The Value of Energy Efficiency

Senate Committee on Energy & Technology

Consumers Energy Saving Solutions
Everyone has the power to save.

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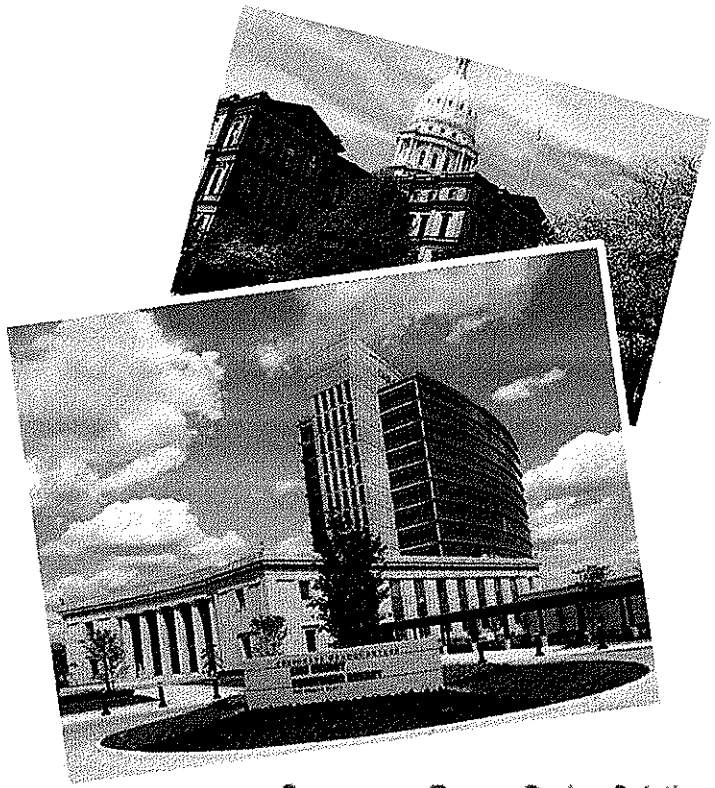
Michigan's Clean, Renewable & Efficient Energy Act

- Michigan's 2008 landmark energy law requires Michigan utilities to offer energy efficiency programs to their customers.

- The goal is to reduce electricity use by 5.5 percent and natural gas use by 3.85 percent by 2015.

- Consumers Energy's Saving Solutions is a seven-year, $660 million program to help customers reduce their energy use, lower their utility bills and reduce their environmental footprints.



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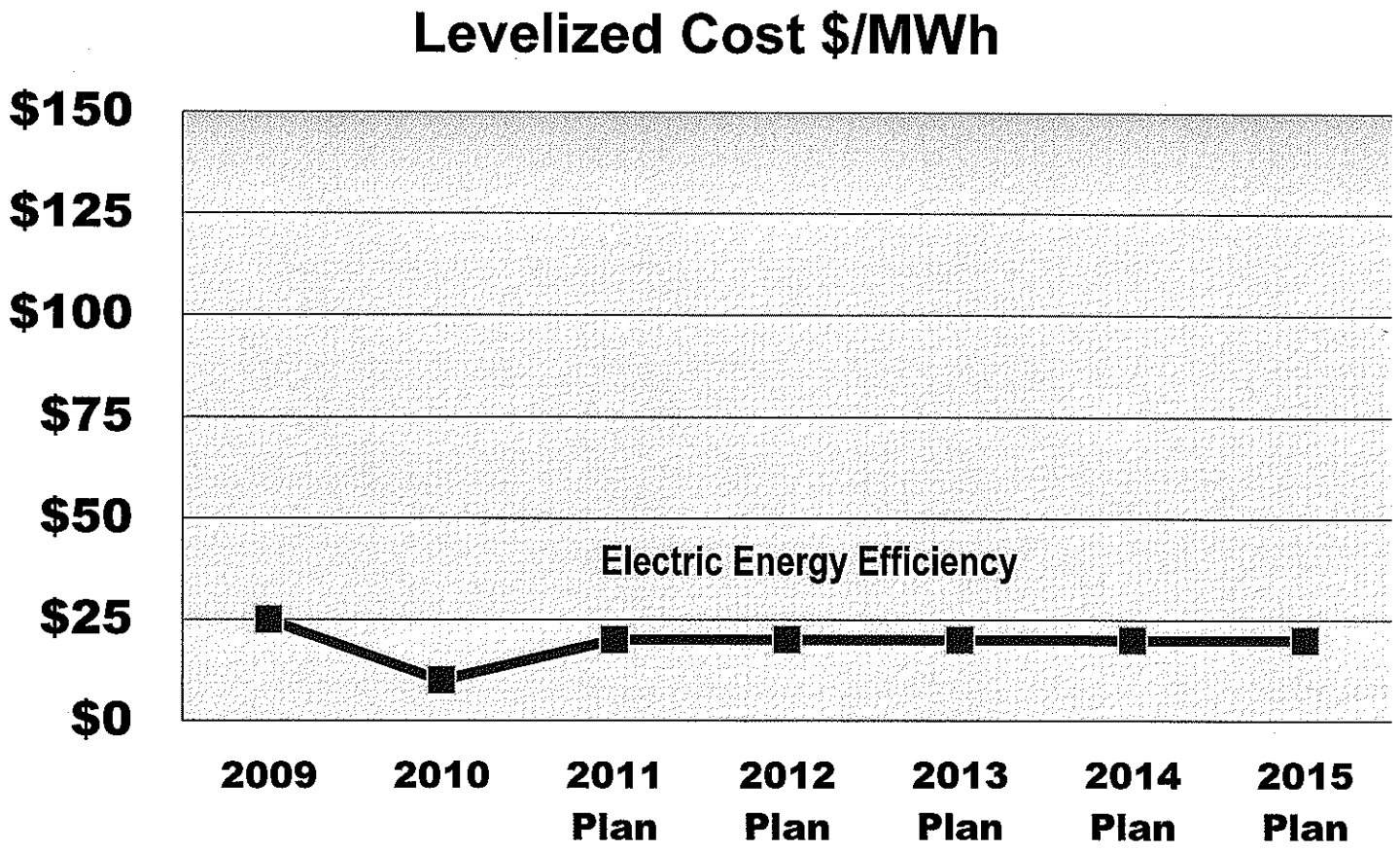
Energy Efficiency
A Cost Effective Solution



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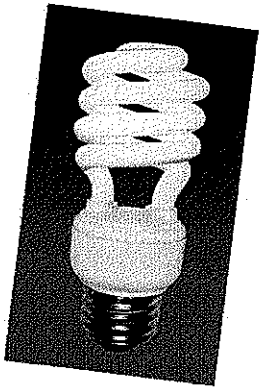
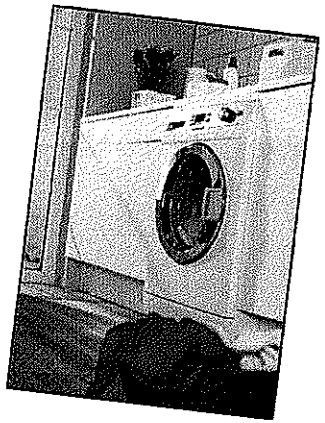
Energy Efficiency Program Objectives

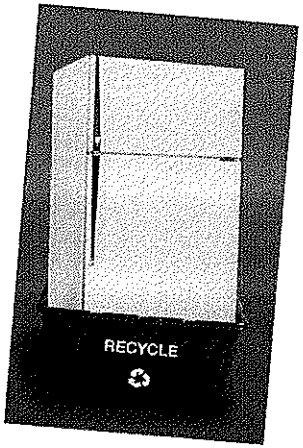
- Meet required energy savings goals
- Lay the groundwork for market transformation
- Implement "tried and true" programs
- Provide participation opportunities for all customers
- Support Michigan based trade allies and businesses
- Educate customers on how to use energy more efficiently
- Coordinate with other Michigan energy efficiency programs

Residential Programs

- Energy Star CFL Lighting & Appliances
- HVAC and Water Heating
- Appliance Recycling
- Income Qualified Energy Assistance
- Multifamily Direct Install
- Energy Education –Think! Energy
- Home Performance with Energy Star







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Business Programs

Comprehensive Business Solutions

- Rebates based on amount of each project's first year savings for lighting, HVAC, insulation, hot water heating, controls and other energy savings projects.

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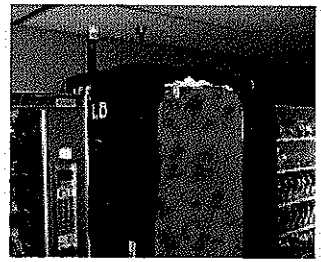
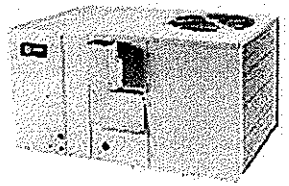
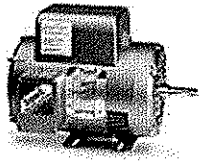
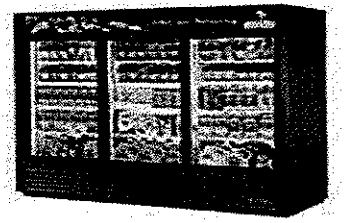


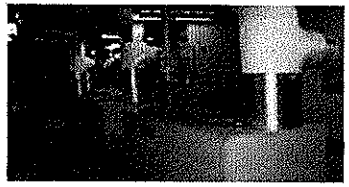




Small Business Direct Install

- Designed to help small businesses and not-for-profit customers, typically considered "hard to reach" using less than 300,000 kWh annually





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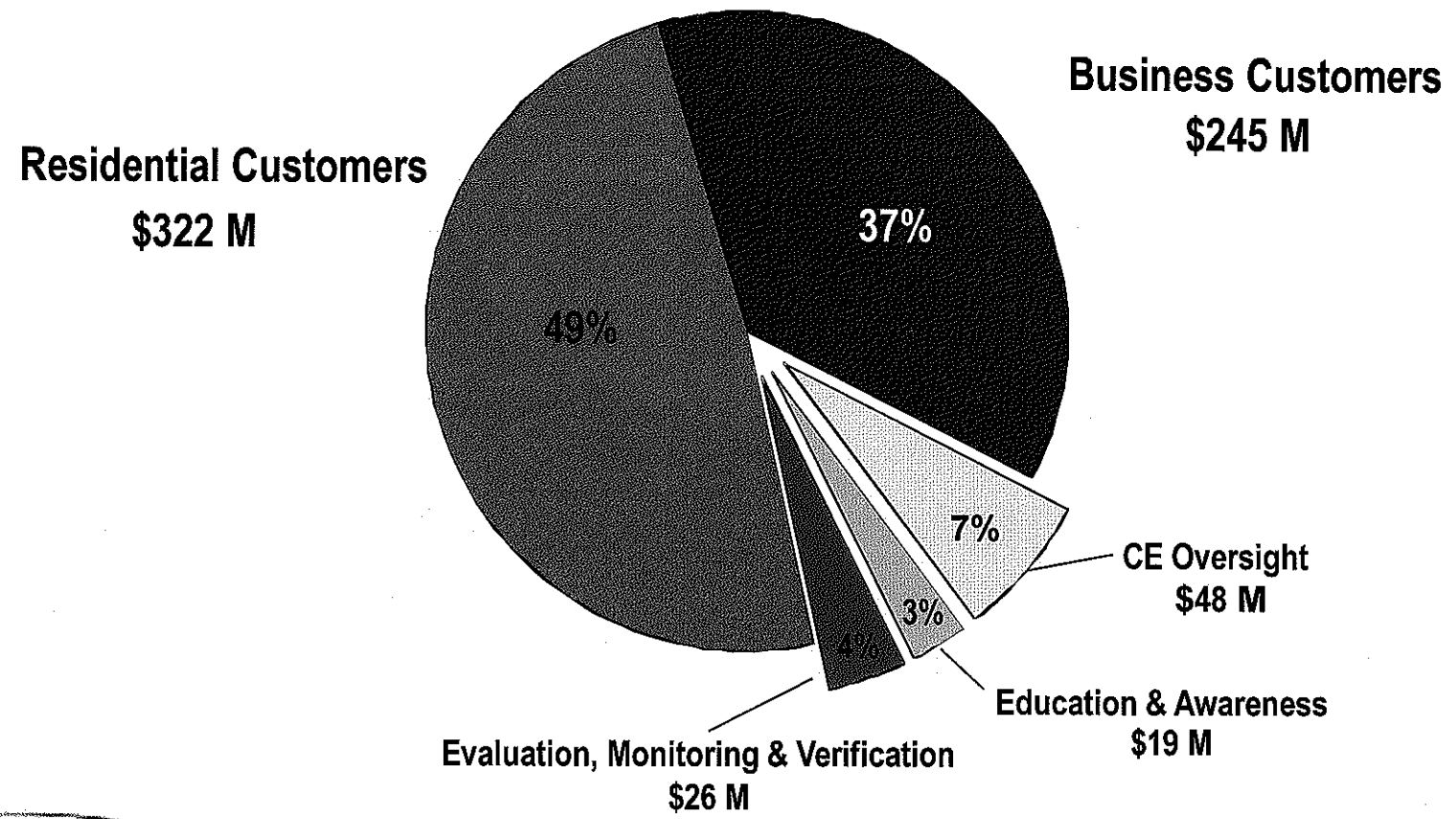
Energy Efficiency Investment Distribution

(Millions)



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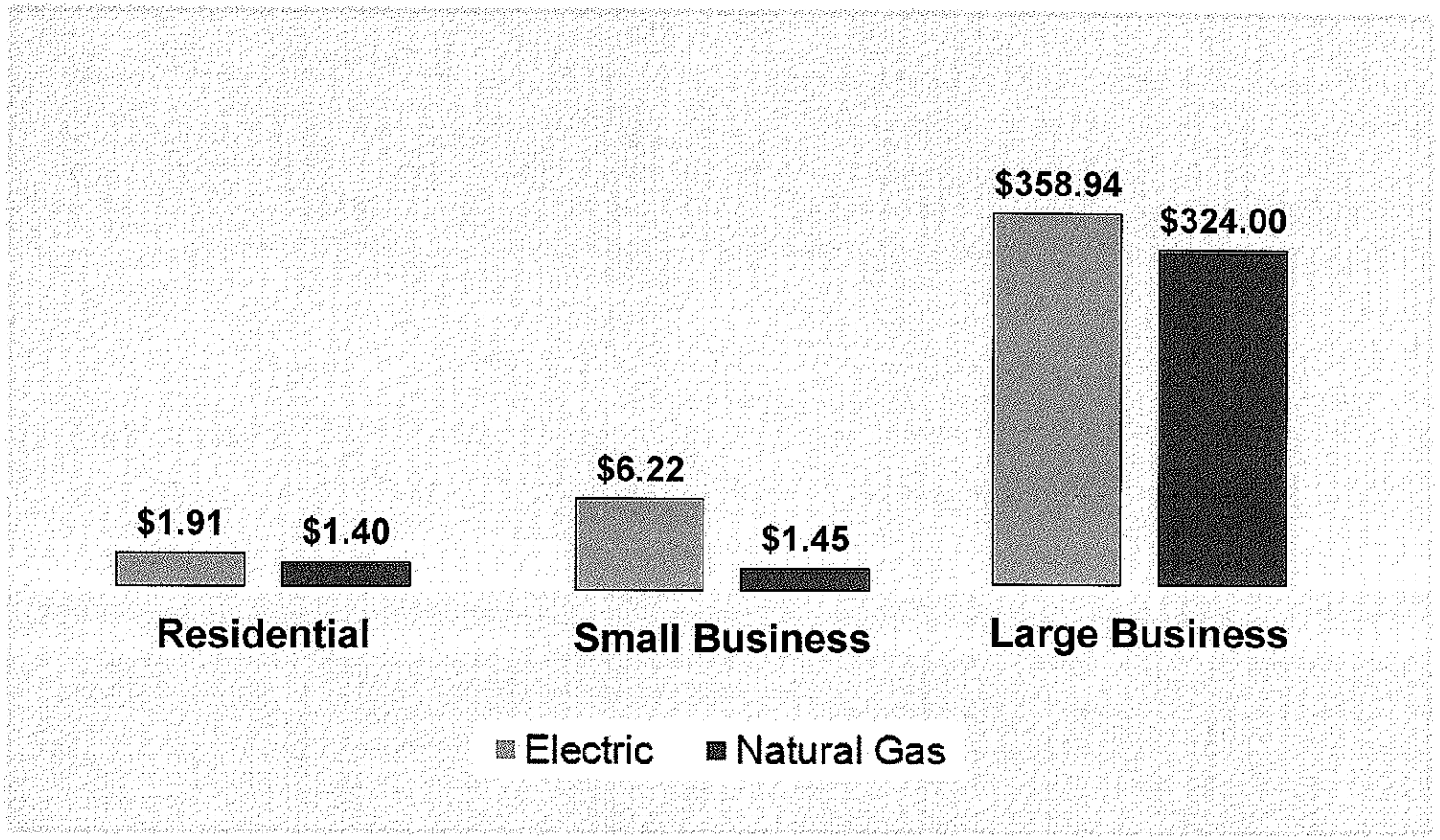
Energy Efficiency Program
Average Monthly Customer Charge



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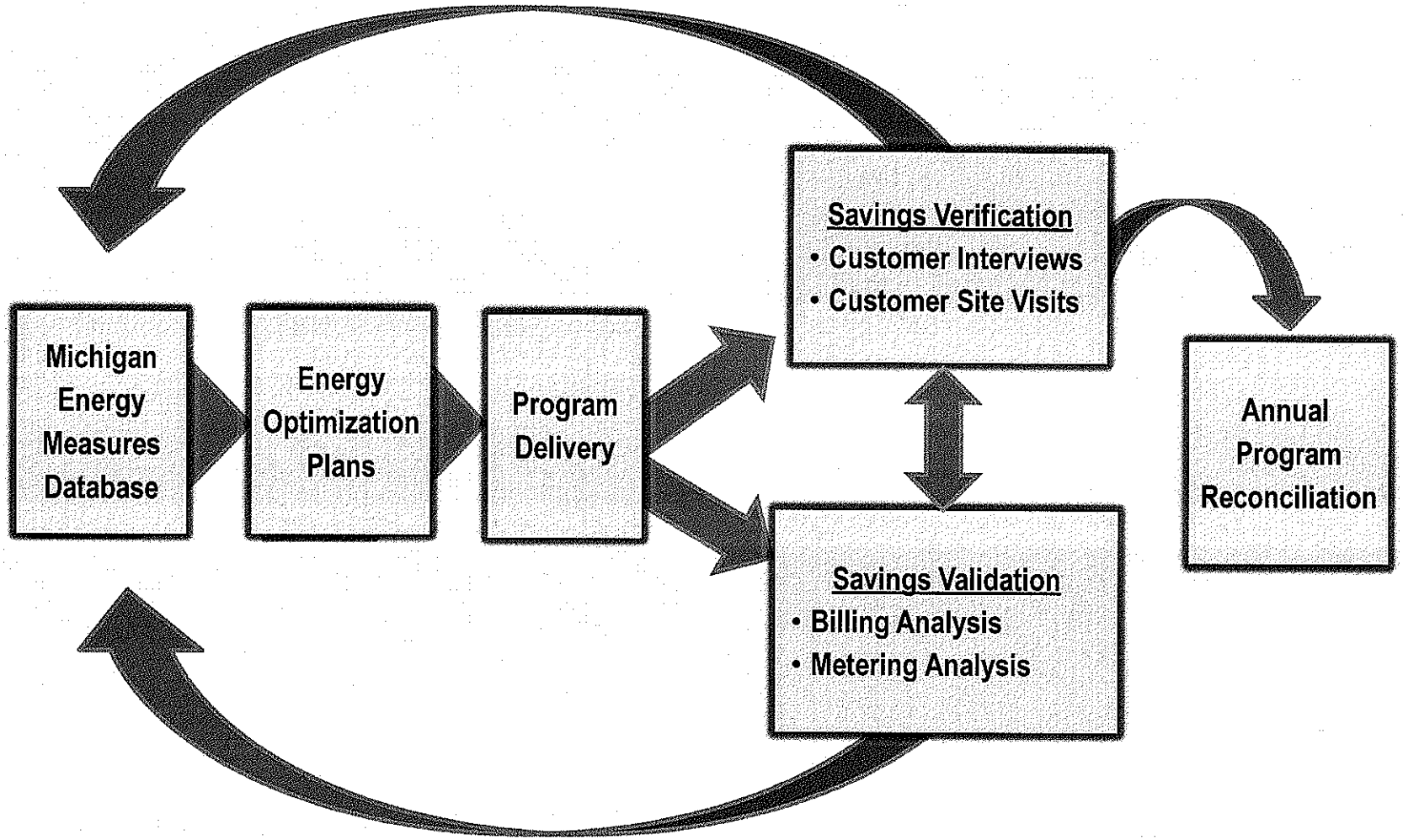
Determining Energy Savings



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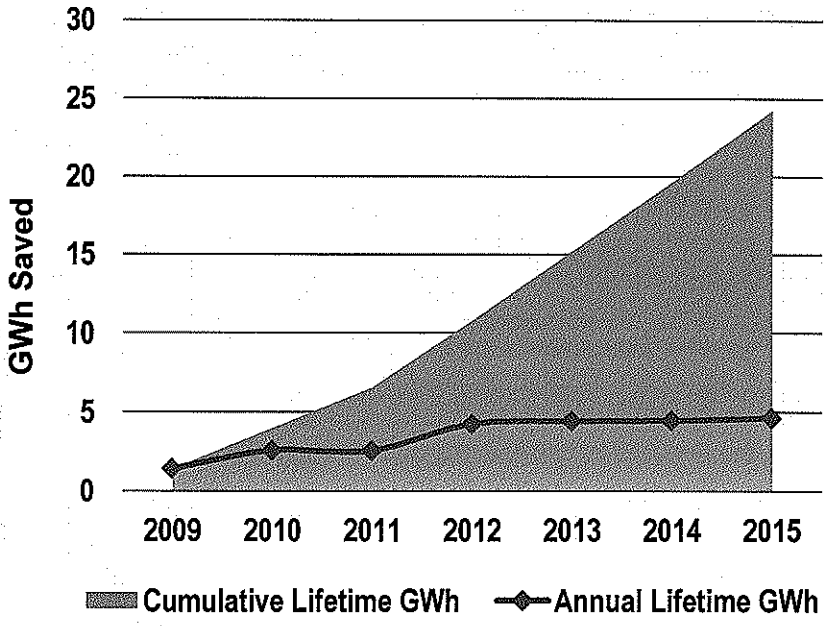
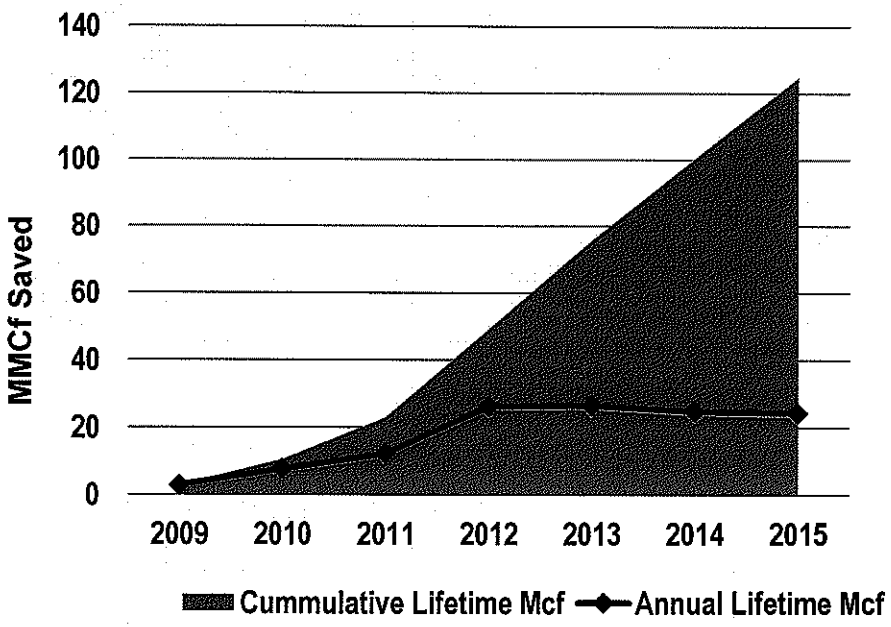
Energy Efficiency Program Savings





Cumulative lifetime electric savings could supply all of Consumer Energy's 1.5 million residential electric customers energy for 2 years.

Gas service could be provided to approx. 1.3 million homes for one year based on the cumulative lifetime savings.

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Results to date

Nearly 300,000 residential and 21,000 business customers have participated since the programs launched.

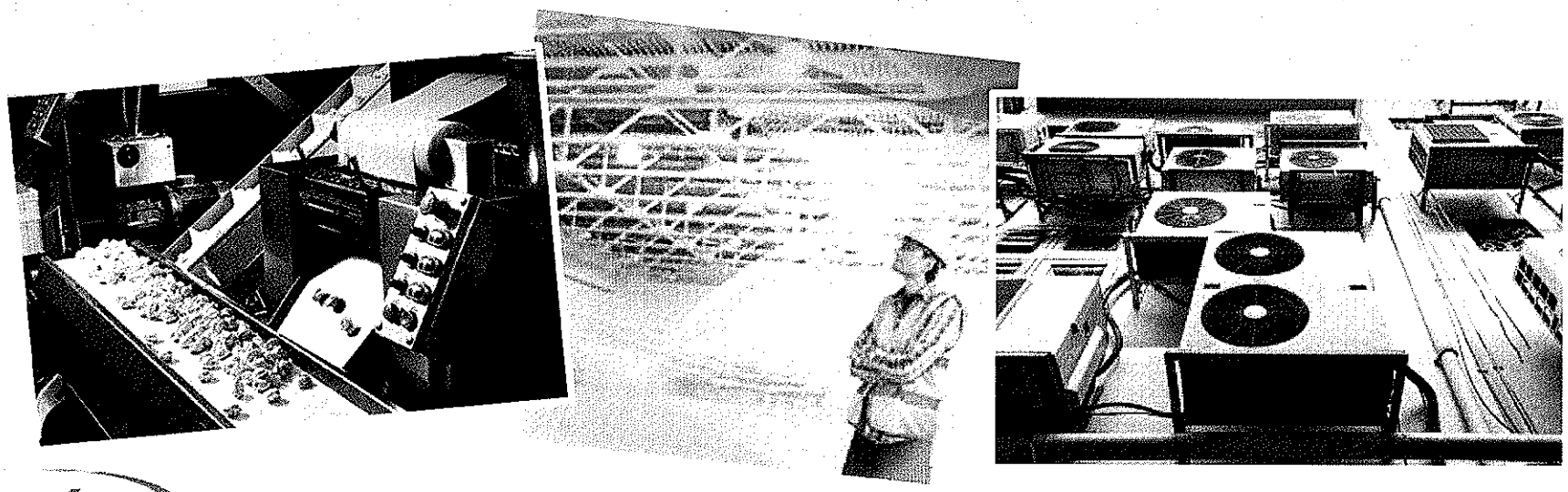
- Over 24,000 customers have received rebates for high efficiency furnaces or air conditioners.
- More than 25,000 refrigerators and freezers have been recycled.
- Customers installed more than 4.2 million energy efficient compact fluorescent light bulbs.
- More than 19,000 income qualified customers have received energy efficiency measures.

- 52,137 measures have been installed for customers livings in apartments.
- Nearly 30,000 students have participated in our energy education program.

Business Customer Impacts

- Since 2009, Consumers Energy has awarded $37.6 million in incentives to help Michigan commercial and industrial customers become more energy efficient.

- These projects are saving those customers an estimated $15.4 million per year in energy costs.



Michigan's Energy Efficiency Programs Save Energy, Save Money, Save Jobs

- Over 2,100 trade allies provide energy efficiency services for our programs:
  - 1,093 Business Contractors
  - 935 Heating & Air Conditioning Installers
  - 97 Energy Auditors
  - 21 Window and Insulation Contractors

- Over 300 retail locations are involved in the Energy Star Lighting & Appliances program.
  - ABC Warehouse, Ace Hardware, ACO Hardware, Best Buy, Costco, Hawthorne, Home Depot, Lowes, Meijer, Menards, Sam's Club, Sargent Appliance, Sears, True Value Hardware, Wal-Mart

- 30 Community Action Agencies participate in our income qualified program.

Energy Efficiency Community Impact

Muskegon County - $2,425,441

Brunswick Bowling & Billiards	$42,670
Muskegon Public Schools	$155,253

Kent County - $12,451,295

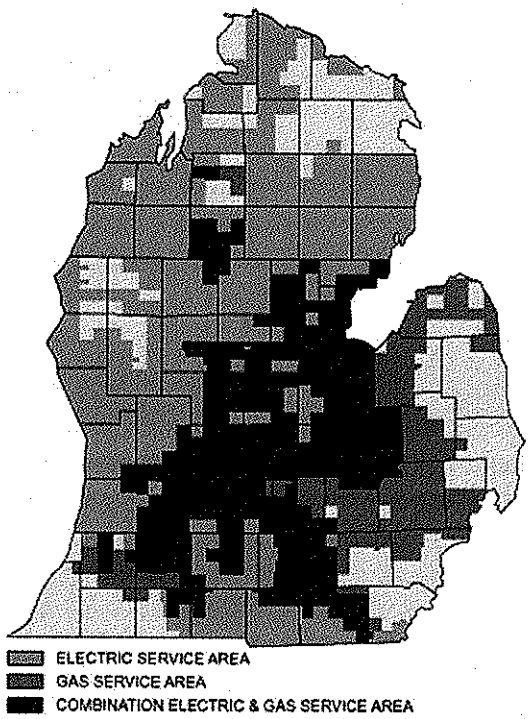
Herbruck Poultry	$6,471
Swoboda Inc	$6,825
Corvac Composites	$9,434
Concept Industries	$21,287
Land & Company	$22,974
JW Marriott	$29,760
Robert Bosch Fuel System	$41,691
Spectrum Health Hospitals	$54,720
Hearthside Food Solutions	$57,163
Caledonia Community Schools	$71,910

Kalamazoo County - $5,104,618

Stan Ouding Bedding Plants	$2,920
Continental Linen	$4,261
Great Lakes Greenhouse	$10,210
City of Portage	$13,475
Benteler Automotive Inc	$152,113

Lenawee County - $692,397

Tecumseh Public Schools	$3,150
L&W Engineering	$58,800



Customers in

Oakland County - $4,890,401

Saginaw County - $4,106,364

Ingham County $3,019,912

Macomb County - $1,988,502

Genessee County - $7,740,152

Kearsley Community Schools	$5,300
Flint Institute of Music	$5,448
YWCA of Greater Flint	$6,000
University of Michigan	$10,800
GM Metal Center	$11,440
Flint Community Schools	$25,690
Genesee Valley Center	$37,036
Linden Community Schools	$45,150
Carman-Ainsworth Schools	$52,770
GM Flint Powertrain Operations	$97,301

Jackson County - $3,712,273

Alro Steel Company	$9,667
Polly's Market	$10,128
Jackson Public Schools	$23,309
Worthington Specialty Processors	$27,297
Allegiance Health	$98,752

Calhoun County - $898,031

Albion College	$8,531
Heritage Chevrolet	$9,262
Musahi Auto Parts	$10,000
Hinman Company	$12,725
Calhoun Intermediate Schools	$19,588
Graphic Packaging Int	$19,778
Post Foods LLC	$20,254
County Building	$22,789
Denso Manufacturing	$42,417
Calhoun Cnty Justice Center	$45,014

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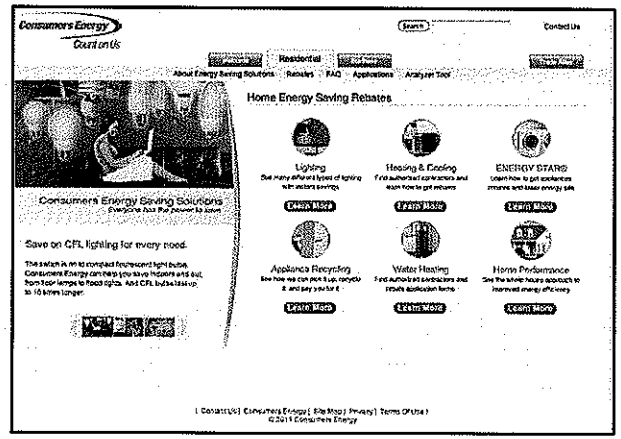
Resource Links

- CONSUMERS ENERGY: www.consumersenergy.com
- DOE Energy Savers website: www.energysavers.gov/tips/
- Database of State Incentives for Renewables and Efficiency (DSIRE): http://www.dsireusa.org
- ENERGY STAR: www.energystar.gov/
- Online home energy audit: http://hes.lbl.gov/consumer/



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