

DECEMBER 2011

WRAPPING UP 2011

Dear Member,

As we kick off another election year, I'd like to take a few moments to review where we were at the end of 2011. Despite continuing gridlock in Congress, some glimmers of hope for the mechanical insulation industry shone through as we continued to add cosponsors to the Mechanical Insulation Installation Incentive Act and the White House announced funding for new energy efficiency initiatives that may offer our industry new opportunities.

H.R. 2866, the Mechanical Insulation Installation Incentive Act, now has 37 bipartisan sponsors, 31 Democrats and 6 Republicans. Several more have indicated their support but have not yet made their sponsorship official. In 2012 we will continue adding to this list, increasing the chances of getting the bill attached to a legislative package for the House to vote on. We are also working in the Senate to promote S. 3716, the companion bill.

Meanwhile, we were pleased to be mentioned in the 2012 Omnibus Appropriations Bill in the Energy and Water Development section:

Industrial Technologies. The conference agreement includes \$20,000,000 for the Energy Innovation Hub for Critical Materials. Within available funds, the conference agreement includes not less than \$4,205,000 for improvements in production in the steel industry, **and the Department is directed to continue supporting improvements in mechanical insulation.** The Department is directed to continue funding mortgages on all past multi-year awards within the Combined Heat and Power program, unless a project fails to meet milestones or other terms of the award. The conferees provide no funding for Manufacturing Energy Systems.

Though vague, this language means the Department of Energy must continue to pay some degree of attention to our industry.

In early December, NIA joined several other construction industry organizations in sending a letter to the President and Congressional leadership of both parties urging them to pass surface transportation, aviation, and water resources reauthorization bills as well as appropriations bills for the remainder of fiscal year 2012, and to extend expiring tax provisions to give businesses the ability to engage in longer-term planning.

We were also encouraged by the President's speech on December 2 in which he announced \$2 billion for energy upgrades of federal buildings using long-term energy savings to pay for up-front costs, at no cost to taxpayers. In addition, 60 CEOs, mayors, university presidents, and labor leaders committed to invest nearly \$2 billion of private capital into energy efficiency projects and to upgrade energy performance by a minimum of 20 percent by 2020 in 1.6 billion square feet of office, industrial, municipal, hospital, university, community college, and school buildings. Mechanical insulation is a no-brainer for this initiative's goals.

With your support, we will continue to move forward in 2012. First up: stay tuned for the announcement of how to access the new Mechanical Insulation e-Learning Modules, products of the Mechanical Insulation Education and Awareness Campaign, which we are in the process of finalizing. These five modules will explain the benefits and science of mechanical insulation to all key audiences. The more your customers know about mechanical insulation, the more your business will grow.

On behalf of NIA, I wish you and your business a prosperous new year!

Regards,
Michele M. Jones
Executive Vice President/CEO