



## Estimate of Cumulative Savings from Energy-Efficiency Sections of House Energy Bill

Provision	Savings (quads, 2002-2020)	Notes
Appliance standards		
6 products w/ stds. in leg.	3.1	For torchieres, dry-type transformers, exit signs, traffic lights, unit heaters & cfls.
New rulemakings	<u>3.7</u>	For ceiling fans, "vampires", commercial refrigerators, vending machines and furnace fans.
Standards subtotal	6.7	
High perform. public bldgs	0.1	Program could lead to 20% savings but due to limited funding reaches only 10% of local government buildings
Federal facilities	0.1	Estimate changes will reduce federal energy use approximately 5%.
Labeling of appliances	2.0	Savings from improving current "Energy Guide" label
A/C maintenance education	0.2	Estimate 10% air conditioning energy savings in 10% of homes
Real time pricing	0.7	Provision encourages RTP but largely depends on state actions. We estimate that provision could lead to RTP for ~5% of customers in 2010 and thereafter with 3% average energy savings.
Volun. industrial commitments	1.3	Estimate 3% facilities participate, averaging 1% savings per year for 10 years
Appliance rebates	0.0	Due to limited funding, savings likely to be less than 0.1 quads
Public housing	0.2	Based on 1/2 of maximum savings as estimated by proponents
Tax incentives		
New homes	0.8	Based on estimates made in recent ACEEE report adjusted to reflect differences between House bill and incentives recommended by ACEEE.
Fuel cells	1.4	"
Combined heat & power	4.4	"
Fuel cell vehicles	0.2	Sources as above. Assumes no compensating reductions in the fuel economy of remaining vehicles.
Lean burn vehicles	0.3	Based on analysis by T. Langer; savings are probably not worth the funds required.
Existing homes	<u>0.7</u>	Savings based on experience with 1978-1985 tax credits which was similar to this provision.
Tax incentives subtotal	7.8	
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<b>Total in Bill</b>	<b>19.1</b>	
<b>Recommended Improvements</b>		
Improve CHP tax credit	5.3	Provide more incentive for industrial systems by restoring depreciation to current levels; allow small systems to receive credit, containing costs by eliminating credit for very large systems
Add furnace & water htg tax credits	1.4	Included in Senate but not House bill. Important to consumers to address higher natural gas costs. Furnace fan credits included in estimate--savings will decline if not adopted
Establish target of saving 1m bbls of oil/day by 2012	29.0	Based on Sen. Landrieu's floor amendment
Add replacement tire stds	4.6	Based on analysis by Deleep 1995.
System benefit fund or Efficiency performance std.	35.1	ACEEE analysis of savings for a 2 mill system benefit fund, with half going to all states and half matching state funding.
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<b>Total missing</b>	<b>75.4</b>	
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<b>TOTAL POSSIBLE</b>	<b>94.5</b>	

Notes: A *quad* is a quadrillion (10 to 15th power) Btu's. By way of reference, according to DOE's Energy Information Administration, the U.S. is projected to use approximately 1975 quads over the 2004-2020 period.

Source: Analysis by American Council for an Energy-Efficient Economy, Washington, DC, 8/6/03. This analysis updates ACEEE's previous analyses on this subject.