Energy Efficiency in Your Community

Completing energy efficiency upgrades and operational improvements in public facilities is one of the most impactful and immediate ways for local governments to cut carbon pollution and save taxpayer dollars. Local government leadership can also encourage energy efficiency upgrades in non-governmental buildings, which drives deeper, community-wide carbon reductions and monetary savings.

Each $1 invested in electric energy efficiency produces $1.25 - $4.00 in benefits.

—American Council for an Energy-Efficient Economy

Some local governments conduct efficiency improvements using internal resources, while others partner with energy service companies (ESCOs). Many ESCOs provide all-inclusive efficiency solutions that pay for themselves through energy savings over a specified time period. It is even possible to negotiate an energy savings performance contract with no up-front costs, paid for entirely with energy savings.

The Benefits of Energy Efficiency

Fewer GHG Emissions

Saving energy reduces greenhouse gases (GHGs), the emissions that trap and hold heat in the atmosphere, creating the greenhouse effect, which contributes to climate change.

Lower Operating Costs

Saving energy in public facilities reduces building operating expenses, demonstrating effective government stewardship of tax funds and freeing up resources for other needs.

Improved Building Function and Comfort

Many of the same features that drive energy savings also make work environments healthier and more comfortable for employees and visitors.

Support for the Local Economy

Because energy efficiency improvements often require onsite work, they are good opportunities to use local workers and expertise.

Public Leadership

By making a serious commitment to improving energy efficiency, local governments can catalyze investment in commercial, industrial, and residential buildings.

The Future is Energy Efficient

Michigan City, Indiana

In 2016, the Sanitary District of Michigan City completed an energy efficiency audit of their wastewater treatment plant and implemented several high-impact infrastructure upgrades. The facility achieved $40,000 in cost savings in the first year.

Indianapolis, Indiana

In 2018, the City of Indianapolis and Indianapolis Power & Light began a project to install new streetlamps and retrofit existing lamps with LED fixtures. The $800,000 expected annual savings will fund the installation of up to 4,000 additional streetlamps.

Milwaukee, Wisconsin

The City of Milwaukee conducted an energy efficiency audit on one of their libraries. They identified tune-up procedures that saved them $5,200 annually. The savings paid off the cost in less than a year.

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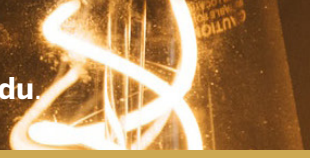

What About the Cost of Upgrades?

Energy efficiency measures include no- and low-cost improvements, as well as incremental efficiency investments that offer rapid payback when combined with scheduled maintenance and equipment replacement. Local governments can also take advantage of new diagnostic tools, proven technologies, and well-established conservation tactics. By generating reliable, predictable cost savings, energy efficiency investments create opportunities to use private capital, shared savings contracts, or revolving energy efficiency funds (in addition to traditional infrastructure financing).

How to Support Energy Efficiency in Your Community

Beyond upgrading your own facilities, local governments can use incentives and policies to encourage other building owners to implement energy efficiency upgrades. Some local governments offer building energy use benchmarking programs, such as the ENERGYSTAR Portfolio Manager or a benchmarking ordinance, to encourage building owners to report their energy use and compare it to other buildings. Local governments can also require energy efficiency audits for anyone who is not meeting pre-determined standards.

Local governments can conduct outreach campaigns to homeowners to encourage them to implement energy efficient measures in their homes. Providing incentives and financial assistance will help encourage adoption while easing the burden on lower income residents.

Energy efficient operations enjoy lower costs and better financing terms, resulting in short payback periods.

—ENERGYSTAR

Tools and Resources for Upgrading Public Facilities

Guaranteed Energy Savings Contracts (GESCs)

The Indiana Department of Local Government Finance allows city, town, and county governments to finance energy savings projects without a large upfront cost. The project can be paid for with energy savings. GESCs allow local governments to skip some procurement steps if the upgrade meets certain guidelines.

Payback Period Calculators

Tools like the **ENERGYSTAR Cash Flow Opportunity Calculator** or the **Department of Energy's Cost-Savings Calculators** quantify how much upgrades will cost, how much they will save in energy reduction, and the cost of forgoing the upgrades to determine how long it will take to pay off the project.

Energy Use Tracking and Assessment

ENERGYSTAR Portfolio Manager makes it easy to baseline energy consumption and draw apples-to-apples performance comparisons. Additionally, there are companies that can help local governments automate energy use tracking to enable better facility management. This software helps facility managers analyze energy use per building. Local governments can highlight progress and create shared accountability for meeting economic and environmental goals by publishing the data.