



## Industrial Energy Efficiency – Outlook for Expanded Programs, Goals, and Coordination

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U.S. Department of Energy  
**Energy Efficiency and Renewable Energy**  
Bringing you a prosperous future where energy is clean, abundant, reliable, and affordable

## Administration Activities that could Impact ITP Budget

- Stimulus Package
- Obama/Chu Commitment to Energy Efficiency

- The Federal government will provide resources to “convert our manufacturing centers into clean technology leaders.”
  - President Barack Obama
- Energy efficiency has an “important impact on energy independence” and can be considered “low-hanging fruit.”
  - Secretary Stephen Chu



## Stimulus Elements Linked to Industrial Technologies

### House

- **Direct Impact:** \$500 million for energy-efficient industrial demonstration
- **Direct Impact:** \$1 billion for Combined Heat and Power on Institutional Entities
- **Potential Funding:** \$2 billion for EERE RDD&D
- **Leveraging Opportunity through IACs:** \$30 million for the Manufacturing Extension Partnerships to provide small and mid-size manufacturers with access to technology

### Senate

- **Direct Impact:** \$1.6 billion for Combined Heat and Power on Institutional Entities
- **Direct Impact:** Encouraged to allocate a portion of the \$2.648 billion for EERE RDD&D to partnership with the Energy Intensive Industries and includes IAC support
- **Potential Funding:** \$2.64 billion for EERE RDD&D
- **Leveraging Opportunities:** \$200 million for DOD Manufacturing Technology Program



## FY2009 Program Priorities

- Stimulus Bill
- Industry-specific and Cross-cutting R&D
- Industrial Distributed Energy
- Save Energy Now & SEN Leaders Pledge
- Regional Summits/MOUs with States





## States Save Energy Now

- Awarded 19 states grants to conduct assessments in FY08
  - 30 State SEN ESAs have been completed
  - The nine reporting plants identified:
    - 0.6 trillion Btu total source energy savings
    - \$6.20 million potential energy savings
    - 0.039 million metric tons carbon dioxide savings
- Selections soon on \$10 million State FOA
  - Focus is industrial energy efficiency programs, training, outreach and commercialization strategies, assessments, and demonstrations
  - 3-year projects

**Save  
ENERGY  
Now**



## Regional Summits

- Facilitate regional collaboration to promote industrial energy efficiency
- Southeast Industrial Energy Efficiency Summit
  - Held June 5, 2008, at ORNL; over 70 attendees
  - Developing an action plan for Southeast industrial sector to work together and leverage resources
  - Since Summit, Coalition's leadership group has met twice and held sub-committee meetings on technology, marketing, policy, and membership
- Northwest Industrial Energy Efficiency Summit
  - February 17, 2009, Portland, OR
  - Confirmed participants: Bonneville Power Administration, IBM, ExxonMobil, Del Monte Foods, Weyerhaeuser, and J.R. Simplot
- Planning has begun for the Central Industrial Energy Efficiency Summit





## Industrial Distributed Energy: Current Priorities

- **Restarted stationary engine R&D with Caterpillar, Cummins and Waukesha**
  - Provided \$7 million for Advanced Reciprocating Engine System Activity in FY08
  - Late 1990's, engine efficiencies were 35-38%
  - 3 companies achieved Phase I goal of 45% efficiency; 2 achieved Phase II goal of 47% efficiency; all 3 working toward Phase III goal of 50% efficiency
- **Initiate R&D on technologies for an underutilized segment of the market (0.5 MW to 20 MS) to improve cost-effectiveness of CHP**
- **Support near-term demonstrations of CHP in target markets**
  - Frito-Lay, supported with FY2007 funds
  - IBM/UTC Data Center, supported with 2008 funds
  - Additional opportunities identified in solicitation
- **Continue to support activities of the CHP Regional Application Centers**



## RACs and EISA

*Section 375 of the Energy Independence and Security Act (EISA) of 2007 authorizes continuation of the RACs to encourage deployment of CHP and other clean energy technologies*

### **EISA authorizes the RACs to:**

- Develop and distribute informational materials on clean energy technologies
- Conduct target market workshops, seminars, Internet programs, and other activities to educate end users, regulators and stakeholders
- Provide and coordinate onsite assessments for sites and entities that may consider deployment of clean energy technologies
- Offer consulting support to sites considering deployment of clean energy technologies



## How RACs Have Helped the States

- Educated state regulators and policymakers on CHP benefits, which has resulted in:
  - Improved interconnection standards
  - More favorable standby policies
  - CHP incentives in many states
- Supported CHP project development by producing project feasibility studies, analyzing permitting issues, and assessing applicable tariffs/rates
- Provided information on resources and incentives that facilitate CHP project viability through websites, workshops, and training



## Questions?

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