

Industrial Compressed Air Energy Efficiency

a. **Description:** Establishment of programs to improve energy efficiency in the industrial sector by reducing the amount of energy consumed by industrial processes which rely on the use of compressed air.

b. **Public Policy Rationale:** Compressed air is often referred to as the “fourth utility” in industrial facilities—after electricity, natural gas, and water. Compressed air is widely used for industrial machinery, cooling, hand tools, and materials handling and can comprise from 10 to 35 percent of total electricity costs in many industrial sectors. Because many industrial compressed air systems operate at only a fraction of their potential efficiency, there are excellent opportunities for energy savings.

c. **Examples of Implementation:** The SAV-AIR Market Transformation Initiative seeks to change the way in which industry views and manages the use of compressed air. SAV-AIR, LLC was formed in 1997 and was selected in December 1998 to receive funding from the Northwest Energy Efficiency Alliance (NEEA). SAV-AIR’s contract with NEEA runs through 2000, after which time both NEEA and SAV-AIR hope the venture will evolve into a self-sustaining business. [For more information on the SAV-AIR program, click here.](#)

d. **Political Feasibility:** There are no political barriers to the feasibility of implementing compressed air energy efficiency programs. No action by state legislatures or regulatory agencies is required.

e) **Costs and Benefits:**

f) **Interaction with other policies:**

g) **Quantifiable under SIPs:**

h) **Required Actions to Implement:**