

U.S. MANUFACTURERS: COMMITTED TO SAVING ENERGY

The vast majority of leading manufacturers with U.S. facilities have established goals to increase energy efficiency and/or cut carbon emissions. States and utilities should support these efforts by removing barriers to energy efficiency.

U.S. INDUSTRIAL ENERGY USE IS GROWING

According to the Department of Energy, the industrial sector accounts for the largest share of energy consumption in the U.S., comprising about one-third of all U.S. energy demand—and it is expected to grow more than 25 percent by 2040. Manufacturing, accounts for 74 percent of all industrial energy usage—equal to 24 percent of all energy consumed in the U.S.

ENERGY EFFICIENCY IS KEY TO THE BOTTOM LINE

The manufacturers in our analysis view sustainability investments as important to their operations. These manufacturers are taking the first important step to reducing energy consumption, saving money, and ultimately bolstering their competitiveness by setting energy efficiency targets.

SETTING PUBLIC ENERGY EFFICIENCY TARGETS MAXIMIZES BENEFITS

Setting energy efficiency targets provides the focus, direction, and sense of urgency necessary to quickly capitalize on readily available benefits. Establishing public energy efficiency targets further maximizes those benefits by demonstrating corporate leadership, driving performance and accountability, and improving the perception of a company's brand.

STATES AND UTILITIES CAN PLAY A POSITIVE ROLE

Some states weaken utility efficiency programs by creating a special exemption for large energy users. Many utilities discourage manufacturers from installing combined heat and power (CHP) and waste heat to power (WHP) by imposing burdensome standby rates. Instead, states and utilities should help manufacturers achieve their efficiency targets by removing these barriers, encouraging use of CHP and WHP systems, and advocating for the expansion of utility, state and federal industrial energy efficiency programs.



FOR MORE INFORMATION

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KEY FINDINGS



Of the 160 large
manufacturing
companies reviewed
for this report:

43%

have set robust
targets to increase
energy efficiency

79%

have set public goals
to reduce greenhouse
gas emissions

96%

of companies with
energy efficiency targets
also have greenhouse
gas reduction goals



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BY THE NUMBERS

50%
of the companies'
2,100 facilities are located
in 10 states

75%
of all clean energy jobs
are energy efficiency jobs

WHAT MANUFACTURERS ARE SAYING ABOUT EFFICIENCY

“ One of the main reasons that Cargill set energy efficiency goals 20 years ago was to drive operational efficiency and contribute to the growth our business. Because there was a cost component to our targets, you could really make the business case based on expense savings. Cutting energy use is good for our bottom line and the planet.”

—PETER DAHM, SUSTAINABILITY DIRECTOR, OPERATIONS AND NATURAL RESOURCES, CARGILL, INC.

“ Setting our first public greenhouse gas and energy reduction goal in 2006 inspired our whole environmental sustainability program. We set a goal, achieved it, were proud of it, and were recognized for it. It added to our brand value and sense of accomplishment.”

—LAURIE COUNSEL, DIRECTOR OF ENVIRONMENTAL STRATEGY & COMPLIANCE, CUMMINS, INC.

“ Utility programs and other incentives help make energy efficiency projects possible. They reduce the upfront costs and help us meet our payback thresholds sooner.”

—LARRY FABINA, MANAGER OF CONTINUOUS IMPROVEMENT, ARCELORMITTAL USA

TOP 10 STATES WITH MANUFACTURERS WITH ENERGY EFFICIENCY TARGETS:

- #1 Texas (180)
- #2 California (159)
- #3 Ohio (114)
- #4 Illinois (107)
- #5 North Carolina (89)
- #6 Georgia (81)
- #7 Michigan (81)
- #8 Indiana (77)
- #9 Pennsylvania (72)
- #10 Virginia (65)

