

# Linking Energy Efficiency and ISO: Creating a Framework for Sustainable Industrial Energy Efficiency

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## ABSTRACT

Industrial motor-driven systems consume more than 2194 billion kWh annually on a global basis and offer one of the largest opportunities for energy savings. In the United States (US), they account for more than 50% of all manufacturing electricity use. In countries with less well-developed consumer economies, the proportion of electricity consumed by motors is higher—more than 50% of electricity used in all sectors in China is attributable to motors..

To date, the energy savings potential from motor-driven systems have remained largely unrealized worldwide. Both markets and policy makers tend to focus on individual system components, which have a typical improvement potential of 2-5% versus 20-50% for complete systems. Several factors contribute to this situation, most notably the complexity of the systems themselves. Determining how to optimize a system requires a high level of technical skill. In addition, once an energy efficiency project is completed, the energy savings are often not sustained due to changes in personnel and production processes. Although training and educational programs in the US, UK, and China to promote system optimization have proven effective, these resource-intensive efforts have only reached a small portion of the market.

The same factors that make it so challenging to achieve and sustain energy efficiency in motor-driven systems (complexity, frequent changes) apply to the production processes that they support. Yet production processes typically operate within a narrow band of acceptable performance. These processes are frequently incorporated into ISO 9000/14000 quality and environmental management systems, which require regular, independent audits to maintain ISO certification, an attractive value for international trade.

This paper presents a new approach to achieving industrial system efficiency (motors and steam) that will encourage plants to incorporate system energy efficiency into their existing ISO management systems. We will describe an Industrial Standards Framework prepared for China, also applicable elsewhere, that includes national standards and a *System Optimization Library*. ISO work instructions are part of the Library, so that a plant can easily incorporate projects into their ISO Quality Environmental Manual. The goal is to provide a plant-based mechanism that helps each company maintain their focus on energy efficiency commitments, provide visibility for its achievements, and provide verification of results for financial backers (including carbon traders) to help stimulate much greater industrial energy efficiency.

## Introduction

Industrial motor-driven systems consume more than 2194 billion kWh annually on a global basis and offer one of the largest opportunities for energy savings. To date, the energy savings potential from motor-driven systems (as well as other industrial systems, such as steam) has remained largely unrealized worldwide. Both markets and policy makers tend to focus on

individual system components, which have a typical improvement potential of 2-5% versus 20-50% for complete systems, as documented by program experiences in the U.S., U.K., and China.<sup>1</sup>

Several factors contribute to this situation, including the complexity of these systems and the institutional structures within which they operate. Industrial motor-driven systems are ubiquitous in the manufacturing environment, but their applications are highly varied. System optimization cannot be achieved through component standards or labeling or “one size fits all” approaches. The presence of energy-efficient components, while important, provides no assurance that a motor-driven *system* will be energy-efficient. In fact, the misapplication of energy-efficient equipment in industrial motor systems is common. The disappointing results from these misapplications can provide a serious disincentive for any subsequent effort toward system optimization.

System optimization requires taking a step back to determine what work (process temperature maintained, production task performed, etc) needs to be performed. Only when these objectives have been identified can analysis be conducted to determine how best to achieve them in the most energy-efficient and cost-effective manner.

While all of this sounds quite complex, the skills require to optimize systems are readily transferable to any individual with existing knowledge of basic engineering principles and industrial operations. Training and educational programs in the US and the UK have successfully transferred system optimization skills since the early-1990s.<sup>2</sup> A recent United Nations Industrial Development Organization (UNIDO) pilot program in China<sup>3</sup> demonstrated that a concentrated training program could successfully transfer these skills across language and cultural barriers.

A case study developed as part of the UNIDO pilot program offers an example of successful application of the systems approach. As the result of an assessment conducted by the Shanghai Energy Conservation Service Center for the New Asiatic Pharmaceuticals Co., four oversized pumps were replaced with two new pumps with proper head and flow rate, the pump inlets and outlets were redesigned, a variable speed drive and automatic control system were installed, and the cooling water was treated to restore heat exchanger functionality. The results of this optimization are superior process control with energy savings of 1.05 million kWh or 49% of system energy usage, for a 1.8 payback.

This work is continuing in China under the United Nations Development Program/Global Environmental Facility-supported End Use Energy Efficiency Program, or EUEEP. Although effective, training to adequately prepare an individual to conduct system optimization assessments is resource-intensive and best suited to developing a small cadre of skilled professionals to work with plant personnel.

In addition to these challenges, once the engineering and operations staff in a plant understand the importance of optimizing a system and identify system optimization projects, they frequently experience difficulty in achieving management support. The reasons for this are many, but central among them are two: 1) a management focus on production as the core

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<sup>1</sup> US- Motor Challenge, BestPractices; UK- Best Practice Programme, Motor Challenge; China Motor System Energy Conservation Program

<sup>2</sup> These programs have sought to use training, technical assistance for system assessments, and case studies to build awareness of system optimization improvement benefits. For an evaluation of the US Motor Challenge Program see Xenery, et al. 2000.

<sup>3</sup> China Motor System Energy Conservation Program 2001-2005. For program details and China-specific challenges, see Peters & Nadel 2005 and McKane, et al 2003.

activity, not energy efficiency and 2) the existence of a budgetary disconnect in industrial facility management between capital projects (incl. equipment purchases) and operating expenses. As a further complication, experience has shown that most optimized systems lose their initial efficiency gains over time due to personnel and production changes. The system optimization knowledge typically resides with an individual who has received training; detailed operating instructions are not integrated with quality control and production management systems.

So what can be done? It is our contention that the answer can be found in one of the most tested mechanisms used to promote energy efficiency and market transformation- energy efficiency standards. The difference is that these are *system standards*, not equipment component standards. Moreover, the system that we are describing extends beyond the motor-driven system, it includes the root cause, *the management system*, and builds industrial energy efficiency from both a top-down and a bottom-up approach.

Since production is the core function of most industrial facilities, it follows that the most sophisticated management strategies would be applied to these highly complex processes. Successful production processes are consistent, adaptable, resource efficient, and continually improving- the very qualities that would support industrial system optimization. Because production processes have the attention of upper management, the budgetary disconnect between capital and operating budgets is less evident. Unfortunately, efficient use of energy is typically not addressed in these management systems in the same way as other resources such as labor and materials. We feel that the answer lies in fully integrating energy efficiency into these *existing management systems*.

A number of management systems are currently used by industrial facilities across most sectors to maintain and improve production quality. These include the International Organization for Standardization (ISO) programs, Six Sigma, Total Quality Management, and numerous other systems that are less widely known or recognized. We have selected ISO as the management system of choice for further study because it has been widely adopted in many countries, is used internationally as a trade facilitation mechanism, is already accepted as a principal source for standards related to the performance of energy-consuming industrial equipment, and has a well-established system of independent auditors to assure compliance and maintain certification<sup>4</sup>. For the purpose of this discussion, ISO includes both the quality management program (ISO 9001:2000) and the environmental management program (ISO 14001), which can share a single auditing system.

This paper will propose a link between ISO 9000/14000 quality and environmental management systems and industrial system optimization that is based on the creation of a framework that includes energy efficiency standards, policies, training, and tools that have the net effect of making system optimization for energy efficiency as much a part of typical industrial operating practices as waste reduction and inventory management. The objective is nothing less than a permanent change in corporate culture using the structure, language, and accountability of the existing ISO management structure. This is market transformation primarily from the inside out. Our shared experience with system optimization training in the US and China, the American National Standards Institute Management System for Energy (ANSI/MSE 2000), Chinese standards for efficient system operation, and with creating the

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<sup>4</sup> As of December 2003, the latest published data, 500,125 ISO 9001:2000 and 66,070 ISO 14001 certified companies were participating in 149 countries. Extracted from The ISO Survey of ISO 9001:2000 and ISO 14001 Certificates- Thirteenth Cycle: Up to and Including December 2003

structure for an ISO-based *System Optimization Library* will all be incorporated into the discussion. A proposed standards framework for China will be presented in detail, but most elements of this approach would be equally applicable in other industrialized or industrializing countries.

## **Background: ISO Quality and Environmental Management Systems**

The operation of industrial motor systems can have a significant environmental impact on an organization. Inefficient systems not only use up to twice the energy required of optimized systems, but are also responsible for off-quality products, waste and scrap. Organizations do not normally recognize this impact. When they do, they usually think only of the initial energy impact, which is significant. The rework of off-quality products resulting from improperly operating systems can double the energy input of a product and produce additional waste. Products that cannot be reworked result in increases in the amount of scrap requiring disposal. Properly operating systems not only have reduced energy input requirements, but in many cases, reduce other energy inputs in the tools and equipment being operated by the system.

Most energy audits of such systems result in recommendations that apply to the current factory production levels. In cases where future expansion is anticipated at the time of the audit, the expansion is commonly included in the recommendations. After the recommendations have been implemented and the auditor is gone, there is no procedure in place to ensure continued proper operation of the system. Often, improvements in motor systems are made but changes to production levels and/or personnel negate the improvements over time. In other cases, operating personnel simply go back to doing things the way they were doing them, again negating the improvements.

In order to ensure persistence for energy efficiency savings from system optimization projects, a method of verifying the on-going energy savings under a variety of operating conditions must be developed. This method must ensure that changes that could affect the operating characteristics of the motor system are analyzed in light of the new operating paradigm for that system. A vehicle exists for continuously monitoring an organization's adherence to the new motor system operating paradigm. That vehicle is the ISO 9000/14000 Series Standards.

The purpose of ISO 14001 is to provide a framework for organizations to achieve and demonstrate their commitment to an environmental management system that minimizes the impact of their activities on the environment (a similar framework for ISO 9001:2000 pertains to quality). The framework does not include any specific requirements, only a means of achieving goals set by the organization. This ISO standard also provides for an audit procedure to verify that established policies of the organization are being followed. To maintain certification, participating companies must maintain a Quality Environmental Management (QEM) Manual.

The environmental management system model for this standard is composed of six elements:

1. The establishment of an environmental policy by the organization
2. Planning
3. Implementation and operation
4. Checking and corrective action
5. Management review
6. Continual improvement

Once top management has defined the organization's environmental policy, the next step is planning. In the ISO 14001-1996 Environmental management systems – Specification with guidance for use, Section 4.3.1 states:

The organization shall establish and maintain (a) procedure(s) to identify the environmental aspects of its activities, products or services that it can control and over which it can be expected to have an influence, in order to determine those which have or can have significant impacts on the environment. The organization shall ensure that the aspects related to these significant impacts are considered in setting its environmental objectives.

There are two approaches to establishing and maintaining efficient operation of motor systems. Both approaches involve the “Planning” phase and the “Implementation and operation” phase of ISO 14001. As an alternative for operations that are ISO 9000 certified, but not ISO 14000, these same steps can be incorporated into the ISO 9000 Quality Standards.

First, a set of standards<sup>5</sup> can be developed in the ISO format that can be incorporated in the “Planning” portion of ISO 14001. From those standards, work instructions can be written for the “Implementation and operation” portion. By making these “best practices” standards part of ISO certification, an organization ensures that these best practices will become part of the organization culture through the continuing audit procedure required by ISO. By making these best practices ISO-friendly, organizations can easily incorporate them into existing ISO systems. The number of standards incorporated can be determined by the individual organization. As more goals are reached, new standards can be included, further improving the energy efficiency of the motor systems' operation and making efficiency part of the culture. Second, for organizations that are involved in carbon financing, ISO standards can be developed that are specific to that organization's on-going commitment to energy efficiency and pollution reduction. These standards can be developed by the entity conducting the energy efficiency audit on a motor system, or they can be copied from the library of best practices standards and modified to fit individual requirements.

### **A Brief Primer on ISO Terminology**

As described in this paper, a *procedure* refers to a general description of a process and is incorporated into a company's QEM Manual.

The first step is for a company to develop a policy of efficient operation of motor-driven systems within their facility, then develop and implement system procedures that are consistent with that policy.

- The company must develop procedures for motor-driven systems
- The company must document those procedures and keep the documentation up to date
- Each procedure should:
  - Specify its purpose and intended scope
  - Describe how an activity is to be performed
  - Describe who is responsible for carrying out the activity
  - Explain why the activity is important to the efficient operation of the system
  - Identify a timetable for the activity

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<sup>5</sup> The use of the term “standard” in this context broadly refers to a company-specific operational standard as part of the company's ISO plan, not an energy efficiency standard per se. The inclusion of energy- efficient best practices as part of these operational standards is what is proposed here.

- Explain what equipment is required to complete the activity
- Detail the documents and records that need to be kept
- Procedures may also refer to detailed work instructions that explain exactly how the work should be performed.

A *project* refers to a specific activity designed to contribute to meeting the ISO requirement for continuous improvement. Examples of projects include: initiating a leak management program or replacing a throttle valve on a pumping system with a speed control device. *Work instructions* are step-by-step information (text, diagrams, photos, specifications, etc) to assist operations staff in maintaining the improvements realized through implementation of a project. Examples include: instructions on how and when to check leaks and repair them or maintenance information to ensure that the pump system speed control device continues to function efficiently. Work instructions are typically posted for or easily accessible to operations staff.

The next section presents the basic elements of an industrial standards framework, followed by a model for implementation of the framework in China that links it to ISO quality and environmental management programs.

## **Elements of an Industrial Standards Framework**

The basic elements of an industrial standards framework include energy efficiency standards, policies, training, and tools. The purpose of the framework is to standardize, measure, and recognize industrial system optimization efforts. The framework builds on existing knowledge of “best practices” using commercially available technologies and well-tested engineering principles. The framework seeks to engineer industrial systems for reliability and productivity, as well as energy efficiency. Factories can use the framework to approach system optimization incrementally in a way that maximizes positive results and minimizes risk and downtime. Table 1 provides a listing of these elements, their purpose, and relative importance in the overall scheme.

A key element of the framework is a corporate energy management program. Since ISO currently has no explicit program for energy efficiency, the framework builds energy efficiency into an ISO continuous improvement program (9001:2000 or 14001) through an ISO-compatible energy management program. The corporate energy management program that seems to offer the most straightforward, publicly accessible, ISO-friendly approach is the American National Standards Institute Management System for Energy (ANSI/MSE 2000) developed by Georgia Institute of Technology. This standard is also compatible with Energy Star Guidelines for Energy Management-

ANSI/MSE 2000...is a documented standard that establishes the order and consistency necessary for organizations to proactively manage their energy resources. [In this standard] personnel evaluate the processes and procedures they use to manage energy issues and incorporate strong operational controls and energy roles and responsibilities into existing job descriptions and work instructions...MSE 2000 integrates energy into everyday business operations, and energy management becomes part of the daily responsibility for employees across the entire organization (Georgia Tech, 2005).

ANSI/MSE 2000 was developed by individuals with experience with ISO certification and is quite suited for future consideration as an ISO standard. Formal integration of energy efficiency into the ISO program certification structure (most likely as part of the ISO 14000 series), while desirable for the explicit recognition of energy efficiency as an integral part of

**Table 1. Elements of an Industrial Standard Framework**

| <b>Element</b>  | <b>Category</b>                    | <b>Purpose</b>   | <b>Current Status</b>   | <b>Importance</b>  | <b>Compatibility</b>   |
|---|------------------------------------|--|---|--|--|
| Corporate Energy Management Standard                    | Standard-Voluntary or Mandatory    | Provides organizational guidance for "hardwiring" energy management into company management practices.   | ANSI/MSE 2000 (US); adaptation planned for China  | Essential for management support; compliance w/standard can be met through other elements            | Written as possible ISO standard w/ ISO-friendly documentation and continuous improvement requirements   |
|   | Training                           | Prepares management to implement standard  | Existing training through Georgia Tech (US)   |  |  |
| Motor System Standards                                  | Standard-Voluntary or Mandatory    | Sets efficiency goals for motor systems enforceable through periodic measurement & application of best practices   | Standards GB/T 13466 & GB/T 12497 (China). Note: China also has a mandatory Motor Efficiency Standard GB 18613-2002 | Very helpful-broadly establishes system efficiency goals   | References Energy Management Standard; designed to be used with Library                                  |
|   | Training                           | Prepares factories to comply w/standard  | Training to be developed through CNIS (China)   |  |  |
| System Optimization Library                             | Tool-Electronic reference document | Provides factory personnel and experts w/guidance on system optimization within the ISO context of procedures, projects, & work instructions   | Library samples developed & reviewed; demonstration project planned (China)   | Essential-provides an incremental path to continuously improve and maintain system efficiency        | Written in ISO language for use in ISO 9000 or 14000 program; supports corporate energy management goals |
|   | Training                           | Prepares factory personnel and system optimization experts to use Library (follows system optimization awareness training)   | Training to be developed as part of demonstration project (China)   |  |  |
| System Optimization Training                            | Training                           | Expert training prepares a cadre of engineers to conduct factory assessments, train factory personnel, & assist in project development<br>Awareness training alerts factory personnel to system optimization opportunities | Expert & awareness training developed as part of UNIDO Motor System Program (China)                                 | Essential-provides the technical skills for small group of experts and prepares them to train others | Consistent with the approach used for Motor System Standard, System Optimization Library                 |
| ISO 9001:2000 and/or 14001 certification                | Independent Certification          | Determines whether a factory is meeting ISO objectives for continuous improvement via procedures, projects, & work Instructions  | Global program with >500,000 participating companies  | Essential for sustaining & improving energy efficiency   | Other elements provide path for maintaining certification  |
| Energy efficiency targets by industrial sector          | Policy                             | Provides plant-specific energy efficiency targets based on continuous improvement that is non-prescriptive and developed in cooperation with the industrial sector   | Pilot program developed and demonstrated in Chinese steel industry; based on European experience                    | Very helpful-engages management in efficiency objectives, leading to other elements                  | Compatible with all elements   |
| Government Recognition of Outstanding Energy Management | Policy                             | Provides meaningful recognition program for factories who initiate and sustain continuous improvement for energy efficiency  | Proposed for China  | Very helpful for motivating companies to become energy efficient                                     | Recognition based on measurable results from other elements  |

continuous improvement, would be a resource- and time-intensive undertaking. Since the current ISO program structure creates no specific barriers to the inclusion of energy efficiency projects, immediate program integration is not a high priority. Instead, the Industrial Standards Framework recommends the use and further testing of ANSI/MSE 2000 in multiple countries with the long-term goal of seeking ISO recognition.

The Chinese government has expressed interest in adapting ANSI/MSE 2000 as a standard for China and has had it translated for further study. More details will be provided in the section on establishing an industrial standard framework in China.

### **Establishing Industrial Standards Framework in China**

Industrial motor systems are a major user of electricity in China, accounting for more than 50% of overall electricity use. Electric motor systems are widely used in Chinese factories ranging from small town and village enterprises to large state-owned enterprises. Improved equipment design, more optimized system integration, and improved operations and maintenance practices can reduce motor system energy use by 20% or more, providing substantial energy and emissions savings (e.g., CO<sub>2</sub> and SO<sub>x</sub>) while reducing factory operating costs and contributing to the economic viability of the factory. If 50% of electric motor systems in China are better optimized to achieve 20% average energy savings (a reasonable long-term goal), Chinese enterprises will save the equivalent of more than US\$4 billion annually and carbon emissions will decline by more than 25 MMT annually.

As previously mentioned, the UNIDO China Motor System Energy Conservation Program, funded through the United Nations Foundation, the Chinese government, the U.S. Department of Energy, and the Energy Foundation, has demonstrated that the skills to identify and successfully implement industrial system optimization projects can be transferred across cultural boundaries through intensive training.

The first 38 industrial plant assessments conducted within the scope of this project by engineers who received this training in Shanghai and Jiangsu provinces identified nearly 40 million kWh in annual energy savings, for an average per system savings of 23%. More than half of the completed assessments have already resulted in implemented projects. In addition, these trained experts provided system optimization awareness training to more than 1000 factory personnel in less than three years (Peters & Nadel, 2005). System optimization training of experts will continue in additional provinces with leadership from the government under China's EUEEP and with the involvement of the engineers trained in the UNIDO pilot. Despite these successes, most Chinese facility engineers who are responsible for operating motor-driven systems will not have access to the comprehensive training required to become true system optimization experts. Something else is needed.

Through a combination of standards, tools, and training, the Industrial Standards Framework seeks to make energy efficiency an integral part of corporate management systems, with a special emphasis on ISO as the principal international management system. ISO certification has now become a significant trade facilitation vehicle for developing countries- for example; China leads the world in growth in the number of new certifications with approximately 100,000 certificates issued through December 2003 (ISO Survey 2004).

Key elements of the Framework include energy management standards, standards for the economical operation of motor systems, and the *Industrial Systems Optimization Library*, which includes procedures, projects, and work instructions. A draft outline, sample procedures, and

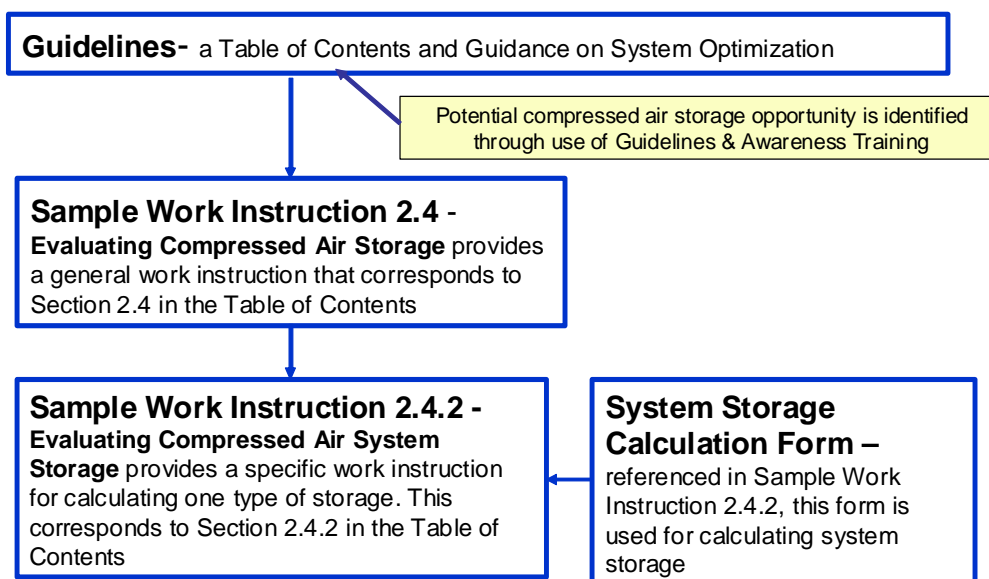
sample work instructions from the Industrial Systems Optimization Library were developed under initial “concept phase” funding from the Energy Foundation and well-received in December 2004 meetings in Beijing.

### Industrial Systems Optimization Library

The Industrial Systems Optimization Library (Library) is a series of Word documents organized via an extensive table of contents and guidelines. In order to effectively use the Library, the user needs to be familiar with the system optimization approach (awareness level training) but does not need to become a system optimization expert. Training on use of the Library requires a much smaller time investment than that required for a systems optimization expert. This approach is designed to the “80/20” rule for achieving persistent energy savings in systems of moderate complexity. For highly complex systems, or for those who seek to achieve full optimization, the assistance of a highly trained system optimization expert is recommended.

The Library provides the user with guidance concerning how to approach implementation of an energy efficiency project once an opportunity has been recognized. It is designed to support an incremental approach to optimization, by providing a logical sequence of energy efficiency projects that build on each other until the targeted performance is obtained. A company can decide how quickly to proceed with optimization and on which systems. The most critical element of the Library is the work instructions, which provide written documentation that “hardwires” a new project or procedure into standard management practices. Once a set of work instructions have been integrated, operational deviations from these instructions (such as to returning to former inefficient practices) are a path of most, rather than least, resistance. If the company is ISO certified, deviations from work instructions without a well-documented and supported reason attract negative attention and management notice.

**Figure 1: Organization of Industrial Systems Optimization Library**



In the example provided in Figure 1, the guidelines and awareness training point the user to an opportunity to achieve energy savings with compressed air storage. The first set of work instructions describe the process of evaluating storage types, which leads to a more specific work instruction for the type of storage selected (in this case system storage). Finally, that work instruction references a Calculation Form for calculating the size of system storage required. The example provided is for a compressed air system, but is representative of the approach to be used for all industrial systems included in the Library.

The proposed Library will require about eighteen months to develop and an equal time period to test it in industrial facilities. A demonstration project is proposed for Shanghai and Jiangsu, which have a large number of ISO facilities and trained system optimization experts

### **Other Industrial Framework Elements**

There are several programs either planned or already underway in China that will contribute to the industrial standards framework. A brief description of each is provided below. Except where indicated, these activities are being funded through the Global Environmental Facility (GEF)-supported End-Use Energy Efficiency Program (EUEEP).

#### ***Standard GB/T 13466 and Standard GB/T 12497***

The China National Institute of Standardization (CNIS) will complete work on the revised General Principles for the Economical Operation of Fan, Pump, and Compressed Air Systems (*GB/T 13466*) and Three-phase Induction Motor's Economic Operation (*GB/T 12497*) in 2005. CNIS plans to introduce these standards to Chinese industry via training. The Library will offer tools for factories to meet the standards' requirements. (Combination of Energy Foundation and EUEEP support)

#### ***Equipment Efficiency Standards***

CNIS is also working on equipment energy efficiency standards for motors, fans, and pumps. This work, which is supported by the Energy Foundation, will provide an important foundation for achieving system efficiency.

#### ***Industrial Motor Programs***

The EUEEP includes activities that pertain specifically to industrial motor systems. The first is designed to improve the capacity of motor system energy conservation service organizations. This is an extension of the "train-the-trainer" program on system optimization developed for the UNIDO China Motor System Energy Conservation Program to up to three additional provinces. The next round of the training will be co-taught by Chinese experts in the first "train-the-trainer" program and international experts who created the program. A related activity is the training and education of factory personnel on motor system optimization techniques.

A program is also planned to establish design criteria for new and existing motor systems and to prepare a training program on these criteria. This activity will engage several of the design institutes as well as some of the UNIDO international experts.

#### ***Energy Efficiency Agreements***

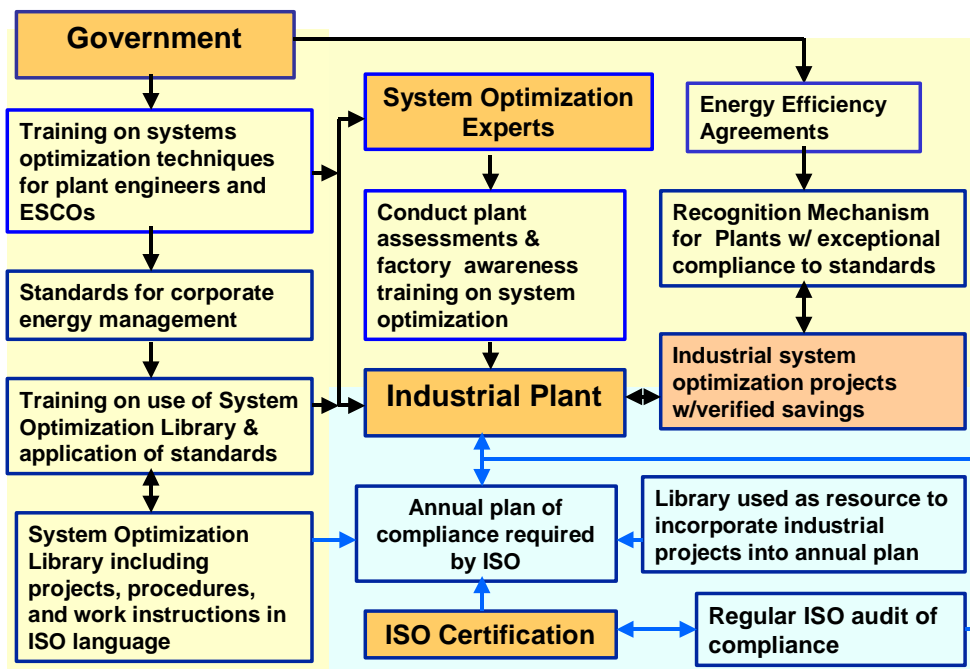
Energy efficiency agreements (EEAs), modelled after successful programs in Europe and other countries, have been negotiated between two steel mills and the Economic and Trade Commission in Shandong Province with support from the Energy Foundation (Price et al., 2003).

Additional steel EEAs as well as new EEAs in the cement and chemicals sectors will be negotiated under the EUEEP. In these agreements, industrial enterprises commit to reaching specific energy efficiency goals over a 5-year period. These goals can be accomplished through a combination of energy management and investments in energy-efficient equipment.

**Energy Management Program (MSE 2000)**

The CECP is working with the China National Certification and Accreditation Commission of China (CNCA) to adapt the energy management program ANSI/MSE2000 for use in Chinese industry. These plans include a pilot program to develop and test the general requirements for energy management, possibly in Jiangsu and Shanghai, where there are already trained system optimization experts. By directly engaging management to establish an implementation structure, this program would provide an important tool for meeting energy efficiency targets established by sector-based energy efficiency agreements as well as provide an additional management-level context for applying the technical guidance provided by the Library.

**Figure 2: Overview of the Industrial Standards Framework**



**The Role of Government**

The primary role of government in the Framework is to develop and issue energy efficiency standards and to support the provision to industry, consultants, and suppliers of training and tools to aid in compliance. A further role is to recognize outstanding efforts that exceed compliance requirements.

Standards for corporate energy management provide a framework for companies to integrate an energy efficiency ethic into their management practices. Government-sponsored training prepares plant engineers and emerging energy service companies with:

- a) The skills to recognize energy efficiency opportunities via training on system optimization techniques;
- b) An understanding of standards requirements;
- c) Knowledge and access to the System Optimization Library for use in developing and implementing projects

Government-sponsored recognition based on verified energy savings provides industrial plants with the incentive to document and report project savings.

### **The Role of System Optimization Experts**

Another small group of engineers (plant-based and consulting) are trained following the model developed in the UNIDO China Motors Program by a team of international experts and the most skilled practitioners from the first group of experts trained through the UNIDO program. This group of experts will be expected to: provide awareness training to encourage plants to undertake system optimization improvements; conduct plant assessments to identify system optimization opportunities; work with plants to finance and develop projects based on these findings; and prepare case studies of successful projects. This cadre of experts will also form the nucleus for future training of additional experts.

### **The Role of Industrial Plants**

Industrial plants are responsible for compliance with national standards for corporate energy management, which typically require:

- 1) an energy management team led by an energy coordinator with strong management support;
- 2) policies and procedures to promote energy efficiency;
- 3) projects to demonstrate continuous improvement in energy efficiency; and
- 4) monitoring and measurement to document achievement of annual energy efficiency goals.

These requirements can be achieved through:

- the application of system optimization techniques (with their own staff or outside experts) to identify energy efficiency opportunities; and
- use of the System Optimization Library to develop and document projects and work instructions in ISO-compatible (also MSE 2000-compatible) language.

If the industrial plant is ISO-certified, the System Optimization Library can be used as a resource to incorporate new work instructions, projects and procedures into their current ISO 9000/14000 program. The periodic ISO audit provides independent verification of compliance with written procedures and policies and energy-efficient operation becomes part of the factory culture.

### **Conclusion**

Industrial motor system optimization offers great potential for energy savings that is largely unrealized. Training alone, while essential for creating the awareness and skills required to identify potential projects, is insufficient to ensure the persistence of energy savings once these projects are implemented. What is needed is a framework that introduces a standardized approach to system optimization that includes measurement, documentation, and ongoing work instructions. The existing ISO quality and environmental management programs provide an effective foundation for this framework that is international in scope, relevant to both industrialized and industrializing countries, and already incorporates documentation, continuous

improvement, and independent verification requirements. Since these programs are already part of the “language of management” and are widely accepted, the inclusion of system optimization practices becomes just one more aspect of an ongoing effort, rather than something new and resource-intensive to implement.

A framework that employs training, implementation of standards for efficient operation of energy systems, and integration of system optimization practices into a company’s existing operating paradigm will result in sustainable energy efficiency. A program based on this framework can be delivered in selected countries where energy and fuel prices demand attention to energy efficiency and where governments are supportive of using standards to upgrade environmental and energy management practices. China offers particularly fertile ground to demonstrate these concepts, because of its support for energy efficiency standards, problems with adequate electrical supply, and large number (100,000) of ISO-certified industrial facilities.

Following demonstration of the successful application of energy efficiency standards in China and several other countries, national standards authorities from these countries may wish to approach ISO with a view to integration of energy systems optimization into international standards regimes.

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