



Efficiency and Conservation

Introduction

The United States uses a lot of energy—a million dollars worth of energy each minute, 24 hours a day, every day of the year. With less than five percent of the world's population, we consume almost one quarter (24 percent) of the world's energy resources. We are not alone among industrialized nations; 16 percent of the world's population consumes 80 percent of its natural resources.

The average American consumes five times the world average per capita consumption of energy. Every time we fill up our vehicles or open our utility bills, we are reminded of the economic impacts of energy.

REPRESENTATIVE COUNTRIES AND ENERGY CONSUMPTION*

Country	Population in millions (2007)	Consumption quads (2007)
China	1322	77.8
India	1124	19.1
United States	301	101.6
Indonesia	234	4.9
Brazil	194	10.1
Pakistan	169	2.5
Bangladesh	152	0.8
Nigeria	143	1.0
Russia	141	30.4
Japan	127	22.5
Mexico	109	7.6
Germany	82	14.2
Iran	65	7.9
Thailand	65	3.9
France	64	11.2
United Kingdom	61	9.5
Italy	58	7.8
South Korea	48	9.6
South Africa	48	5.4
Canada	33	13.8
Saudi Arabia	27	7.4
Taiwan	23	4.7
Australia	20	6.1

*2007 is the last year for which both population and energy consumption are available for comparison purposes

Source: Energy Information Administration

Energy Efficiency & Conservation

Energy is more than numbers on a utility bill; it is the foundation of everything we do. All of us use energy every day—for transportation, cooking, heating and cooling rooms, manufacturing, lighting, water-use, and entertainment. We rely on energy to make our lives comfortable, productive, and enjoyable. Sustaining this quality of life requires that we use our energy resources wisely. The careful management of resources includes reducing total energy use and using energy more efficiently.

The choices we make about how we use energy—turning machines off when not in use or choosing to buy energy efficient appliances—will have increasing impacts on the quality of our environment and lives. There are many things we can do to use less energy and use it more wisely. These things involve energy conservation and energy efficiency. Many people use these terms interchangeably; however, they have different meanings.

Energy conservation includes any behavior that results in the use of less energy. **Energy efficiency** involves the use of technology that requires less energy to perform the same function. A compact fluorescent light bulb that uses less energy to produce the same amount of light as an incandescent light bulb is an example of energy efficiency. The decision to replace an incandescent light bulb with a compact fluorescent is an example of energy conservation.

The U.S. Department of Energy divides the way we use energy into three categories—residential and commercial, industrial, and transportation. As individuals, our energy choices and actions can result in a significant reduction in the amount of energy used in all three sectors of the economy.

Residential/Commercial

Households use about one-fifth of the total energy consumed in the United States each year. The typical U.S. family spends over \$1,900 a year on utility bills. About 65 percent is in the form of electricity; the remainder is mostly natural gas and oil.

Much of this energy is not put to use. Heat, for example, pours out of homes through doors and windows and under-insulated attics, walls, floors, and basements. Some idle appliances use energy 24 hours a day. The amount of energy lost through poorly insulated windows and doors equals the amount of energy flowing through the Alaskan oil pipeline each year.

Energy-efficient improvements cannot only make a home more comfortable, they can yield long-term financial rewards. Many utility companies and energy efficiency organizations provide energy audits to identify areas where homes are poorly insulated or energy inefficient. This service may be free or at low cost.

Household operations account for 35 percent of the greenhouse gas emissions that contribute to global climate change and 32 percent of the common air polluting emissions. The average home contributes up to two times as much carbon dioxide as the average automobile. Using a few inexpensive energy-efficient measures can reduce the average energy bill by 10 to 50 percent and, at the same time, reduce air pollution.

Heating and Cooling

Heating and cooling systems use more energy than any other systems in American homes. Natural gas and electricity are used to heat most American homes, electricity to cool almost all. Typically, 43 percent of the average family's utility bills goes to keeping homes at a comfortable temperature.

The energy sources that power these heating and cooling systems emit more than 500 million tons of carbon dioxide into the atmosphere each year. They also generate about 24 percent of the nation's sulfur dioxide and 12 percent of the nitrogen oxide emissions, the active components in acid rain.

With all heating, ventilation, and air-conditioning systems, you can save money and increase comfort by installing proper insulation, maintaining and upgrading equipment, and practicing energy-efficient behaviors. By combining proper maintenance, upgrades, insulation, weatherization, and thermostat management, you can reduce energy bills and emissions by half.

A two-degree adjustment to your thermostat setting can lower heating bills by four percent and prevent 500 pounds of carbon dioxide from entering the atmosphere each year. Programmable thermostats can automatically control temperature for time of day and season for maximum efficiency.

■ Insulation and Weatherization

Warm air leaking into your home in cooling seasons and out of your home in heating seasons can waste a substantial amount of energy. You can increase home comfort and reduce heating and cooling needs by up to 30 percent by investing a few hundred dollars in proper insulation and weatherization products. Insulation is rated using an R-value that indicates the resistance of the material to heat flow. You need a minimum R-value of 26, or more than three inches of insulation, in ceilings and walls. In very cold climates, a higher R-value is recommended.

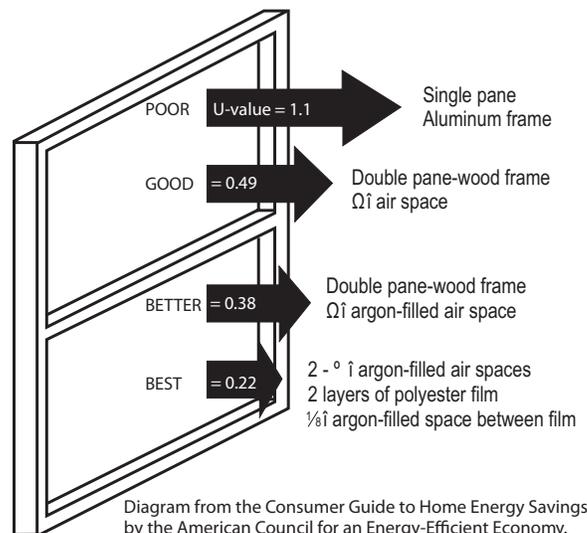
Insulation wraps your house in a nice warm blanket, but air can still leak in or out through small cracks. Often the effect of the many small leaks in a home is equivalent to a wide open door. One of the easiest money-saving measures you can perform is to caulk, seal, and weather-strip all seams, cracks, and openings to the outside. You can save 10 percent or more on your energy bill by reducing the air leaks in your home.

■ Doors and Windows

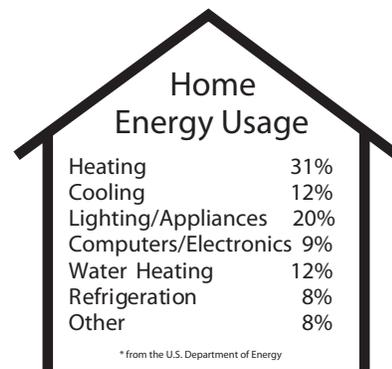
About one-third of a typical home's heat loss occurs around and through the doors and windows. Energy-efficient doors are insulated and seal tightly to prevent air from leaking through or around them. If your doors are in good shape and you don't want to replace them, make sure they seal tightly and have door sweeps at the bottom to prevent air leaks. Installing insulated storm doors provides an additional barrier to leaking air.

Most homes have more windows than doors. Replacing older windows with energy-efficient ones can significantly reduce air leaks and utility bills. The best windows shut tightly and are constructed of two or more pieces of glass separated by a gas that does not conduct heat well. The

WINDOW RATINGS



HOME ENERGY USAGE



National Fenestration Rating Council has developed a rating factor for windows, called the U-factor, that indicates the insulating value of windows. The lower the U-factor, the better the window is at preventing heat flow through the window.

Windows, doors, and skylights are part of the government-backed EnergyStar® program that certifies energy-efficient products. To meet EnergyStar® requirements, windows, doors, and skylights must meet requirements tailored for the country's three broad climate regions. Windows and doors in the northern states must have a U-factor of 0.35 or less; in the central climate, a U-factor of 0.40 or less; and in the southern climate, a U-factor of 0.75 or less. They must also meet other criteria that measure the amount of solar energy that can pass through them.

If you cannot replace older windows, there are several things you can do to make them more efficient. First, caulk any cracks around the windows and make sure they seal tightly. Add storm windows or sheets of clear plastic to create additional air barriers. You can also hang insulated drapes—during heating seasons, open them on sunny days and close them at night. During cooling seasons, close them during the day to keep out the sun.



Efficiency and Conservation

APPLIANCE ENERGY CONSUMPTION

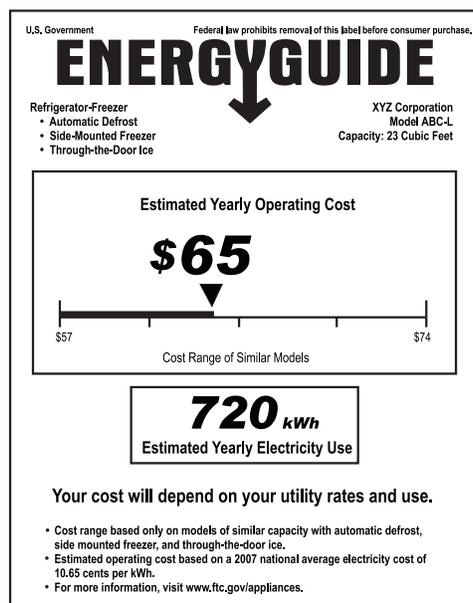
Appliance	Average Yearly Usage in kWh
Electric Clock	24
Coffee Maker	144
10 Gallon Aquarium	348
DVD Player	15
Hair Dryer	273
Vacuum	108
Plasma TV, 42" – 50"	540
Television, 32"	192
TV Cable Converter Box	300
Toaster	36
Computer with Monitor	492
Video Game Console, turned off after use	111
Video Game Console, left on after use	1,097

ENERGY STAR LOGO



Energy efficient products are labeled with the EnergyStar logo. Appliances include the Energy Guide Label allowing for easy energy comparisons between products.

ENERGY GUIDE LABEL



Landscaping

Although it isn't possible to control the weather, certain landscape practices can modify its impact on home environments. By strategically placing trees, shrubs, and other landscape structures to block the wind and provide shade, residents can reduce the energy needed to keep their homes comfortable during heating and cooling seasons. If the landscaping is well done, residents receive the additional benefits of beauty and increased real estate values. A well-planned landscape is one of the best investments a homeowner can make.

Appliances

In 1987, Congress passed the **National Appliance Energy Conservation Act**. The Act required certain home appliances to meet minimum energy efficiency standards. The Act set standards for seven major home appliances that were already required to have EnergyGuide labels, plus it set standards for heat pumps, central air conditioners, and kitchen ranges. Most of the standards took effect in 1990. Today appliances account for about 17 percent of a typical household's energy consumption, with refrigerators, clothes washers, and dryers at the top of the consumption list.

When you shop for new appliances, you should think of two price tags. The first one covers the purchase price—consider it a down payment. The second price tag is the cost of operating the appliance during its lifetime. You'll be paying that second price tag on your utility bill every month for the next 10 to 20 years, depending on the appliance. Many energy efficient appliances have higher initial purchase costs, but they save significant amounts of money in lower energy costs. Over the life of an appliance, an energy-efficient model is always a better deal.

When you shop for a new appliance, look for the ENERGY STAR® label—your assurance that the product saves energy. ENERGY STAR® appliances have been identified by the Environmental Protection Agency and U.S. Department of Energy as the most energy-efficient products in their classes. If the average American were to equip his home only with ENERGY STAR® products, he/she would cut his/her energy bills, as well as greenhouse gas emissions, by about 30 percent. A list of these appliances can be found on the ENERGY STAR® website at www.energystar.gov.

Another way to determine which appliance is more energy efficient is to compare energy usage using **EnergyGuide** labels. The federal government requires most appliances to display bright yellow and black EnergyGuide labels. Although these labels do not tell you which appliance is the most efficient, they will tell you the annual energy consumption and average operating cost of each appliance so you can compare them.

Refrigerators, for example, account for about eight percent of household electricity use. Replacing an older refrigerator with a new energy-efficient model can save significantly on energy bills, as well as emissions. With older models, a large amount of electricity can be saved by setting the refrigerator temperature at 37 degrees, the freezer temperature at three degrees, and making sure that the energy saver switch is operational and in use.

Refrigerators should also be airtight; make sure the gaskets around the doors are clean and seal tightly. Close the door on a piece of paper—if you can easily pull out the paper when the door is closed, you need to replace the gaskets.

Lighting

As a nation, we spend about one-fifth of the electricity we use on lighting, at a cost of more than \$37 billion annually. In the typical home, lighting accounts for 11 percent of the total energy bill. Much of this expense is unnecessary, caused by using inefficient incandescent light bulbs. Only 10 percent of the energy consumed by an incandescent bulb produces light; the remainder is given off as heat.



Technologies developed during the last 10 years with fluorescent lighting can help cut lighting costs 30 to 60 percent while enhancing light quality and reducing environmental impacts.

Increasing your lighting efficiency is one of the quickest and easiest ways to decrease your energy bill. If you replace 25 percent of your light bulbs in high-use areas with fluorescents, you can save about 50 percent on your lighting bill. Compact fluorescent light bulbs (CFLs) provide the equivalent amount of light.

Although CFLs cost more initially, they save money in the long run because they use only one-quarter the energy of an equivalent incandescent bulb and last 8-12 times longer. Each CFL you install can save you \$30 to \$60 over the life of the bulb.

In a typical home, one compact fluorescent bulb can reduce carbon dioxide emissions by 260 pounds per year. If every American household replaced one of its incandescent light bulbs with a CFL, it would save the same amount of energy as a large nuclear power plant produces in a year.

Water Heating

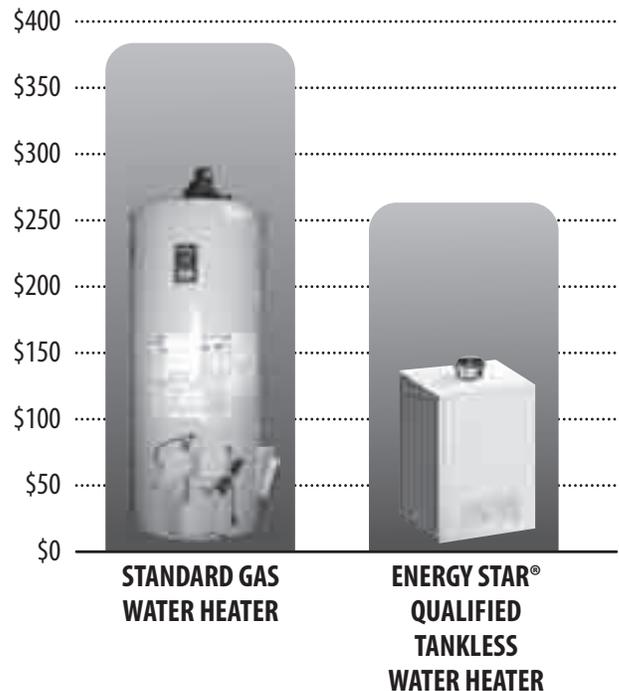
Water heating is the third largest energy expense in your home. It typically accounts for about 12 percent of your utility bill. Heated water is used for showers, baths, laundry, dishwashing and general cleaning. There are four ways to cut your water heating bills—use less hot water, turn down the thermostat on your water heater, insulate your water heater and pipes, and buy a new, more efficient water heater.

One of the easiest and most practical ways to cut the cost of heating water is to simply reduce the amount of hot water used. In most cases, this can be done with little or no initial cost and only minor changes in lifestyle. A family of four, each showering for five minutes a day, uses 700 gallons of water a week. You can cut that amount in half simply by using low-flow, non-aerating showerheads and faucets. Other ways to conserve hot water include taking showers instead of baths, taking shorter showers, fixing leaks in faucets and pipes, and using the lowest temperature wash and rinse settings on clothes washers.

Most water heater thermostats are set much higher than necessary. Lowering the temperature setting on your water heater can save energy. Every ten-degree reduction of the thermostat can create energy savings of 3-5 percent. A new, energy-efficient water heater can save \$200 or more annually in water-heating costs. A solar water-heating system can save up to \$350 a year.

WATER HEATER COMPARISON

ANNUAL ENERGY COSTS PER YEAR



Source: ENERGY STAR®



Efficiency and Conservation

Transportation

Americans own one third of the world's automobiles. The transportation sector of the U.S. economy accounts for 28 percent of total energy consumption and 70 percent of petroleum consumption each year. America is a country on the move; we love the freedom provided by our vehicles.

The average American uses 500 gallons of gasoline every year, driving each vehicle about 12,000 miles. At \$2.50 per gallon, that equals \$1,250 in fuel costs alone. The number of miles we drive each year is predicted to increase by 40 percent during the next 20 years if we don't change our behavior by using public transportation, carpooling, walking or bicycling.

Most people must use a personal vehicle, too; the key is to use it wisely. When you are on the road, you can achieve 10 percent fuel savings by improving your driving habits and keeping your car properly maintained.

Improvements in the average fuel economy of new cars and light trucks from the mid-1970s through the mid-1980s were significant. The average fuel economy of cars almost doubled in that time period and for trucks it increased by more than 50 percent. These improvements were due mainly to the Corporate Average Fuel Economy (CAFE) standards enacted in 1975. The standards were met largely through cost-effective technologies such as engine efficiency improvements and weight reduction, not downsizing. The safety and environmental performance of new vehicles improved along with fuel efficiency during this period.

Today CAFE standards are set at 27.5 mpg for passenger cars, which is double the fuel economy of 1974 passenger vehicles. Standards for light trucks are lower at 22.5 mpg. Many manufacturers are exceeding these standards and the average fuel economy of new cars today is 31.2 mpg. Not all cars meet these standards though. Manufacturers must pay a fine for each model that does not meet CAFE standards.

Recently, President Obama announced that the CAFE standard for 2016 will be an average of 35.5 mpg for passenger cars and light trucks. The U.S. imports almost two-thirds of the oil we use. Our dependence on

foreign oil for gasoline could be almost completely eliminated if the average fuel economy of vehicles were 45 mpg.

When buying a vehicle, significant savings can be achieved by selecting a fuel-efficient model. All new cars must display a mileage performance label, or Fuel Economy Label, that lists estimated miles per gallon for both city and highway driving. Compare the fuel economy ratings of the vehicles you are considering and make mpgs a priority. Over the life of the vehicle, you can save thousands of dollars and improve air quality.

Fuel Economy

These behaviors increase fuel economy:

- Combine errands into one trip.
- Turn the engine off rather than letting it idle for more than a minute.
- Have your car serviced as described in the maintenance booklet.
- Keep tires inflated to recommended pressures.
- Anticipate traffic stops.

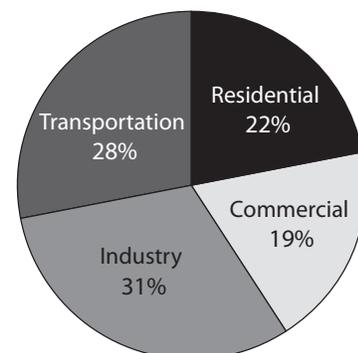
These behaviors lower fuel economy:

- Quick acceleration.
- Traveling at high speeds. Traveling at 65 mph instead of 55 mph lowers fuel economy by 15 percent.
- Carrying unnecessary weight in the vehicle.
- Revving the engine.
- Operating the vehicle with the suspension out of alignment or with the wheels and tires out of balance.
- Using electrical accessories that require high amperage when they are not needed.

FUEL ECONOMY ESTIMATE



ENERGY USE BY SECTOR OF THE ECONOMY



Source: Energy Information Administration

Industry

Manufacturing the goods we use every day consumes an enormous amount of energy. The industrial sector of the U.S. economy consumes one-third of the nation's total energy demand.

In the industrial sector, energy efficiency and conservation measures are not driven so much by consumers as by the market. Manufacturers know that they must keep their costs as low as possible to compete in the global economy.

Since energy is one of the biggest costs in many industries, manufacturers must use energy efficient technologies and conservation measures to be successful. Their demand for energy efficient equipment has driven much of the research and development of new technologies in the last decades as energy prices have fluctuated.

Individual consumers can, however, have an effect on industrial energy consumption through the product choices we make and what we do with the packaging and the products we no longer use.

A Consumer Society

Not only is America a consumer society, it is also a 'throw away' society. America produces almost twice as much solid waste as any other developed country; the average citizen produces more than 1,000 pounds of trash each year.

The most effective way for consumers to help reduce the amount of energy consumed by the industrial sector is to decrease the amount of unnecessary products produced and to reuse items in their original form wherever possible. Purchasing only those items that are necessary, as well as reusing and recycling products wherever possible can significantly reduce energy use in the industrial sector.

The 3 Rs of an energy-wise consumer are easy to put into practice. Reducing waste saves money, energy and natural resources, and it helps protect the environment.

▪ Reduce

Buy only what you need. Purchasing fewer goods means less to throw away. It also results in fewer goods being produced and less energy being used in the manufacturing process. Buying goods with minimal packaging also reduces the amount of waste generated and the amount of energy used.

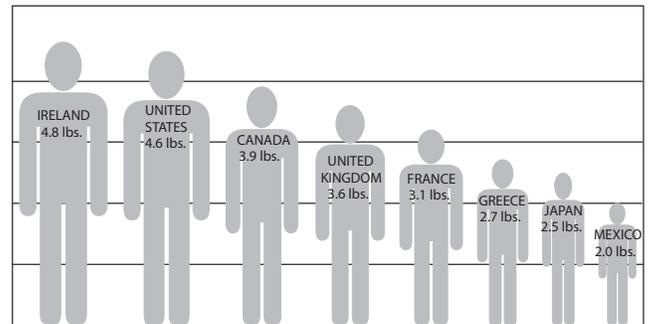
▪ Reuse

Buy products that can be used repeatedly. If you buy things that can be reused rather than disposable items that are used once and thrown away, you will save natural resources. You'll also save the energy used to make them, and reduce the amount of landfill space needed to contain the waste.

Savings also result when you buy things that are durable. They may cost more initially, but they last a long time and don't need to be replaced often, saving money and energy.

WASTE GENERATION AROUND THE WORLD

Pounds per person per day



Source: Organisation for Economic Co-operation and Development

▪ Recycle

Make it a priority to recycle all materials that you can. Using recycled material as the feedstock for manufacturing almost always consumes less energy than using virgin (raw) materials. Reprocessing used materials reduces energy needs for mining, refining, and many other manufacturing processes.

Recycling a pound of steel saves 5,450 BTUs of energy, enough to light a 60-watt bulb for 26 hours. Recycling a ton of glass saves the equivalent of nine gallons of fuel oil. Recycling aluminum cans saves 95 percent of the energy required to produce aluminum from bauxite. Recycling paper cuts energy usage in half.

Energy Sustainability

Efficiency and conservation are key components of energy **sustainability**—the concept that every generation should meet its energy needs without compromising the needs of future generations.

Sustainability focuses on long-term energy strategies and policies that ensure adequate energy to meet today's needs as well as tomorrow's. Sustainability also includes investing in research and development of advanced technologies for producing conventional energy sources, promoting the use of new and renewable energy sources, and encouraging sound environmental policies and practices.