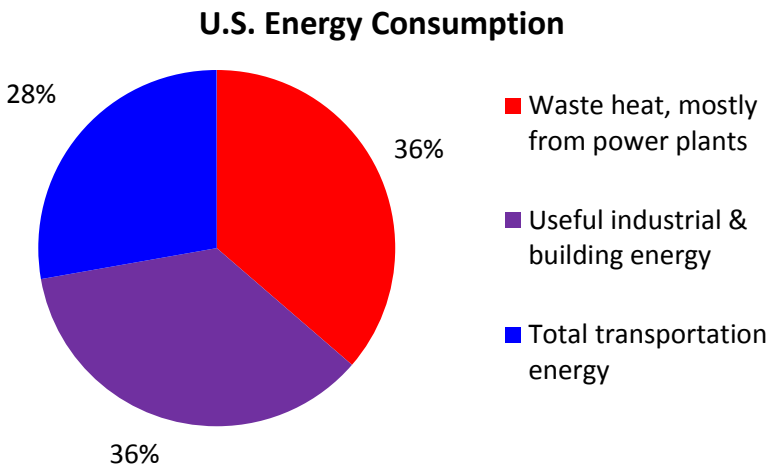
LOCAL ENERGY SUPPLY AND RESILIENCY ACT OF 2013
Senator Franken (MN)

In the United States, up to 36% of the total energy consumed is lost from power plants, industrial facilities and buildings in the form of waste heat.[1]



The Local Energy Supply and Resiliency Act (LESRA) will help industry, universities, hospitals, and others capture waste heat and use renewables for heating, cooling, and power generation. It will also strengthen our ability to keep the lights on, keep buildings comfortable, and enable uninterrupted business operations. This is possible through combined heat and power (CHP) and district energy systems, whose overall resilience are proven by their performance during natural disasters.

Overcoming financing hurdles is the key to implementing highly efficient and resilient energy infrastructure. LESRA would 1) establish a program to provide cost-shared funding for technical assistance for feasibility studies and engineering; and 2) enable qualifying energy infrastructure projects to access lower-interest debt financing through a loan guarantee program.

Industrial competitiveness will be enhanced by LESRA because it will help steel and paper mills and other businesses develop new revenue streams. LESRA will help communities, universities, and others reduce energy costs, reduce emissions, and enhance energy supply resiliency.

Technical Assistance Program. The bill establishes a grant program in the Department of Energy to provide technical assistance for identifying, evaluating, planning, and designing waste heat recovery systems for the purposes of heating, cooling, and power generation. This program helps for-profit and nonprofit entities identify opportunities, assess feasibility, overcome barriers to project implementation, conduct financial assessments, and perform the required engineering. *Authorized appropriations: $150 million over the period 2014 to 2018.*

Local Energy Infrastructure Loan Guarantee Program. The bill authorizes the Department of Energy to provide loan guarantees to projects that: 1) recover waste heat or use local renewable energy for heating or cooling: 2) generate power locally with CHP or renewable energy; 3) distribute power in microgrids; or 4) distribute heating or cooling energy to buildings. Unlike past DOE loan guarantees for innovative technologies, this program would focus on proven technologies, with the goal of reducing interest costs for local energy infrastructure. *Funds to carry out the program will come from user fees and unused funds that were previously appropriated.*

[1] Lawrence Livermore National Laboratory, 2012. Data is based on DOE/EIA-0384 (2011), October 2012.