WASHINGTON (March 29, 2017) – Yesterday, President Trump signed an executive order that begins a rollback of the Clean Power Plan. With this order, the Administration is missing a significant opportunity to drive investments in industrial energy efficiency. Across the U.S., states are already making investments in industrial energy efficiency to not only reduce carbon emissions, but also to create jobs, make manufacturers more competitive, improve local economies, and make the grid more resilient. While the Administration chooses to forego this opportunity, states and local governments can continue to promote industrial energy efficiency and realize its benefits to businesses, the economy, and the environment.

“Yesterday’s executive order eliminates an important driver for investments in industrial efficiency,” explains Jennifer Kefer, Executive Director of the Alliance for Industrial Efficiency. The Clean Power Plan, which set carbon emission limits from power plants, gave states flexibility to determine how to achieve emission reductions, including the use of industrial efficiency technologies such as combined heat and power (CHP) and waste heat to power (WHP). “Achieving just one-third of Clean Power Plan reductions through industrial efficiency would have been equivalent to cutting the emissions from 46 coal-fired power plants,” Kefer adds, “while saving businesses $298 billion in avoided electricity purchases.”

CHP and WHP are proven clean-energy sources. By reducing the electricity needed to fuel our nation’s factories, universities and hospitals, CHP and WHP makes these facilities more competitive and reliable. Because many of these projects can work independently of the grid, CHP and WHP allow U.S. manufacturers to keep their lights on during extreme weather events.

Last fall, the Alliance for Industrial Efficiency released a report that ranks states on the potential for industrial energy efficiency – including CHP and WHP – to reduce carbon emissions. It found that industrial efficiency alone could provide nearly one-third of the national reductions called for under the Clean Power Plan.

Despite their tremendous potential, CHP and WHP currently represent only 8 percent of U.S. electricity production. “States should continue to seize this opportunity even absent the regulatory driver of the Clean Power Plan,” said Ms. Kefer. “Many states are already taking action and addressing carbon emission reductions. But all states should want to make their manufacturers more competitive with cost-saving industrial efficiency. We applaud their efforts and encourage states to seize the potential for CHP and WHP in any future energy and climate plans, so that states can strengthen industry, increase grid reliability, and cost-effectively reduce emissions.”

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The Alliance for Industrial Efficiency 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, especially the use of Combined Heat and Power (CHP) and Waste Heat to Power (WHP).