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EXECUTIVE ORDER

13624

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ACCELERATING INVESTMENT IN INDUSTRIAL ENERGY EFFICIENCY

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to promote American manufacturing by helping to facilitate investments in energy efficiency at industrial facilities, it is hereby ordered as follows:

Section 1. Policy. The industrial sector accounts for over 30 percent of all energy consumed in the United States, and, for many manufacturers, energy costs affect overall competitiveness. While our manufacturing facilities have made progress in becoming more energy efficient over the past several decades, there is an opportunity to accelerate and expand these efforts with investments to reduce energy use through more efficient manufacturing processes and facilities and the expanded use of combined heat and power (CHP). Instead of burning fuel in an on-site boiler to produce thermal energy and also purchasing electricity from the grid, a manufacturing facility can use a CHP system to provide both types of energy in one energy-efficient step. Accelerating these investments in our Nation's factories can improve the competitiveness of United States manufacturing, lower energy costs, free up future capital for businesses to invest, reduce air pollution, and create jobs.

Despite these benefits, independent studies have pointed to under-investment in industrial energy efficiency and CHP as a result of numerous barriers. The Federal Government has limited but important authorities to overcome these barriers, and our efforts to support investment in industrial energy efficiency and CHP should involve coordinated engagement with a broad set of stakeholders, including States, manufacturers, utilities, and others. By working with all stakeholders to address these barriers, we have an opportunity to save industrial users tens of billions of dollars in energy costs over the next decade.

There is no one-size-fits-all solution for our manufacturers, so it is imperative that we support these investments through a variety of approaches, including encouraging private sector investment by setting goals and highlighting the benefits of investment, improving coordination at the Federal level, partnering with and supporting States, and identifying investment models beneficial to the multiple stakeholders involved.

To formalize and support the close interagency coordination that is required to accelerate greater investment in industrial energy efficiency and CHP, this order directs certain executive departments and agencies to convene national and regional stakeholders to identify, develop, and encourage the adoption of investment models and State best practice policies for industrial energy efficiency and CHP; provide technical assistance to States and manufacturers to encourage investment in industrial energy efficiency and CHP; provide public information on the benefits of investment in industrial energy efficiency and CHP; and use existing Federal authorities, programs, and policies to support investment in industrial energy efficiency and CHP.

Sec. 2. Encouraging Investment in Industrial Efficiency. The Departments of Energy, Commerce, and Agriculture, and the Environmental Protection Agency, in coordination with the National Economic Council, the Domestic Policy Council, the

Council on Environmental Quality, and the Office of Science and Technology Policy, shall coordinate policies to encourage investment in industrial efficiency in order to reduce costs for industrial users, improve U.S. competitiveness, create jobs, and reduce harmful air pollution. In doing so, they shall engage States, industrial companies, utility companies, and other stakeholders to accelerate this investment. Specifically, these agencies shall, as appropriate and consistent with applicable law:

(a) coordinate and strongly encourage efforts to achieve a national goal of deploying 40 gigawatts of new, cost-effective industrial CHP in the United States by the end of 2020;

(b) convene stakeholders, through a series of public workshops, to develop and encourage the use of best practice State policies and investment models that address the multiple barriers to investment in industrial energy efficiency and CHP;

(c) utilize their respective relevant authorities and resources to encourage investment in industrial energy efficiency and CHP, such as by:

(i) providing assistance to States on accounting for the potential emission reduction benefits of CHP and other energy efficiency policies when developing State Implementation Plans (SIPs) to achieve national ambient air quality standards;

(ii) providing incentives for the deployment of CHP and other types of clean energy, such as set-asides under emissions allowance trading program state implementation plans, grants, and loans;

(iii) employing output-based approaches as compliance options in power and industrial sector regulations, as appropriate, to recognize the emissions benefits of highly efficient energy generation technologies like CHP; and

(iv) seeking to expand participation in and create additional tools to support the Better Buildings, Better Plants program at the Department of Energy, which is working with companies to help them achieve a goal of reducing energy intensity by 25 percent over 10 years, as well as utilizing existing partnership programs to support energy efficiency and CHP;

(d) support and encourage efforts to accelerate investment in industrial energy efficiency and CHP by:

(i) providing general guidance, technical analysis and information, and financial analysis on the value of investment in industrial energy efficiency and CHP to States, utilities, and owners and operators of industrial facilities;

(ii) improving the usefulness of Federal data collection and analysis; and

(iii) assisting States in developing and implementing State-specific best practice policies that can accelerate investment in industrial energy efficiency and CHP.

In implementing this section, these agencies should consult with the Federal Energy Regulatory Commission, as appropriate.

Sec. 3. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department, agency, or the head thereof; or

department, agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

THE WHITE HOUSE,

August 30, 2012.

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