleanest energy source we don’t have to use,” according to the Bipartisan Policy Center.<sup>1</sup> The Energy Savings and Industrial Competitiveness Act does just that. In April 2015, President Obama signed components of a previous version of the bill into law, and through a host of provisions relating to building codes, industrial efficiency, and energy-efficiency efforts in government, this bill is already helping use less energy, create jobs and reduce emissions. Along with S. 385, these bipartisan reforms include initiatives that are projected to reduce U.S. energy consumption by an impressive 12 quadrillion British thermal units by 2030, while creating 190,000 jobs along the way.<sup>2</sup>

We are particularly pleased with provisions in Title II that reform industrial efficiency programs at the Department of Energy to support the deployment of supply-side energy efficiency opportunities in the manufacturing sector. Manufacturers often generate waste heat as part of their industrial processes. By producing both heat and power from a single fuel source, combined heat and power (CHP) has double the efficiency of central station power generation. Waste heat to power (WHP) captures waste heat that would typically be vented from an

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<sup>1</sup> Bipartisan Policy Center, America’s Energy Resurgence: Sustaining Success, Confronting Challenges, February 2013, at 67 (<http://bit.ly/NrYjJH>).

<sup>2</sup> American Council for an Energy-Efficient Economy, “Savings and Jobs in the Shaheen-Portman Bill,” February 2014 (<http://aceee.org/files/pdf/fact-sheet/s-p-handout.pdf>).

industrial facility and uses it to make electricity with no additional combustion and no incremental emissions. Both CHP and WHP improve a facility's efficiency and dramatically lower energy use, emissions, and cost. What's more, because many CHP projects do not depend on the grid to operate, they can increase the reliability of our power sector, by ensuring that manufacturers, universities and hospitals "keep the lights on" during extreme weather events, as was demonstrated when Superstorm Sandy hit the Northeast in late 2012.<sup>3</sup>

The Energy Savings and Industrial Competitiveness Act will help improve energy efficiency in the industrial sector, as well as the commercial, residential, and governmental sectors across the country. The legislation provides a great start to capturing the economic and environmental benefits of CHP and WHP. These technologies will reduce manufacturing costs, increase productivity, and help rejuvenate the industrial base. We urge the Senate to take up this bill for consideration promptly and pass it without delay. We welcome any opportunity to be of assistance during this process. Thank you again for your leadership in developing this bill.

Sincerely,



Jennifer R. Kefer  
Executive Director  
Alliance for Industrial Efficiency

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<sup>3</sup> Hurricane Sandy Rebuilding Task Force, Hurricane Sandy Rebuilding Strategy, August 2013, (<http://portal.hud.gov/hudportal/documents/huddoc?id=HSRebuildingStrategy.pdf>).