



**February 2020**

## **Summary of H.R. 3962, the Energy Savings and Industrial Competitiveness (ESIC) Act of 2019**

### **COMMITTEE ON ENERGY & COMMERCE**

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#### **Sec. 1. SHORT TITLE.**

The Act may be cited as the “Energy Savings and Industrial Competitiveness Act of 2019.”

#### **Sec. 2. DEFINITION OF SECRETARY.**

Establishes that, in this Act, “Secretary” refers to the Secretary of Energy.

## **TITLE I—BUILDINGS**

### **Subtitle A—Building Energy Codes**

#### **Sec. 101. GREATER ENERGY EFFICIENCY IN BUILDING CODES.**

Directs the Department of Energy (DOE) to set national energy-saving targets for building energy codes, propose amendments to the model codes that meet the targets, and determine whether updated model codes meet the targets. Requires states, in addition to certifying whether they have adopted codes equivalent to the model codes, to certify whether they have achieved compliance with their codes, including measuring compliance rates. Specifies technical and financial assistance DOE is to provide to code-setting bodies and state and local governments. Directs DOE to support the development of stretch codes. Authorizes \$200 million, to remain available until expended.

#### **Sec. 102. COST-EFFECTIVE CODES IMPLEMENTATION FOR EFFICIENCY AND RESILIENCE.**

Creates a grant program at DOE to help entities with the adaptation and implementation of updated building energy codes. Authorizes \$25 million annually for fiscal year (FY) 2020 through 2029, and such sums as are necessary beginning in FY 2030.

#### **Sec. 103. COMMERCIAL BUILDING ENERGY CONSUMPTION INFORMATION SHARING.**

Directs the Energy Information Administration (EIA) and the Environmental Protection Agency (EPA) to develop an information-sharing agreement that provides EIA access to building-specific data to improve the analysis of activity and energy usage by the Commercial Buildings Energy Consumption Survey.

### **Subtitle B—Worker Training and Capacity Building**

#### **Sec. 111. BUILDING TRAINING AND ASSESSMENT CENTERS.**

Establishes a DOE program for university-based Building Training and Assessment Centers, modeled after the existing Industrial Assessment Centers (IACs). Authorizes \$10 million, to remain available until expended, to train engineers, architects and workers in energy-efficient commercial building design and operations.

#### **Sec. 112. CAREER SKILLS TRAINING.**

Creates a DOE career skills program to provide grants to nonprofit partnerships for worker training for the construction and installation of energy-efficient building technologies. Authorizes \$10 million, to remain available until expended.

### **Subtitle C—School Buildings**

**Sec. 121. COORDINATION OF ENERGY RETROFITTING ASSISTANCE FOR SCHOOLS.**

Streamlines available federal energy efficiency programs and financing to help improve efficiency and lower energy costs for schools.

**TITLE II—INDUSTRIAL EFFICIENCY AND COMPETITIVENESS****Subtitle A—Manufacturing Energy Efficiency****Sec. 201. PURPOSE.**

Establishes the purpose of this subtitle: reforming DOE’s industrial efficiency programs; establishing consistent regulatory authority; deploying efficient industrial technologies and practices; and strengthening public-private partnerships.

**Sec. 202. FUTURE OF INDUSTRY PROGRAM AND INDUSTRIAL RESEARCH AND ASSESSMENT CENTERS.**

Moves the existing IAC statute from Sec. 452 of the Energy Independence and Security Act of 2007 (EISA), which is focused on all energy-intensive industries, to its own section under EISA’s Industrial Energy Efficiency subtitle. Encourages IACs to coordinate with Manufacturing Extension Partnership Centers to streamline energy and water auditing efforts. Authorizes \$30 million, to remain available until expended.

**Sec. 203. SUSTAINABLE MANUFACTURING INITIATIVE.**

Requires DOE’s Office of Energy Efficiency and Renewable Energy to provide onsite technical assessments to manufacturers seeking efficiency opportunities.

**Sec. 204. CONFORMING AMENDMENTS.**

Makes conforming amendments to the Energy Policy Act of 1992, the Energy Policy Act of 2005, and the Energy Policy and Conservation Act.

**Subtitle B—Extended Product System Rebate Program****Sec. 211. EXTENDED PRODUCT SYSTEM REBATE PROGRAM.**

Creates a DOE rebate program to incentivize purchases of new, high-efficiency motor systems. Authorizes \$5 million for each of the first two fiscal years following the date of enactment.

**Subtitle C—Transformer Rebate Program****Sec. 221. ENERGY EFFICIENT TRANSFORMER REBATE PROGRAM.**

Directs DOE to establish an incentive rebate for the purchase of energy efficient transformers for industrial/manufacturing facilities or commercial/multifamily residential buildings. Authorizes \$5 million annually for FY 2020 and 2021.

**TITLE III—FEDERAL AGENCY ENERGY EFFICIENCY****Sec. 301. ENERGY-EFFICIENT AND ENERGY-SAVING INFORMATION TECHNOLOGIES.**

Directs the Director of the Office of Management and Budget (OMB) to collaborate with each federal agency to implement energy-efficient and energy-saving information technologies.

**Sec. 302. ENERGY-EFFICIENT DATA CENTERS.**

Requires the development of a metric for data center energy efficiency, and requires the Secretary of Energy, EPA Administrator, and Director of OMB to maintain a data center energy practitioner program and open data initiative for federally owned and operated data center energy usage.

## **TITLE IV—REGULATORY PROVISIONS**

### **Subtitle A—Third-party Certification Under Energy Star Program**

#### **Sec. 401. THIRD-PARTY CERTIFICATION UNDER ENERGY STAR PROGRAM.**

Directs DOE and EPA to revise ENERGY STAR requirements for electronic products to reflect that third-party testing not be required for those complying with ENERGY STAR regulations for at least 18 months.

### **Subtitle B—Federal Green Buildings**

#### **Sec. 411. HIGH-PERFORMANCE GREEN FEDERAL BUILDINGS.**

Amends Section 436(h) of EISA to require the Federal Director of the Office of Federal High-Performance Green Buildings to identify and provide to the Secretary of Energy a list of certification systems most likely to encourage a comprehensive and environmentally sound approach to certification of green buildings.

### **Subtitle C—Energy and Water Performance Requirement for Federal Buildings**

#### **Sec. 421. ENERGY AND WATER PERFORMANCE REQUIREMENTS FOR FEDERAL BUILDINGS.**

Extends existing energy use reduction goals in federal buildings, directs federal agencies to reduce energy consumption, and establishes water use reduction goals in federal buildings.

#### **Sec. 422. FEDERAL ENERGY MANAGEMENT PROGRAM.**

Codifies the Federal Energy Management Program (FEMP), which leverages DOE expertise in providing training, guidance and technical assistance to enable federal agencies to meet energy-related goals.

Authorizes \$36 million annually for FY 2020 through 2030.

#### **Sec. 423. FEDERAL BUILDING ENERGY EFFICIENCY PERFORMANCE STANDARDS; CERTIFICATION SYSTEM AND LEVEL FOR GREEN BUILDINGS.**

Amends Section 303 of the Energy Conservation and Production Act (ECPA) to expand the scope of existing energy standards for new federal buildings to include major renovations. Amends Section 305(a)(3) of ECPA to require the Secretary of Energy to establish revised federal building energy efficiency performance standards. Repeals Section 433 of EISA that established that federal buildings be designed so that the fossil fuel-generated energy consumption of the building be reduced to 0 percent by 2030.

#### **Sec. 424. ENHANCED ENERGY EFFICIENCY UNDERWRITING.**

Requires the U.S. Department of Housing and Urban Development to develop and issue updated underwriting and appraisal guidelines for borrowers who submit a qualified home energy report.

## **TITLE V—MISCELLANEOUS**

#### **Sec. 501. BUDGETARY EFFECTS.**

States that for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, the budgetary effect of this legislation shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act.

#### **Sec. 502. ADVANCE APPROPRIATIONS REQUIRED.**

Clarifies that authorizations included in this Act are only in effect when funded through appropriations acts.