

For Immediate Release

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[NAESCO Heads to Capitol Hill to Garner Support for Extension of Section 179D Deduction for Energy Efficient Property](#)

The National Association of Energy Service Companies (NAESCO) and several member companies canvassed House and Senate offices on Wednesday, October 21, to encourage Members of Congress to extend the 179D deduction beyond its expiration date of December 31, 2014. Originally enacted as part of the Energy Policy Act of 2005, Section 179D allows private commercial or multi-family sector building owners to receive a tax deduction for qualified energy efficiency upgrades. Importantly, 179D is technology neutral, and requires the achievement of verifiable reductions in energy usage to receive the deduction. Energy Service Companies (ESCOs) have employed the 179D deduction in hundreds of energy efficiency retrofit projects across the country, significantly decreasing energy-related costs for commercial building owners and government properties by reducing or eliminating wasted energy.

Donald Gilligan, President of NAESCO said, “The deduction should be extended beyond its current expiration date in order to continue encouraging the job creation, technology development, energy efficiency gains, and energy savings that have been realized since enactment of the original provision in 2005.”

In July, the Senate Finance Committee passed a tax extenders package (S. 1946) that includes a 2-year extension of, and modest modifications to, Section 179D. S. 1946 modifies the 179D deduction by updating the qualifying efficiency standards to a more stringent level, and allowing tribal governments and non-profits to allocate the deduction to designers of the efficiency project. The SFC provision is estimated to cost \$315 million over 10 years.

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*The **National Association of Energy Service Companies (NAESCO)** celebrates 32 years of advancing the energy efficiency industry. NAESCO is the leading national trade organization representing and promoting the energy efficiency industry in the energy marketplace, the media, and the government both at the state and federal level. NAESCO's*

active membership consists of key energy efficiency industry leaders representing ESCOs, energy efficiency and energy equipment manufacturers, suppliers, and subcontractors. NAESCO also welcomes as members, engineers, consultants, financial/legal/insurance providers, government agencies, and thought leaders from the energy NGO and academic communities.

Energy Service Companies contract with private and public sector energy users to provide cost-effective energy efficiency retrofits across a wide spectrum of client facilities, from college campuses to water treatment plants. Effectively utilizing a performance-based contract business model, ESCOs have implemented significant comprehensive energy efficiency retrofit projects over the last three decades.

[Click here to learn more about the National Association of Energy Service Companies \(NAESCO\)](#)