



THE COMMITTEE ON ENERGY AND COMMERCE

MEMORANDUM

February 22, 2013

TO: Members, Subcommittee on Energy and Power

FROM: Committee Staff

RE: Hearing on “American Energy Security and Innovation: An Assessment of Private-Sector Successes and Opportunities in Energy Efficient Technologies”

On February 26, 2013, at 10:00 a.m. in room 2123 of the Rayburn House Office Building, the Subcommittee on Energy and Power will hold a hearing entitled “American Energy Security and Innovation: An Assessment of Private-Sector Successes and Opportunities in Energy Efficient Technologies.” The hearing will focus on private industry innovations and opportunities in the energy efficiency sector.

I. WITNESSES

Panel I

The Honorable Lisa Murkowski
U.S. Senator for Alaska
Ranking Member, Senate Energy and
Natural Resources Committee

The Honorable Jeanne Shaheen
U.S. Senator for New Hampshire

Panel II

The Honorable Dr. Kathleen Hogan
Deputy Assistant Secretary for Energy
Efficiency
Office of Energy Efficiency and Renewable
Energy
U.S. Department of Energy

Panel III

Mr. Kevin C. Kosisko
Vice President Service, North America
ABB, Inc.
On behalf of:
National Electrical Manufacturers Association
and Industrial Energy Efficiency Coalition

Ms. Britta MacIntosh
Vice President, Business Development
NORESKO
On behalf of:
Federal Performance Contracting Coalition

Mr. James Crouse
Executive Vice President of Sales and
Marketing
Capstone Turbine Corporation
On behalf of:
U.S. Combined Heat & Power Association

Mrs. Helen A. Burt
Senior Vice President and Chief Customer
Officer
Pacific Gas and Electric Company

Mr. R. Neal Elliott
Associate Director for Research
American Council for an Energy-Efficient
Economy

Mr. Ted Gayer
Co-Director, Economic Studies and
Joseph A. Pechman Senior Fellow
The Brookings Institution

II. BACKGROUND

Energy efficiency is a simple, affordable way to help meet U.S. energy demands. The U.S. has steadily reduced its energy consumption and improved its energy productivity as a result of advances in technology and changes in economics and demographics. In fact, according to the Energy Information Administration, U.S. energy consumption per unit of gross domestic product (GDP) has decreased nearly 60 percent since 1949, dropping from 17.35 thousand British thermal units (Btu) in 1949 to 7.31 thousand Btu in 2011.

The efficiency gains realized by the U.S. have been driven in large part by the technological advances of the private sector. The industrial and manufacturing sectors have long recognized that reducing waste and consuming less energy are common sense strategies to cut costs, and have therefore undertaken efforts to improve efficiency to reap the economic benefits. Consumers too recognize the economic and environmental benefits of reducing their energy consumption.

The private sector has capitalized on the demand for greater energy efficiency, facilitating the development and deployment of innovative energy efficient technologies and processes that better allow businesses and consumers to reduce waste, consume less, and save money. But significant energy efficiency opportunities remain, particularly in the nation's industrial and manufacturing sectors. Promoting industrial efficiency technologies and supporting innovative manufacturing processes can cut industrial energy consumption, reduce industrial waste, and improve industrial competitiveness. Moreover, increasing the use of combined heat and power and waste heat recovery can provide an additional source of affordable and reliable energy in the U.S.

The Federal government in particular could realize significant cost savings from improved energy efficiency given that it is the nation's largest user of electricity and fuel, accounting for roughly 1.5 percent of annual U.S. energy consumption. Utilizing energy savings techniques can therefore reduce the amount of taxpayer dollars spent on Federal energy costs.

For instance, optimizing the use of energy savings performance contracts (ESPCs) to improve the energy efficiency of Federal buildings could significantly reduce energy consumption.

III. ISSUES

The following issues will be examined at the hearing:

- How private industry is driving technological innovations in the energy efficiency sector;
- Opportunities for, and challenges to, advancing energy efficient technologies;
- How market forces drive businesses and consumers to make energy efficient choices;
- Measures to improve industrial energy efficiency and facilitate greater deployment of combined heat and power and waste heat recovery; and,
- How innovative financing structures, such as ESPCs, can facilitate greater utilization of energy efficient technologies.

IV. STAFF CONTACTS

If you have any questions regarding this hearing, please contact Tom Hassenboehler or Patrick Currier at (202) 225-2927.