

MEMORANDUM OF UNDERSTANDING
between the
National Association of Manufacturers
and the
U.S. Environmental Protection Agency

I. Purpose

The purpose of this Memorandum of Understanding (MOU) is to establish a working arrangement between the U.S. Environmental Protection Agency (USEPA), its ENERGY STAR Program and the National Association of Manufacturers (NAM) (collectively, the Parties) to promote increased industrial energy efficiency among NAM member companies.

This MOU supports a variety of activities which aim to assist manufacturing facilities to initiate and implement an energy management program, adopt clean energy-efficient technologies and achieve continual improvement of energy efficiency and intensity. NAM and USEPA intend to coordinate in measuring and documenting the energy savings achieved in NAM member company manufacturing facilities as impacted by the energy efficiency campaign supported by NAM, USEPA and other partners.

This MOU represents a non-binding expression of intent for NAM and USEPA to work together to promote manufacturing energy efficiency.

II. Background

In the United States, the manufacturing sector utilizes nearly 32,000 trillion Btu (approximately a third of U.S. energy use) to produce goods¹. Through normal market forces and deliberate action taken by manufacturing companies, energy intensity in the U.S. manufacturing sector (i.e. energy per product) improves by approximately 1.3% annually². At the same time, studies show that further efficiency improvements are possible.

NAM

NAM, for more than a century, has promoted a strong manufacturing economy and economic growth. NAM is the largest industrial trade association in the U.S. and works with Congress and the Administration to:

- advocate and enact a pro-manufacturing, pro-jobs agenda,
- promote policies that enable manufacturing in the U.S. to compete in the global economy and improve living standards for working Americans; and,

¹ DOE/EIA, Annual Energy Review, 2005

² DOE/EIA, Annual Energy Outlook, 2007

- educate policymakers, the media and the general public about the significant economic impact of manufacturing and how manufacturing improves the strength of the economy.

One of NAM's key agenda items is to establish a national manufacturing commitment to reduce the energy intensity of the U.S. economy through strategic goal-setting, public-private partnership and consumer education.

EPA

The mission of the USEPA is to protect human health and the environment. USEPA promotes industrial energy efficiency as a means for reducing energy intensity and for impacting air pollution related to energy use. ENERGY STAR, a voluntary program supported by business and introduced by USEPA in 1992, enables businesses to clearly identify the energy management practices that enable companies to achieve energy savings. Through ENERGY STAR, USEPA offers support to U.S. manufacturers in designing and operating strategic energy management systems and programs.

III. Collaborative Objectives and Acknowledgments

Both Parties acknowledge that energy efficiency offers a cost effective opportunity to reduce energy use and costs. Thus, NAM has chartered the Energy Efficiency and Conservation Initiative to partner with federal governmental entities (including USEPA, the Department of Energy, and the Department of Commerce) and other energy efficiency organizations (including the American Council for an Energy-Efficient Economy and the Alliance to Save Energy) to make use of readily available tools which will help members identify and address cost effective energy efficiency opportunities.

USEPA and NAM recognize that existing information and tools are currently available to assist manufacturers to improve the energy efficiency of their operations. USEPA and NAM also share a common recognition that those manufacturers seeking opportunities to manage energy more effectively may have difficulty locating and using those resources. Both Parties believe that providing a single portal to a consolidated library of tools, a roadmap or directory, and responsive support could streamline and increase access to information. Through outreach efforts, USEPA and NAM could reach a greater number of manufacturers, help them progress toward greater energy efficiency, and establish systems capable of delivering and sustaining energy savings in the long-term.

IV. Understanding

The Parties intend to provide their specific expertise and services necessary to educate and enable U.S. manufacturers, regardless of company size, to strategically manage energy in their operations. Toward this goal, the Parties plan to deliver a consolidated catalog of tools, a menu of options for future direction and a web portal for access and direction to specific tools and/or services. To facilitate this collaboration, the Parties intend to share success stories, lessons learned, and other relevant information (excluding Confidential Business Information (CBI)). The Parties agree to jointly and separately promote their participation in this initiative, to coordinate messaging and to participate in outreach events and participant communications.

NAM, through its membership, has access to a large number of U.S. manufacturers, having the means to both communicate to and market to manufacturers on the availability of energy efficiency resources. NAM intends to:

- Promote to all NAM Members the ENERGY STAR Challenge to reduce energy use through energy tracking and goal setting, ENERGY STAR resources, and other ENERGY STAR-related energy efficiency supports for manufacturing.
- Assist USEPA in evaluating the environmental performance of this initiative. At a minimum, NAM intends to coordinate with USEPA to evaluate the following metrics:
 - Number of manufacturers using the portal successfully
 - Number and percentage of participating companies with a defined energy management program as defined by USEPA
 - Number and percentage of participating companies having established energy savings goals and showing progress in attaining these goals
 - Annual Btu savings
 - Annual carbon savings
 - Achievements with the ENERGY STAR Challenge

USEPA, through ENERGY STAR, has a host of tools, expertise and services oriented toward centralized energy management. EPA intends to facilitate access to:

- A suite of energy management program development guidance and management tools
- Listings of energy service and product providers
- Energy program design consultation
- End-user networks (organized by industrial sector)
- Web-based energy management trainings
- Formal recognition of energy performance achievements, e.g. the ENERGY STAR for efficient plants, awards for exemplary corporate energy programs where the company is an ENERGY STAR Partner, etc.
- Products which have earned the ENERGY STAR
- Education, training, awareness and communication campaigns

The Parties intend to promote, both jointly and separately, their participation in this initiative, to coordinate messaging and to participate in outreach events and participant communications. NAM, when referencing or using the ENERGY STAR name or logo, agrees to adhere to EPA's identity guidelines ("Using the ENERGY STAR Identity to Maintain and Build Value"). And, EPA, when referencing or using the NAM name or logo, agrees to adhere to NAM's Logo specification guidelines.

V. Limitations of this Understanding

All commitments made by USEPA in this MOU are subject to the availability of appropriated funds and budget priorities. Nothing in this MOU, in and of itself, obligates USEPA or NAM to expend appropriations or to enter into any contract, assistance agreement, interagency agreement, or to incur other financial obligations. The NAM will not undertake any effort that could result in NAM being considered a federal contractor or grantee. Both Parties agree not to submit a claim for compensation for services

rendered in connection with any activities carried out in furtherance of this MOU. This MOU is neither a fiscal nor a funds obligation document. Any endeavor involving reimbursement, expenditure, or contribution of funds between the Parties to this MOU will be handled in accordance with applicable laws, regulations, and procedures, and will be subject to separate subsidiary agreements that will be effected in writing by representatives of the participating Parties.

This MOU in no way restricts USEPA or NAM from participating in similar activities or arrangements with other entities or federal agencies.

This MOU does not create any right or benefit, substantive or procedural, enforceable by law or equity against NAM or USEPA, their officers or employees, or any other person.

This MOU does not create any obligation on the part of the individual NAM member companies nor does it direct or apply to any person outside NAM or USEPA.

VI. Authorities

The authorities governing this MOU are as follows.

- The Energy Policy Act of 2005, Section 131A.
- The Clean Air Act, Section 103 of 1990, as amended.

VII. Effective Date


This MOU will become effective upon signature by the Administrator of USEPA and the President of the National Association of Manufacturers. This MOU will remain in effect for two years or until termination by either Party. Either Party may terminate this MOU upon 90 days written notice to the other Party. Its provisions will be reviewed annually, through a meeting of the Parties, and amended, supplemented, or considered for continuation through written agreement of the Parties.

VIII. Points of Contact

For EPA:	For NAM:
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IX. Other MOU's

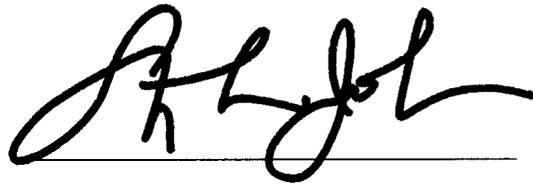
There are no superseding MOU's on this topic between the parties.



John Engler
President
National Association of Manufacturers

April 21, 2008

Date



Stephen L. Johnson
Administrator
U.S. Environmental Protection Agency

October 17, 2007

Date