

NEWS RELEASE

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Appliance and Equipment Standards Are a Money Maker and Job Creator

Washington, D.C. (January 26, 2010): National appliance energy efficiency standards for common household and business products generated about 340,000 jobs in 2010, or 0.2% of the nation's jobs, according to a report released today by the American Council for an Energy-Efficient Economy (ACEEE) and the Appliance Standards Awareness Project (ASAP). The energy and related utility bill savings from standards will continue to contribute to a healthy economy over time, and in 2030, the number of jobs generated will increase to about 380,000 jobs-an amount about equal to the number of jobs in Delaware today.

"Last night, the President spoke about 'winning the future'," said Steven Nadel, Executive Director of ACEEE. "Our new study shows that cutting energy waste with strong appliance standards is a proven way to increase domestic jobs and strengthen the American economy for the future."

The report, <u>Appliance and Equipment Efficiency Standards: A Money Maker and Job Creator</u>, estimates net employment and wage impacts of U.S appliance, equipment, and lighting efficiency standards. The standards contributing to the job creation include those put in place between 1987 and 2010, new standards and revisions DOE will complete by 2013, and consensus standards in pending legislation.

Appliance and equipment standards save consumers and businesses energy because the standards increase the average efficiency of new products relative to what the efficiency would have been without new or updated standards. As a result, consumers and businesses spend less money on utility bills. This moves money from the utility sector, with relatively few jobs per dollar of revenue, to other sectors that have higher jobs per dollar of revenue. As existing standards affect more product purchases, and as new standards take effect, the number of jobs generated will increase along with energy bill savings.

"If we want more jobs and more money in the hands of our small businesses and families, we need to waste less energy," said Skip Laitner, report co-author and Economic and Social Analysis Program Director of ACEEE. "This report demonstrates that investing in lighting, appliance, and equipment standards makes our economy stronger and helps get Americans back to work."

These existing and new standards also are making a big contribution to U.S. efforts to reduce energy use, with savings growing to 6.1 quads a year in 2030, or roughly enough to meet the *total* energy needs of one-quarter[1] of all U.S. households for a year. Standards cover a wide range of consumer and commercial products, ranging from refrigerators, to light bulbs, to commercial air conditioners, to industrial motors.

"Appliance standards have long had bipartisan support," said Rachel Gold, lead author of the report and an ACEEE researcher. "The jobs mentioned in this study are a result of standards legislation signed by Presidents Ronald Reagan, George H.W. Bush, and George W. Bush."

The Obama administration has already updated many important standards and additional improved standards are under development.

In order to reach the level of employment estimated in the report, Congress must pass the consensus appliance standards contained in the *Implementation of National Consensus Appliance Agreements Act* (INCAAA) of 2010, a bill with broad support but not yet enacted into law. This agreement, negotiated by manufacturers and efficiency advocates, would provide market certainty for manufacturers and energy savings for consumers and would generate over 1.1 quadrillion BTUs of energy savings in 2030, about the annual energy use of the state of Oregon. In addition, DOE must follow through on scheduled updates to existing standards.

"With unemployment still way too high, jobs are on everyone's mind right now," said Andrew deLaski, Executive Director of ASAP. "Our study shows that the energy-saving standards created by Congress and DOE are one policy we know is already helping to bring down long-term unemployment."

[1] Total residential household energy consumption = 21.68 quads, according to EIA's *Annual Energy Outlook* 2010.

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The American Council for an Energy-Efficient Economy is a nonprofit organization dedicated to advancing energy efficiency as a means of promoting economic prosperity, energy security, and environmental protection. ACEEE was involved in the legislation establishing federal efficiency standards, and has been active in all rulemakings since then. For information about ACEEE and its programs, publications, and conferences, contact ACEEE, 529 14th Street N.W., Suite 600, Washington, D.C. 20045 or visit aceee.org.

The Appliance Standards Awareness Project is dedicated to increasing awareness of and support for cost-effective appliance and equipment efficiency standards. Founded in 1999, ASAP is led by a steering committee that includes representatives from energy efficiency organizations, the environmental community, consumer groups, utilities, and state government. See standardsASAP.org.

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