



# Missed Opportunities: The Impact of Recent Policies on Energy Efficiency Programs in Midwestern States

## INDIANA

2014's **Senate Bill 340** repealed Indiana's energy efficiency standard and created a low-threshold opt-out from voluntary EE portfolios for C&I customers. While EE has grown in Indiana through a robust voluntary policy landscape, these policy changes nonetheless have impacted the benefits Hoosiers could be seeing from efficiency under more statutory policies.

MEEA commissioned a study to understand the missed opportunities for the utility system and Indiana's utility customers from the repeal and opt-out. This factsheet outlines the key findings and potential missed opportunities from those policies.

**\$73  
MILLION**

Lost net benefits



**\$195  
MILLION**

Additional costs from carbon emissions

**\$2 - 6 MILLION**

Health damage costs



**\$14 MILLION**

Net income loss

**260** Jobs lost

**\$21 MILLION**



Lost net benefits for non-participants

### Net Impact in EE Benefits



With the repeal of the state's energy efficiency resource standard and establishment of a large customer opt-out, Indiana has undermined energy efficiency's statewide value. **Annually, Indiana will miss \$73 million in benefits.** These benefits include bill savings and lower utility costs.

### Social Costs of Carbon



SB 340's repeal of the energy efficiency standard and creation of its large customer opt-out limit the impact of utility EE programs, resulting in increased energy use and associated carbon emissions. The social cost of the additional carbon emissions is approximately **\$195 million.**

### Health Impacts



Indiana faces **\$2 million to \$6 million in health care costs** resulting from the policy change. These come from premature mortalities, illnesses and lost workdays from the electric generation air pollution that EE would have avoided.

### Macroeconomic Impacts



Hoosiers face a **net job loss of approximately 260 full-time equivalent jobs**, a **net income loss of \$14 million** and a **net GDP loss of \$4 million** from the adopted regressive EE policies.

### Non-Participant Benefits



EE programs provide benefits to all customers, even those who have not participated. The regressive policy change eliminates **\$21 million in nonparticipant rate relief.**



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MEEA's policy team released a report with the help of researchers from Synapse Energy Economics. **"Missed Opportunities"** estimates the impacts of recent energy efficiency policy rollbacks in six Midwestern states: Illinois, Indiana, Iowa, Ohio, Missouri and Wisconsin.

The findings underscore the immense value of utility-run energy efficiency programs by quantifying the benefits they provide to society at large - from economic to environmental and health.

**View the full report:** [https://www.mwalliance.org/sites/default/files/meea-research/missed\\_opportunities\\_-\\_midwest\\_ee\\_policy\\_impacts.pdf?current=/taxonomy/term/11](https://www.mwalliance.org/sites/default/files/meea-research/missed_opportunities_-_midwest_ee_policy_impacts.pdf?current=/taxonomy/term/11)