



Southwest Energy Efficiency Project

Saving Money and Reducing Pollution through Energy Conservation

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Study: Energy Efficiency Could Save Southwest Consumers \$20 Billion

DENVER--Utility programs that save energy could create an economic windfall of \$20 billion for six southwestern states, according to a major new study.

The study, *The \$20 Billion Bonanza: Best Practice Utility Energy Efficiency Programs and Their Benefits for the Southwest*, was released today by the Southwest Energy Efficiency Project based in Colorado. The report shows that every dollar invested in energy efficiency programs returns more than two dollars in savings on business and household utility bills. It is available along with state-by-state findings at www.20BillionBonanza.com.

“By scaling up energy efficiency programs, utilities in the region can avoid spending tens of billions of dollars constructing and operating power plants,” said Howard Geller, executive director of SWEEP and principal author of the report. “Helping households and businesses save energy is the lowest cost, cleanest and least risky resource available to utilities today. All utilities should implement Best Practice efficiency programs.”

These programs would educate consumers, offer technical assistance, and provide financial incentives.

Geller noted the study found that 28,000 new jobs would be created regionally by 2020 if all utilities in the region implement such programs and measures.

The report finds that it is feasible to achieve a 21% reduction in electricity by the year

2020 from energy efficiency programs implemented 2010-2020. Reaching this target would save the equivalent of electricity used by 4.6 million typical households in the southwest and require an investment of \$17 billion. The investment would be split between utilities and their customers and yield a resulting savings on energy purchases along with public health benefits of \$37 billion—or a net savings of \$20 billion, the study concluded.

“Beyond the financial return, there are other major benefits of saving energy,” said Geller in a briefing at the Colorado statehouse today. “One of the biggest is that utilities can retire older, dirtier power plants without compromising their ability to provide safe, dependable power to customers. Closing old plants improves public health by significantly reducing air pollution.”

Other benefits he cited if utilities implement Best Practice efficiency programs:

- Avoid or close 32 large power plants in the region
- Reduce CO2 emissions from power plants equivalent to taking 6.2 million passenger vehicles off the road by 2020.
- Save 18.5 billion gallons of water per year by 2020 through less power plant operation

The report identifies the most effective utility energy efficiency programs across the country and analyzes the costs and benefits of implementing these programs in the southwestern states of Arizona, Colorado, Nevada, New Mexico, Utah and Wyoming. The report includes descriptions of the programs, state-by-state analysis, and a roadmap that policymakers can follow to achieve the 21% energy savings goal and benefits by 2020.

“Policy reform is critical to realizing the \$20 billion bonanza,” Geller said.

The report notes that utilities in the Southwest have made considerable progress in helping their customers save electricity. But it also urges further action—from adopting energy savings goals or requirements to allowing utilities to earn a profit when they implement effective energy

efficiency programs for their customers.

The Southwest Energy Efficiency Project is a public policy organization that promotes greater energy efficiency in the southwest. For more information: www.swenergy.org.

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