



MDM Sponsor Webcast: Overview of the Electric Motor Provisions in the Energy Independence and Security Act of 2007

June 5, 2008

Notes

Purpose:

1. To provide motor sales and service center staff, manufacturers, motor vendors, and efficiency program managers with information pertinent to motor management and motor planning.
2. To promote the availability of Motor Decisions Matter (MDM) Campaign resources (including tools, sponsors, and website) to can assist with motor management and motor planning.

Summary:

Kellem Emanuele of CEE and MDM welcomed callers. Kellem gave a brief overview of the campaign, and the information that would be covered during the Webcast. Approximately 80 participants logged in to the call, representing a cross section of the motor service industry, energy efficiency programs, and motor manufacturers. Kellem introduced the speakers:

- Featured Speaker: Dain Hansen, Government Relations Manager, National Electrical Manufacturers Association (NEMA).
- Technical Resource: Rob Boteler, Emerson Motors (MDM Campaign Sponsor). Chair of the NEMA Motor Generators Marketing Committee.

Dain provided an overview of the electric motor provisions included in the 2007 Energy Independence and Security Act (EISA) and information about the technical corrections process to further clarify several of the electric motor provisions included in EISA. Dain also summarized the current and planned activities for other items related to electric motors, including:

- Amendment to Codify Energy Conservation Standards (related to definitions in EISA)
- Test Procedures for Electric Motors
- Energy Conservation Standards for Small Electric Motors

Available Resources:

The Webcast presentation is available online at <http://www.motorsmatter.org/events/webcasts.html> .

Additional information about EISA is available online at

http://www.motorsmatter.org/resources/gen_legislation.html.

Information about the energy conservation standards for small motors is available at

http://www.eere.energy.gov/buildings/appliance_standards/commercial/small_electric_motors.html

The question-and-answer session that followed the presentation is summarized below. After the Q&A session, Kellem concluded the call.

Question-and-Answer, Discussion:

Q: What categories of motors are included in the small motors rulemaking?

A: The small motors rulemaking includes: general purpose, induction motors, NEMA 2-digit frame size, Alternating-Current, 60 Hz, single speed, continuous duty, open construction, 1/4 through 2 hp, capacitor start, capacitor run. For more information, see the link in the Available Resources section of this document for direction to DOE resources.

Q: Clarification was provided about the proposed tax credit for electric motors.

A: The tax credit would provide \$15/hp (regardless of size of motor) with a cap of \$1.25 million per customer. If it is approved, the motor tax credit would only be available until Dec. 19, 2010. December 19, 2010 is the date at which the electric motor standards in EISA take effect.

Q: What is the best case scenario for the effective date of the proposed electric motor tax credit?

A: The best case scenario is that the tax credit would soon be included in legislation and passed by Congress. If this were to occur, the earliest the tax credit could go into effect would be late June 2008. The worst case scenario is that the tax credit would not be included in legislation and not be passed.

Q: If passed, will Original Equipment Manufacturers (OEMS) be eligible to receive the tax credit?

A: No, only the end user is eligible.

Q: Was the possibility that the tax credit could lead to the over-sizing of motors considered?

A: No.

Q: Is the Department of Energy (DOE) looking into small motor test procedures?

A: Yes. The current test procedure is IEEE 114.

Q: If a NEMA Premium® motor is purchased to replace a failed NEMA Premium® motor, would the purchaser still eligible for the proposed tax credit (even though there would be no net efficiency improvement)?

A: Yes.

Q: How will the new electric motor standards included in EISA affect horsepower ratings for rewinds?

A: The new electric motor standards do not address rewinding of electric motors.