

THE AMERICAN ENERGY EFFICIENCY ACT OF 2024

U.S. Representative
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The American Energy Efficiency Act of 2024 aims to lower energy costs for families and businesses—and help strengthen our electricity grid—by leveraging innovative energy efficiency technologies. Specifically, the bill would create a new national energy efficiency resource standard (EERS), a policy tool that studies show **would save over \$56 billion on energy bills and create 400,000 new jobs.**

An energy efficiency standard is a simple, widely used policy mechanism to set energy savings targets that increase over time. Over 26 states currently have such standards, and they deliver customers four times the amount of energy savings on average compared to states without a standard. Moreover, state energy efficiency standards typically cost energy utilities less than 3 cents per kilowatt-hour (the common billing unit of electricity), which is cheaper than the average cost of procuring new electricity supply. These policies reap a significant return on investment: for most states, the savings from energy efficiency standards are about two to three times the cost. **Ultimately, energy efficiency standards put money back in the pockets of American families.**

The American Energy Efficiency Act of 2024 would build upon state successes to establish a national energy efficiency resource standard. This bill would help all states benefit from commercial, cost-effective energy savings technologies by:

- Setting the parameters for a national energy efficiency resource standard, which would be administered by each state.
- Requiring retail electric and natural gas utilities to achieve energy savings of 22% and 14%, respectively, by the year 2039.
- Encouraging distributors to obtain energy savings in a variety of ways, including helping customers save energy by upgrading insulation, lighting, and appliances.
- Directing the Department of Energy to set uniform national energy savings measurement protocols for retailers to measure, verify, and report energy savings achieved.
- Allowing states to continue to administer their own programs and encourage them to adopt even more stringent efficiency goals.

In addition to significant cost savings, this bill would help drive down climate-warming air pollution—including **over 280 million tons of CO2 emissions.** The cleanest energy is the energy we don't use, and a national energy efficiency standard would go a long way in reducing energy consumption.

Finally, this bill would help support grid resilience by helping to alleviate the growing surge in electricity demand from AI, data centers, new industrial projects, and other sources. At a time when our aging electricity infrastructure is being pushed to the brink, it's critical for the U.S. to seek opportunities to promote energy efficiency. A nationwide energy efficiency standard will send a clear signal to markets on the importance of energy efficiency in utility program planning, creating the certainty necessary to encourage large-scale productive investment in energy efficiency technologies and services.

Current Endorsements: American Council for an Energy Efficient Economy (ACEEE), Building Performance Association, Center for Energy and Environment, Clean Air Task Force, Combined Heat and Power Alliance, Conservation Law Foundation, Environmental and Energy Study Institute (EESI), E4TheFuture, Fresh Energy, Heat is Power, International Association of Heat and Frost Insulators and Allied Workers, National Association of Energy Service Companies (NAESCO), National Wildlife Federation (NWF), Sheet Metal and Air Conditioning Contractors National Association (SMACNA), Sierra Club, Third Way Clean Energy, Union of Concerned Scientists (UCS), U.S. Green Building Council (USGBC).