

*American Council for an Energy-Efficient Economy*  
*Citizens Utility Board*  
*Clean Wisconsin*  
*Environmental Law and Policy Center*  
*League of Women Voters of Wisconsin Education Fund*  
*Organic Valley*  
*RENEW Wisconsin*  
*Sierra Club—John Muir Chapter*  
*Wisconsin Community Action Program Association*  
*Wisconsin Council of Churches*  
*Wisconsin Environment*

April 5, 2011

RE: Please protect the energy savings goals and budgets for Focus on Energy.

Dear Members of the Wisconsin Legislature:

Our organizations are asking you to protect the energy savings goals and budgets for Focus on Energy, Wisconsin’s statewide energy efficiency program.

In November 2010, the Public Service Commission proposed new energy savings goals for Focus on Energy, along with proposed budgets to meet those goals. The energy savings goals and budgets were approved by the Joint Committee on Finance in December 2010. The approved energy savings goals and budgets, along with estimates of savings to consumers, are:

Year	Energy Savings Goals			Approved Budgets for Focus on Energy	Consumer Savings (estimated)
	Peak Electric Demand	Electricity Sales	Natural Gas Sales		
<b>2011</b>	0.75%	0.75%	0.50%	\$120 million	\$300 million
<b>2012</b>	1.00%	1.00%	0.75%	\$160 million	\$400 million
<b>2013</b>	1.25%	1.25%	1.00%	\$204 million	\$510 million
<b>2014</b>	1.50%	1.50%	1.00%	\$256 million	\$640 million

We believe these goals and budgets are appropriate and will help Wisconsin consumers save billions of dollars on energy bills over the coming years, create thousands of jobs, and reduce pollution caused by using energy. Conversely, cutting these goals and budgets will result in higher energy bills, fewer jobs, and more pollution.

Since 2001, Focus on Energy has helped more than 2 million Wisconsin residents and businesses save nearly \$2 billion on their energy bills, above and beyond the cost of the Focus on Energy program itself. Focus on Energy has yielded significant environmental benefits by reducing emissions of: mercury by 32 pounds; carbon dioxide by 5 billion pounds; sulfur dioxide by 8 million pounds; and nitrogen oxides by nearly 7 million pounds.

Making our homes and businesses more energy-efficient is the best strategy to help consumers save money and reduce their energy bills. Rigorous program evaluations have consistently shown that investments in energy efficiency by Focus on Energy are cost-effective: Focus on Energy saves \$2.50 for every dollar spent through the program. For example, investing \$1

million in energy efficiency through Focus on Energy will save consumers \$2.5 million. On the other hand, cutting the budget for Focus on Energy by \$1 million would cause energy bills for consumers to increase by \$2.5 million.

Focus on Energy provides additional benefits. With lower energy bills, businesses can more easily meet payroll or make investments in their companies. Wisconsin's 'working poor,' those families earning just over 200% of the federal poverty level and, thus, ineligible for low-income public benefits, are struggling to keep from falling into poverty. Focus on Energy provides valuable resources for those having difficulty managing household budgets in difficult economic times.

By reducing energy consumption, fewer dollars leave the state's economy to pay for imported fossil fuels. Lowered demand for natural gas has helped reduce its price, providing savings to everyone who uses natural gas. Investments in energy efficiency are much less expensive than comparable investments in new power plants, or to pay for the fossil fuels that are burned in most of them. It all adds up to one simple point: energy efficiency saves money for consumers.

The services and products of Focus on Energy are provided by over 3,000 private businesses, including home builders, engineering firms, commercial builders, equipment distributors, and manufacturers. These businesses created 24,679 job-years during the first ten years of the program (a job-year is one person working full time for one year). These jobs are primarily located in Wisconsin, because the services are delivered on-site.

The services provided by Focus on Energy are not paid for with general purpose revenues, but are paid for through rates charged to electric and gas utility customers. Cutting the budget for Focus on Energy will not help balance the budget, and will cause consumers to pay higher energy bills.

Public demand for energy efficiency services provided by Focus on Energy has outstripped available funding. The larger budgets approved by the Joint Finance Committee in 2010 will allow Focus on Energy to serve more customers.

We urge you to protect the energy savings goals and budgets for Focus on Energy. These levels of funding are critical for a strong Wisconsin economy and a clean environment.

Thank you for your consideration.

Sincerely,

Dan York, Utilities Program Director  
American Council for an Energy-Efficient Economy

Charlie Higley, Executive Director  
Citizens Utility Board

Keith Reopelle, Senior Policy Director  
Clean Wisconsin

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