

Using less. Doing more.

# Alliance Commission on National Energy Efficiency Policy Peter R. Smith Managing Director

THE PATAKI-CAHILL GROUP

#### A Quiet History of HUGE Success!

#### **Energy Efficiency: America's Greatest Energy Resource**

U.S. Energy Resources Used in 2011





## Alliance Commission Members



Dan Arvizu National Renewable Energy Laboratory



Frances Beinecke Natural Resources Defense Council



Gregory Bridgeford Lowe's Company



Jorge Carrasco Seattle City Light



General Wesley Clark Wesley K. Clark and Associates



Michael Eckhart **Citigroup** 



Anthony Eggert Policy Institute for Energy, Environment & the Economy, UC Davis



Carol Eicher Dow Building and Construction



Sherri Goodman CNA Analysis and Solutions



Fred Krupp Environmental Defense Fund



Alex Laskey **Opower** 



Dr. J. Michael McQuade United Technologies Corporation



Sen. Mark Warner (D – Va.)



Tom King National Grid USA



Michael Melaniphy American Public Transportation Association



Governor George Pataki Pataki-Cahill Group / Chadbourne & Parke



Susan Story Southern Company Services



Don Sturtevant J.R. Simplot Company



Susan Tierney **Analysis Group** 



Eisuke Tsuyuzaki Panasonic Corporation North America

#### CHAIRMEN

## Commission Goal: Double Energy Productivity by 2030



## Alliance Commission on National Energy Efficiency Policy

- Recommendations cover all sectors of the economy
  - Power sector (Generation & Smart Grid)
  - Buildings (Residential & Commercial)
  - Mobility (Transportation, Land Use & Accessibility)
  - Industry (Manufacturing)
- Recommendations will be actionable
- Recommendations will be geared towards federal, state and local government, and private sector



#### Strategies to Double U.S. Energy Productivity

Invest



Modernize



Educate





#### Federal Recommendations

- Consider household energy and transportation costs
  when underwriting federal mortgages
- Reform federal energy efficiency tax incentives, and promote innovation and market transformation
- Adjust commercial and industrial depreciation schedules

INVEST

- Make all cost-effective energy improvements to federal buildings and fleets
- Establish guidelines and rules for residential PACE financing





## Federal Recommendations

- Create a "Race to the Top" style energy productivity competition
- Use energy efficiency as an emissions reduction strategy
- Infrastructure updates should achieve large energy productivity gains
- End delays and update standards and codes





## Federal Recommendations

- Develop building energy ratings, benchmarks and disclosure methods
- Develop harmonized energy use labels for appliances and vehicles that coordinate with building energy labels
- Develop or support consumer awareness campaigns



#### INVEST



## State and Local Recommendations

- Work to aggregate and resell loans in secondary capital markets
- Establish effective energy efficiency financing mechanisms for residential and commercial buildings
- Make all cost-effective energy improvements to state and local buildings and fleets





## State and Local Recommendations

- Implement innovative energy productivity improvements
- Develop and adopt utility energy efficiency policies
- Advance regional and local transportation and land use plans
- Use energy efficiency as an emissions reduction strategy
- Focus infrastructure spending on energy productivity gains
- Increase stringency of building energy codes





## State and Local Recommendations

- Disclose energy information in commercial buildings at time of sale or rental in residential buildings
- Promote, improve, and develop technical training curricula
- Incorporate energy management and productivity curricula in higher education
- Heighten consumer awareness, understanding, and motivation



#### INVEST



#### Private Sector Recommendations

- The Alliance to Save Energy should convene a consortium of:
  - financial institutions
  - rating agencies
  - energy efficiency program evaluators
  - others in the private sector
- Goal should be to help federal agencies foster a secondary market for energy efficiency finance obligations





## Private Sector Recommendations

- The International Code Council and American Society of Heating, Refrigerating, and Air-Conditioning Engineers should steadily increase the energy efficiency of their model building energy codes
- PUCs should develop rules and procedures that enable customers to access their energy usage data and to authorize third parties to access their data





## Private Sector Recommendations

- Manage energy use and report as part of corporate sustainability reporting
- Develop technical curricula to include energy efficiency technologies and practices
- Incorporate energy management and productivity
  into secondary and higher education curricula
- Heighten consumer awareness about energy efficiency
- Promote collaboration between governments, companies, NGOs, media, and educational institutions



#### Impact





## **Impact of Recommendations**

**TO GOVERNMENT THIS MEANS** 

The government is saving taxpayers \$13 BILLION

\$13 Billion is equivalent to the budgets of the Coast Guard + National Park Service combined





## **Impact of Recommendations**

#### TO HOUSEHOLDS THIS MEANS

Cuts household energy spending by **\$241 billion** 

\$1,039 / year per household

Energy Savings could pay off all existing American household credit card debt



#### **Impact of Recommendations**

#### **TO OUR COUNTRY THIS MEANS**



#### A CLEANER ENVIRONMENT

Decrease U.S.  $CO_2$  emissions to 4 billion metric tons – 33% less than 2005

#### **GREATER SECURITY**

Reduce energy imports by over \$100 billon

STRONGER ECONOMY

The U.S. could add **1.3 million** jobs and boost GDP by up to 2%







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# Thank you!

#### Peter R. Smith

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#### www.energy2030.org

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