



# MEEEA

**Midwest Energy Efficiency Alliance**

**ACEEE Energy Efficiency as a  
Resource Conference**

**Berkeley, CA**

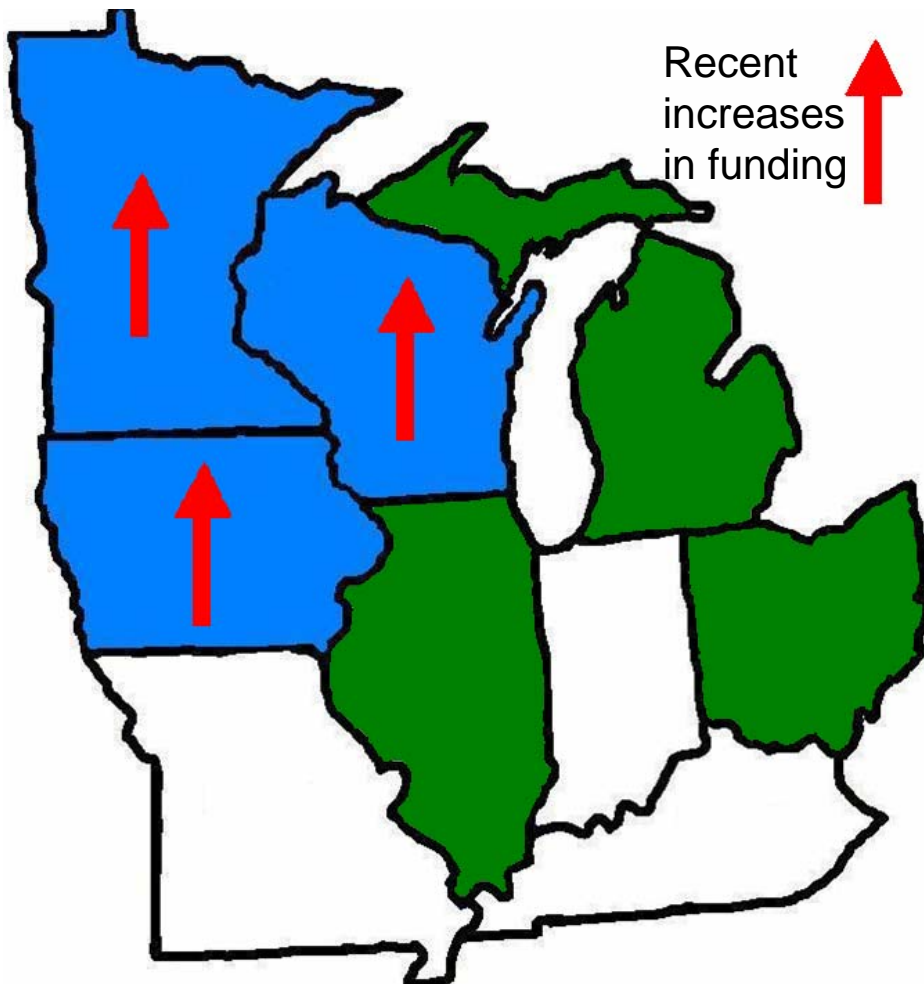
*Alecia Ward, President and CEO*

*The Source On Energy Efficiency*

# OVERVIEW

- **TREND:** Midwest is leading increased investment in EE
- **PROGRAMS:** Utilities in MN, WI and IA have a long established leadership role in EE programs
- **POLICY:** National Action Plan for Energy Efficiency, National Governor's Association, Midwest Governor's Association Energy Summit
- **PROGRESS:** IL, MI, OH, MO, IN

# EE Investments on the RISE



**Current 2007 Funding**  
**2007 – \$300 Million**

**Projected Estimates**

**2008 – \$460 Million**

**2009 – \$708 Million**

**2010 – \$860 Million**

**2011 – \$985 Million**

# Energy Efficiency as a % of Load

- **Paradigm shift from spending goals to savings goals across the region**
- **EE % of Load = average of .8 – 1.4% escalating over the next 7 yrs**
  - **MN = 1.5%**
  - **IL = .2% up to 2%**
  - **MI = .75 to 1%**

2007

# MIDWEST STATE- BY-STATE PROGRESS

# Minnesota

- **Leadership: Pawlenty, Dibble, Kailin, Strom**
- Next Generation Energy Plan adopted May 2007
  - Improves and restructures existing Conservation Improvement Plan (CIP)
  - 1.5% of annual gas and electric load met through efficiency instead of current requirement to spend a portion of revenue on efficiency programs
    - Estimated \$180 million annual investment
  - 1000 new ENERGY STAR or LEED buildings by 2010
  - Decoupling pilot program authorized
  - Renewables & Economy-wide Carbon goals

# Illinois

- **Leadership: Harmon, Graham/Nekritz, Utils/Advocates, AG and Leadership**
- Affordable Clean Energy Standards Bill incorporated into larger utility settlement
  - EEPS – electric utilities required to meet a portion of their annual load through efficiency (0.2% in 2008 up to 2% in 2015)
    - \$40 million in 2008, up to \$260 million in 2011
  - Administration split between utilities (75%) and state energy office (25%)
  - 10% municipality carve-out; 3% MV&E
  - Oversight by Illinois Commerce Commission

# Michigan

- **Leadership: Accavitti, Private Sector partners/Advocates**
- Energy Efficient Michigan Act (proposed)
  - EEPS – electric and gas utilities required to meet a portion of their annual load through efficiency (up to 0.75% in 2010)
  - Oversight by Public Service Commission
- Framework based on results of 21<sup>st</sup> Century Energy Plan
- In process with House working groups; House action expected in October/Senate after

# Ohio

- **Leadership: Strickland, Shuler, Advocates**
- Transition to deregulation ends 1/1/09
  - Proposal by Consumers Counsel to incorporate clean energy into deregulated markets
  - Gov. Strickland released his own comprehensive energy plan last week; Sen Shuler introduced the bill
  - Coalition of enviro, private sector, labor, and others
- Public Utilities Commission recently approved 5-year plan for gas and electric EE programs by Duke

# Iowa

- Longstanding history of utility investment in efficiency
- 2007 Iowa Power Fund bill reinforces the state's commitment to energy efficiency.
  - Creation of a new Office of Energy Independence
  - Requires the Iowa Utilities Board (IUB) to review the existing EE programs & make recommendations for improvement
  - IUB and Iowa Energy Center to conduct a survey of consumer knowledge of EE programs & make recommendations;
  - Creates Iowa Power Fund to foster research and development of renewables, energy efficiency, and greenhouse gas reductions.

# Wisconsin

- Focus on Energy program established in 1999 to consolidate energy efficiency programs
- Never fully funded due to state budget crises
- 2005 overhaul increased funding requirements to 1.2% of utility revenue
  - Expected \$90 million annual investment
  - Additional safeguards to protect against future diversions of \$
  - Streamlined administration and oversight

# WHAT'S NEEDED?

- Follow thru on recent legislative action in Minnesota and Illinois
- Progress in Michigan and Ohio
- Regional coordination of energy efficiency policy framework – NGA, MGA, MW Implementation of National Action Plan
- Regional coordination of energy efficiency programs to maximize impact
- Better understanding of the role of EE in a carbon mitigation strategy
- Greater understanding of EE as a resource in the portfolio by policy makers (legislators, regulators, and staff)

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