The Alliance for Industrial Efficiency

MEDIA ADVISORY

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Alliance for Industrial Efficiency Applauds Administration's Commitment to Industrial Efficiency

New Executive Order will help drive development of Combined Heat and Power

WASHINGTON – The Alliance for Industrial Efficiency (AIE) commends President Obama for his commitment to industrial efficiency by signing an Executive Order that sets a national goal of deploying 40 gigawatts of new, cost effective industrial combined heat and power and waste heat recovery in the United States by the end of 2020. Today's announcement will make American manufacturers more competitive by lowering their energy bills, creating jobs, and reducing pollution.

David Gardiner, Executive Director of the Alliance states, "The President is right to focus on the industrial sector, which is responsible for nearly one third of U.S. energy use and where efficiency opportunities abound. In fact, industrial energy efficiency could supply as much energy as we currently get from nuclear power. We are particularly pleased by the Administration's focus on combined heat and power and waste heat recovery. These technologies – which capture waste heat from industrial processes to generate clean and efficient power – have been around since Thomas Edison, but are seldom addressed by policymakers. The Administration's announcement draws attention to these time-tested technologies and challenges the nation to become more competitive by making more with less."

Combined heat and power can save manufacturers money – a key priority in these difficult economic times. In fact, realizing the Administration's industrial efficiency goal could save manufacturers more than \$100 billion in energy costs over the next decade.

Combined heat and power can also create new, high-paying jobs. According to the Department of Energy, full-scale deployment would support one million new, highly skilled technical jobs. Meeting the President's goal of 40 gigawatts of new combined heat and power over the next decade would mean \$40 to \$80 billion of new capital investment in American manufacturing facilities. These jobs – designing, installing, constructing and maintaining equipment – will help employment in the construction industry, where unemployment is more than twice the national average. What's more, much of this equipment is manufactured in the United States.

Despite these tremendous benefits, the United States is falling behind other countries in its commitment to industrial energy efficiency. Combined heat and power currently supplies less than nine percent of U.S. power, compared to more than 50 percent of electricity production in Denmark. Today's <u>Executive Order</u> puts the United States on a path to dramatically increase the deployment of combined heat and power, to the benefit of U.S. manufacturers and the environment. Federal and state policy makers must now adopt complementary clean air, utility

and financing policies to help drive development of CHP. When coupled with these supportive policies, the United States will be able to compete as leaders in energy policy.

About the Alliance for Industrial Efficiency

The Alliance for Industrial Efficiency is a diverse coalition that includes representatives from the business, environmental, labor and contractor communities. We are committed to enhancing manufacturing competitiveness and saving energy and money through industrial energy efficiency, particularly in the form of clean and efficient CHP and WHR. For more, visit: <u>http://www.dgardiner.com/alliance.htm</u>

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