

Energy Efficiency:

Cut Waste, Save Money, Create and Keep Jobs

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Minnesota's energy efficiency laws provide strong economic benefits. Energy efficiency improvements are the cheapest, cleanest, and most readily available energy resource.

The least expensive electricity is that which you don't use. Cutting energy waste means more capacity is available for the greater electricity system at a very small cost to any individual or business. Over the last several decades, Minnesota has avoided building at least nine power plants, resulting in over \$4 billion worth of benefits to Minnesota ratepayers, according to utility reporting.

Minnesotans benefit from keeping our current efficiency laws strong and continuing to ensure maximum benefit for each ratepayer dollar spent.

Comprehensive energy efficiency is simple.

Most utilities have, or have the resources to develop, expertise to assist customers with comprehensive reductions in energy waste. This allows consumers, businesses, and industrial users in every part of the state to access and reap the benefits of energy efficiency programs. Minnesota currently requires utilities to help their customers cut energy waste. Minn. Stat. Section 216B.241 establishes the energy Conservation Improvement Program (CIP), which sets out energy savings goals that utilities meet by offering cost-effective energy conservation programs to their customers.



Since 2010, Minnesota utilities have a goal of saving 1.5 percent of their retail energy sales every year.

- Minnesota's utilities are taking this goal seriously, and almost all reported meeting the goal in 2010.
- In the latest 2011 cooperative and municipal utility filings, no utility requested a reduction in the goal, which is permissible under state statute.
- There are no penalties for not meeting the goal.
- Those utilities that offer truly comprehensive programs targeted to all classes of customers are meeting the goal more easily than those who do not.
- Having a goal encourages utilities, their contractors, and others develop innovative programs and technologies for more efficient machines, equipment, motors, appliances, etc. This saves consumers and businesses money.

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In the energy sector, energy efficiency creates and supports more immediate and long-term jobs than any other resource.

These jobs are homegrown, cannot be outsourced, and contribute directly to Minnesota’s economy. Not only are direct jobs created and supported, but when companies save money on their energy bills, they can use the savings to hire additional personnel. When individuals save money on their energy bills, they can spend the savings in their communities.

Reducing ratepayers’ energy bills frees up money that can be spent on business growth and local goods and services.

Based on utility reporting, for every \$1 spent by utilities on CIP, their customers save \$4. It’s hard to get that level of return with almost any other investment.



Minnesotans support efficiency investments.



A January 2012 telephone survey conducted by a bipartisan research team for Minnesota Environmental Partnership found that 65 percent of Minnesota voters agree that energy efficiency projects like weatherizing and insulating buildings, and upgrading appliances and technology in homes and businesses will create new jobs in Minnesota.* In a similar 2010 poll the overwhelming majority of voters — 78 percent of Minnesotans — back a policy to require electric utilities to work with businesses and residents to increase their energy efficiency by 2 percent per year.**

**From a statewide telephone poll of 400 registered Minnesota voters, conducted Jan.9-15, 2012, by the bipartisan research team of Fairbank, Maslin, Maullin, Metz & Associates and Public Opinion Strategies. The margin of sampling error for the full statewide samples is +/- 4.9%; margins of error for subgroups within the sample will be larger.*

***From February 17-23, 2010, the bipartisan research team of Fairbank, Maslin, Maullin, Metz & Associates (FM3) and Public Opinion Strategies (POS) completed 2,400 telephone interviews with likely voters in the Midwest: 400 each in the states of Illinois, Iowa, Michigan, Minnesota, Ohio and Wisconsin. The margin of sampling error for the results in each state is +/- 4.9%.*