

**The Energy Savings and Industrial Competitiveness Act S.1392
Published 2013**

The Essentials (updated 2015)

- The Energy Savings and Industrial Competitiveness (ESIC) Act (the Shaheen-Portman bill) was intended to promote energy efficiency measures and technologies in residential, commercial and industrial sectors.
- It was a bipartisan energy efficiency bill, sponsored by Senators Jeanne Shaheen (Democrat-New Hampshire) and Rob Portman (Republican-Ohio), in the 2013 session. Senators Shaheen and Portman revived the bill in 2014 and introduced a more targeted bill in 2015.
- The bill required states, Indian tribes and local governments to adopt energy efficiency codes for residential and commercial buildings. Training and assessment centers would be set up to promote R&D and application of energy efficient technologies in buildings.
- It included provisions promoting sustainable practices in industrial processes and increasing industry partnerships with National Laboratories and energy service/technology providers.
- The 2015 bill, the Energy Efficiency Improvement Act of 2015, included a provision focused on "aligning the interests of commercial building owners and their tenants to reduce energy consumption." The EEIA became an amendment to a bill approving the Keystone XL pipeline.
- Both the earlier Shaheen-Portman bills and the 2015 amendment failed in their respective sessions.

Background

The Energy Savings and Industrial Competitiveness Act (ESIC), also called the Shaheen-Portman bill ("the Bill"), is a bipartisan energy efficiency bill sponsored by Senators Jeanne Shaheen (Democrat-New Hampshire) and Rob Portman (Republican-Ohio). A previous version of this Bill was introduced to the U.S. Senate in 2012. The purpose of the Bill is to promote energy efficiency measure and technologies in residential, commercial, and industrial sectors.

What the bill proposes

Title I: Buildings

Buildings accounted for close to 74% of the U.S.'s total electricity consumption in 2012¹. The Shaheen-Portman Bill ("the Bill") supports the adoption and compliance of model building energy codes (voluntary energy efficiency codes such as the International Energy Conservation Code) by states, Indian tribes and local governments. The Department of Energy (DOE) would be directed to support updating such model codes to set higher energy efficiency targets and would also provide technical and financial assistance if the state, tribe or local government is eligible for it. Additionally, centers would be set up to train workers in energy-efficient building design and operation.

¹ http://buildingsdatabook.eren.doe.gov/docs/xls_pdf/6.1.1.pdf

Title II: Industrial Efficiency And Competitiveness

The Bill proposes reforms to the DOE's industrial efficiency programs, and builds upon previous successes. In particular, the Bill would establish a SupplyStar program, similar to the successful DOE-run EnergyStar program. The SupplyStar program would identify and promote supply chain efficiency and sustainability among small medium businesses, just as the EnergyStar label indicates that a consumer product or a building meets energy efficiency requirements, based on specifications established by the Environmental Protection Agency. SupplyStar would encourage supply chains to conserve energy, water and other resources. Energy efficient motors and transformers that meet specified requirements would be eligible for a total rebate of \$5 million for each.

Title III: Federal Agency Energy Efficiency

The Federal government is the largest consumer of energy in the U.S.² The DOE would provide recommendations to federal agencies for energy efficiency and savings at federal buildings as well as data centers, through information and communications technology including advanced tools for power management. Funds will be available for updating the design of federal agency buildings to enable them to comply with energy efficiency code.

Miscellaneous

This section proposes [amendments](#) to the Energy Independence and Security Act of 2007 to reduce fund authorization levels for the Zero-Net-Energy Commercial Building Initiative.

Amendments

The Bill has undergone numerous changes; Senators Shaheen and Portman have been working to limit proposed amendments from other law-makers. The Bill is expected to face several controversial amendments once it is brought up in the Senate, later this year. One such potential controversial amendment is the Keystone XL pipeline amendment, expected to be offered by North Dakota Republican Senator John Hoeven³, which would allow expansion of the Keystone crude oil pipeline before a review from the State Department. A State Department review is not expected until 2014.⁴ TransCanada's application to build the pipeline from Canada to the Midwest and Gulf Coast was previously denied by President Obama due to environmental concerns. The proposed extension route would partly run over several water resources of the Ogallala Aquifer in Nebraska, which serves the Mid-West.⁵ Critics of the pipeline expansion fear that any leak in the pipeline might pollute those water resources.

² <http://www.politifact.com/ohio/statements/2011/sep/07/rob-portman/sen-rob-portman-says-us-government-nations-largest/>

³ <https://www.acca.org/archives/industry-resources/government-affairs/hot-air/8960>

⁴ <http://www.foxnews.com/politics/2013/08/26/keystone-decision-likely-delayed-until-2014/>

⁵ <http://stateimpact.npr.org/texas/tag/keystone-xl-pipeline/>

Several other amendments that are expected include relaxing energy efficiency targets for federal agencies,⁶ creating voluntary efficiency programs for leased buildings, and restricting the Environmental Protection Agency's authority to regulate greenhouse gases.

The Bill is estimated to cost the government \$2.6 billion.⁷ Energy efficiency improvements would cost \$67.2 billion by 2030. Most of the cost would be borne by the private sector. The American Council for an Energy Efficient-Economy estimates that the core provisions of the bill would support 164,000 jobs in 2030.⁸ The Bill was sent as a whole to the Senate on July 31, 2013 and awaits a final vote on it. For the S.1392 to be enacted, the bill must be passed by the Senate and then by the House before being sent to the President for his signature.

Opposition to the bill

There has been some opposition to the bill, questioning if taxpayer money should be used to fund the worker training, assistance and rebate programs to meet energy efficiency certifications. Critics oppose the provisions of the bill for government intervention and demand that it should be left to homeowners and businesses to decide if they want to adopt energy efficiency measures based on incentives and constraints.

UPDATE 2015:

The Shaheen-Portman bill did not pass through Congress in 2013, and although it was reintroduced in 2014, it did again did not pass. During the 2015 Congressional term, Senators Shaheen and Portman introduced a more targeted 2015 bill, the Energy Efficiency Improvement Act of 2015. Among other items, it included a provision focused on "aligning the interests of commercial building owners and their tenants to reduce energy consumption." The EEIA became an amendment to a bill approving the Keystone XL pipeline, which did not pass.

Learn more

- [Status and Summary](#)
- [Economic impact study of the Shaheen-Portman Bill](#)
- [Making Case for Energy Efficiency, article by Sen. Shaheen and Sen. Portman](#)
- Opposition to the bill:
<http://www.heritage.org/research/reports/2013/09/shaheen-portman-energy-efficiency-bill-10-questions-members-should-ask>

⁶ <https://www.acca.org/archives/industry-resources/government-affairs/hot-air/8960>

⁷ <http://www.energyefficiencymarkets.com/2013/09/06/shaheenportman-bill-big-deal-energy-efficiency/>

⁸ <http://aceee.org/files/pdf/white-paper/shaheen-portman-2013.pdf>



<http://americansforprosperity.org/legislativealerts/afp-letter-of-opposition-to-shaheen-portman-energy-efficiency-bill-s-1392/>