

Industrial Program Managers Roundtable – July 24, 2007

Introduction and Background: A recent sustained period of high energy prices (among all fuel types) and increased interest in formulating a carbon policy has made energy-efficiency the top candidate for achieving a sustainable future. Many states, as well as the federal government, are currently considering additional policies to promote energy efficiency in the industrial sector. The attendees of this roundtable represented the best programs for delivering EE services to these customers. We aim to coordinate our efforts, learn from each other, and offer our experiences to the states and regions that are currently just beginning to explore offering programs and services to the industrial sector. We will be continuing this roundtable discussion on a quarterly basis via web-conference.

James Quinn – DOE Save Energy Now (SEN)

Program Successes: The DOE Save Energy Now (SEN) program has experienced amazing success in its first 2 years of operation. Over 200 assessments were performed in 2006 resulting in more than \$500 million in cost savings.

What makes SEN unique: While there are other programs that offer free or low-cost energy audit services, SEN focuses not just on assessments, but training of qualified specialists and in-house staff. This results in a wider range of energy-efficiency providers as well as a more energy-educated workforce. SEN has focused on larger companies and facilities (as apposed to the IAC which is dedicated to small and medium companies). The advantage of this is that results of one assessment can be replicated at multiple facilities within a company.

Emerging Opportunities: The SEN has been tracking the growth in the data center market and is poising to target this type of facility in future assessments. It is relatively easy to replicate results in data centers therefore this may be an opportunity to have large results with just a few number of assessments in this type of facility. SEN is looking to expand its partnerships with industrial firm and on ways to capitalize on positive press and recognition.

Sandy Glatt – Industrial Technology Program (ITP) State SEN

Program Successes: The SEN States effort is just getting started...

What makes the State SEN unique: This program will take advantage of the experience and resources of the DOE SEN program while tailoring services to the unique needs of each individual states or regions industrial mix. The goal will be to transfer ownership outside DOE so that the efforts can eventually continue independent of DOE funding.

Emerging Opportunities: The program will be discovering ways of engaging the target audiences – PSC’s, Utilities, and the industrial sector companies. The program will be providing access to technical assistance and developing a coordinated publicity campaign. A better understanding of what drives energy-savings policy on the state level will be sought. For example, why does California AB 32 ignore the opportunities in the industrial sector?

John Nicol – Wisc. Focus on Energy

Program Successes: In 2006, Program Participants: 242,253
Annual Energy Savings: 198.2 million kWh and 12.8 million therms
Annual Dollar Value of Energy Savings: \$30.5 million

What makes Wisconsin FOE unique: Focus on Energy is a comprehensive industrial DSM-style program. It offers direct incentives, feasibility studies, technical support, and training. Operating since 2001, the program has been able to build relationships with its customers and gain an understanding of their particular needs.

Emerging Opportunities: Focus on Energy will be looking to engage ESCO’s and performance contracts. The opportunities of an EERS will be examined. While rising energy prices have made EE improvements increasingly attractive, it is becoming evident that simple hurdle rates do not offer proper valuation of EE investments. It will be increasingly important to find ways of calculating the true value of EE investments, including the value of non-energy benefits such as increased productivity and carbon reductions. An additional value to EE investments that has not been currently considered is the reduction in infrastructure investments as a result of EE.

Jessica Zweig – NYSERDA Programs for Industry

Program Successes: NYSERDA has had a long history of success in the industrial sector. Programs such as Energy Smart have resulted in:

- Approximately \$198 million in annual energy savings
- 4,200 jobs retained or created
- A leverage of \$2.50 in private investment for every New York Energy Smart Program dollar spent
- 1,400 GWh saved per year
- 860 MW in reduced demand
- Fuel savings of 3.3 TBtu
- Annual carbon dioxide reduction equivalent to 200,000 fewer cars
- 1,300 farms benefited from the **New York Energy SmartSM** Program
- Significant annual greenhouse gas emission reduction (in tons)
 - Nitrogen oxides (NO_x) – 1,280
 - Sulfur dioxides (SO_x) – 2,320
 - Carbon dioxide (CO₂) – 1,000,000

What makes the Energy Smart Focus on Industry Unique: Energy Smart Focus on Industry will be utilizing the experiences of NY programs such as Energy Smart and FlexTech to offer a clearinghouse of information and promotion of resources and services.

Emerging Opportunities: The entities that fund programs (states, utilities, the federal government) typically like to see large, impressive results in a very short timeframe. How about focusing on slow and steady annual results ~2.5% annually that could result in BIG savings ~25% in 10 or 15 years? There is also an opportunity to coordinate knowledge, results, and activities between electric and gas-only programs since there has historically been very little communication between the two.

Sergio Dias - Northwest Energy Efficiency Alliance (NEEA)

Highlights:

Program Successes: In 2006, 19 food processing and three cold storage firms, representing 3% of the small-to-medium¹ and 14% of the large² food processing markets reached the *engaged* status.

What makes the NEEA Industrial Efficiency Alliance Unique: NEEA has formed a strategic partnership with the [Northwest Food Processors Association](#) (NWFPA) to reach food processing companies and the [Technical Association for the Pulp and Paper Industry](#) (TAPPI), as well as trade allies serving both markets. NEEA also works with an energy-management services company, Envinta, to deliver energy management tools to its customers.

Emerging Opportunities: NEEA will be continuing to engage trade allies to broaden its scope. NEEA has learned that strategic energy management is a business decision, and as such required the buy-in from all levels of staff. NEEA will continue to form partnerships within the industries to change industrial culture with regard to energy investments.

Glenda Taylor – NRCAN

Program Successes: Since 1997, over 11,000 representatives of Industrial, Commercial and Institutional organizations from across Canada have enrolled in Dollars to Sense workshops offered by Natural Resources Canada's Office of Energy Efficiency.

What makes the Canadian Industry Program for Energy Conservation (CIPEC) Unique: This [voluntary partnership](#) between the Government of Canada and industry that brings together industry associations and companies representing more than **98 percent** of all industrial energy use in Canada.

Emerging Opportunities: CIPEC will continue to address the barriers to EE including lack of training and awareness within the sector. US efficiency program and service providers can gain an understanding of what makes Canadian industry so willing to work with government and programmatic entities (benchmarking of Canadian/US, voluntary/regulatory models).

Discussion Items for Future Roundtables:

- How can we capitalize on the existing resources and staff within the energy-efficiency program community?
- How can we do a better job of information and resource management? The DOE EE portal is set to go live fall 2007 and will be an effort in this direction.
- What does industry need vs. what we think they need.
- How to we attribute carbon reductions?