

# Energy Efficiency

## A Good Investment for the Midwest

Energy efficiency has a long and successful history in the Midwest and has allowed states across the region to grow their economies using less energy. Many states in the region are aggressively investing in energy saving programs through the adoption of statewide policies. These state-specific policies cover a diverse range of ideas and approaches, but they hold in common the goal of building steady, long-term investment in energy efficiency.

### Energy Efficiency Creates Jobs

The energy efficiency market driven by utility investments in the Midwest is nearly \$3.4 billion. This represents both utility and program participant investments.

2014 utility energy efficiency program investments and resulting savings are estimated to:

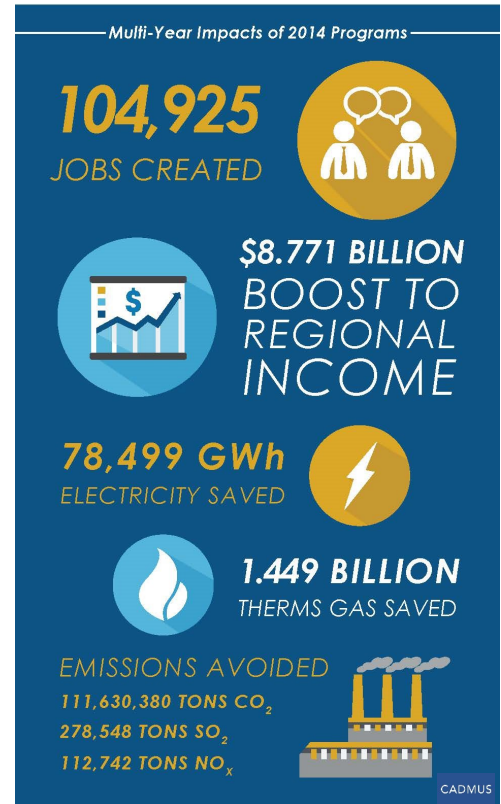
- Create nearly **105,000 jobs**
- Increase net regional income by almost **\$8.8 billion**
- Increase total value of the region's economy by **\$13.7 billion**
- Generate about **\$23 billion** in net sales

### Energy Efficiency Saves Money

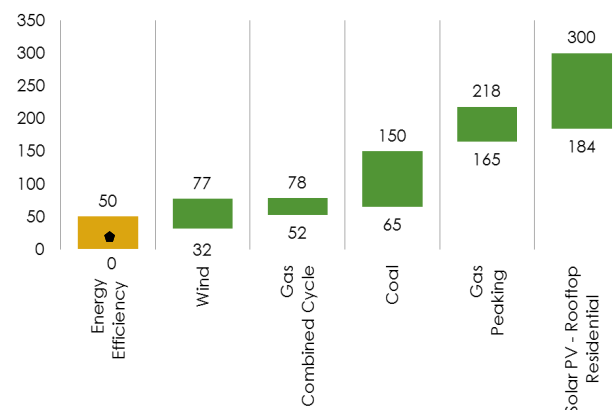
Energy efficiency is the cheapest energy resource in the Midwest at an average of \$14 per megawatt hour. New natural gas and coal-fired power plants are three times more expensive, as seen in the graph to the right. Wind generation is twice the cost of energy efficiency.

In addition to energy savings, **energy efficiency investments improve business competitiveness, save consumers money on their bills, and make homes and businesses more comfortable places to live and work.**

In 2015, for every \$1 invested in energy efficiency in the Midwest, residents and businesses received **\$2.56 in benefits.**



Cost Ranges of Electricity Resources  
per megawatt-hour, 2015



# Energy Efficiency

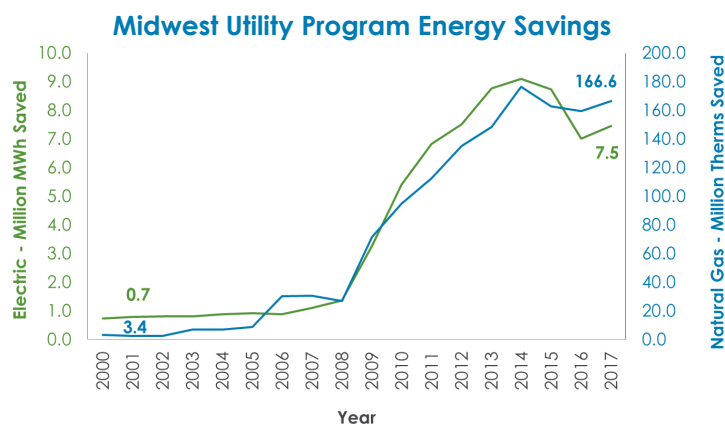
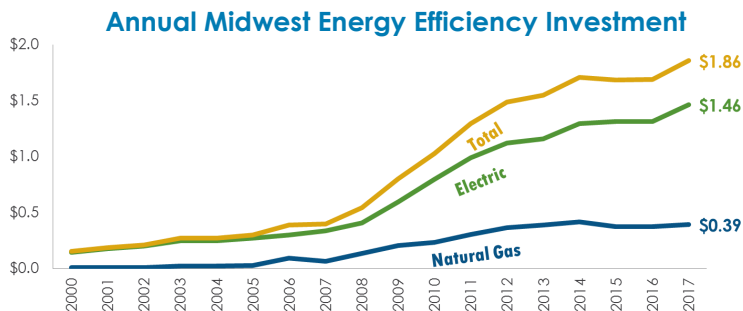
## A Good Investment for the Midwest

### Investing in Significant Energy Savings

As planned through 2017, total annual regional energy efficiency investment will reach **\$1.86 billion**.

**Effective state energy efficiency policies have increased annual electricity savings tenfold** since 2000, with most of the increase coming from policies implemented since 2009.

**Natural gas savings have increased 47 times from 2000**, when only a single state had natural gas efficiency programs. Today, seven Midwest states have robust natural gas efficiency portfolios.



### Timeline of Midwest EE Policy

- 1983 ● **MN**: Pilot Legislation
- 1990 ● **IA**: Initial Legislation
- 1991 ● **MN**: CIP Requirement Adopted
- 1996 ● **IA**: Legislation Updated
- 2005 ● **WI**: Public Benefit Fund Restructured
- 2007 ● **MN**: EERS Legislation (elec & gas)  
● **IL**: EERS Legislation (elec)
- 2008 ● **MI**: EERS Legislation (elec & gas)  
● **OH**: EERS Legislation (elec)  
● **IA**: EE Executive Order (elec & gas)
- 2009 ● **IL**: EERS Legislation (gas)  
● **IN**: EERS Regulatory Order (elec)  
● **MO**: Voluntary EE Legislation (elec)
- 2010 ● **WI**: EERS Regulatory Order (elec & gas)
- 2011 ● **WI**: EERS Adjusted by Legislation
- 2014 ● **IN**: EERS Overturned by Legislation  
● **OH**: EERS "Frozen" by Legislation
- 2016 ● **IL**: EERS updated  
● **MI**: EERS amended, PSC authority increased  
● **OH**: Freeze extension vetoed, EERS restored

- Legislative
- Executive/Regulatory Order
- Rollback

**Contact:** Nick Dreher, Senior Policy Manager  
ndreher@mwalliance.org | (312) 784-7271

20 N. Wacker Dr. Ste 1301, Chicago IL 60606 | [www.mwalliance.org](http://www.mwalliance.org)

