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Minnesota Utilities and Regulators Join National Action Plan for Energy Efficiency

Utility Leaders Make a Sustained, Aggressive National Commitment to Energy Efficiency

(St. Paul, MN...) – U.S. consumers could save hundreds of billions of dollars on their utility bills over the next 10 to 15 years through greater use of cost-effective energy efficiency. Today, Minnesota joined more than 50 leading organizations across the country in adopting a new National Action Plan for Energy Efficiency, delivered through electric and gas utilities, to meet the nation's growing demand for energy in our homes, buildings, and industries.

The Minnesota Public Utilities Commission was joined by Xcel Energy and Great River Energy, Minnesota utilities serving the greatest number of customers, in supporting the effort.

"Minnesota is a leader in investments in energy efficiency and conservation, but we can do more," said Phyllis Reha, Commissioner of the five-member Minnesota Public Utilities Commission. Commissioner Reha stated further that, "as regulators, we must focus on promoting innovative, cost effective energy efficiency as a resource to consumers and remove regulatory barriers to promote prudent investments by utilities."

"Energy efficiency is a key component in Governor Tim Pawlenty's policy of promoting reliable, low cost environmentally superior energy," added Edward Garvey, Deputy Commissioner for Energy and Telecommunications at the Minnesota Department of Commerce.

This Action Plan, if fully implemented, could help defer the need for 40 new 500 Megawatt-power plants, avoid the greenhouse gas emissions equivalent to those of over 35 million vehicles, lower the costs of air pollution controls, and reduce prices for natural gas. To achieve these goals, the leaders challenge other energy users and stakeholders to join them in implementing the elements of the Energy Efficiency Action Plan.

Spanning utilities, their regulators, and energy users, the leaders have outlined recommendations for consideration including: making energy efficiency a high priority resource; treating energy efficiency like coal, natural gas, nuclear and other energy resources in energy plans; promoting long-term, stable program funding to deliver cost-effective efficiency to consumers; broadly communicating the benefits of efficiency; and aligning utility incentives and ratemaking processes to promote investments in efficiency. These recommendations build upon best practices from successful efficiency programs already operating in many areas, to remove barriers that have limited utilities and customers from pursuing cost-effective energy efficiency resources.

The Action Plan was introduced by James Rogers, CEO of Duke Energy and President of the Edison Electric Institute, and Commissioner Diane Munns, member of the Iowa Public Utility Board and President of the National Association of Regulatory Utility Commissioners. The National Action Plan for Energy Efficiency was released today at the NARUC Summer Meeting in San Francisco, California. The Plan was developed

by a Leadership Group that includes 23 electric and gas utilities, 7 state utility regulators, and more than 30 other organizations (list attached).

Leading organizations from across the country also pledged commitments to help implement the Action Plan.

The National Action Plan brings together leading energy sector organizations representing different stakeholder perspectives to determine how best to promote greater investment in energy efficiency by the customers of electric and gas utilities – covering most of the energy used in American homes, buildings and industries or about 60 percent of the natural gas and electricity used nation-wide. This collaborative approach is essential as greater investment in energy efficiency requires a concerted effort by customers, utilities, regulators, states, and other stakeholders. The recommendations appear in full in the Action Plan Executive Summary which is available at www.epa.gov/cleanenergy.

Commitments being made by Action Plan Leadership Group members include:

Leadership group members include state utility commissioners from California, Connecticut, District of Columbia, Iowa, **Minnesota**, New Jersey and Washington; utility executives from American Electric Power, Austin Energy, Baltimore Gas and Electric, Bonneville Power Administration, Duke Energy, Entergy, Exelon, **Great River Energy**, MidAmerican Energy Company, New Jersey Natural Gas, New York Power Authority, Pacific Gas and Electric, PNM Resources, Sacramento Municipal Utility District, Santee Cooper, Seattle City Light, Southern California Edison, Southern Company, Tennessee Valley Authority, Tristate Generation and Transmission Association, Waverly Light and Power, Vectron Corporation, and **Xcel Energy**; state agency representatives from California, Connecticut, Maine, North Carolina, Ohio, and Texas; environmental/energy efficiency organizations such as the Alliance to Save Energy, American Council for an Energy-Efficient Economy, Environmental Defense, and Natural Resources Defense Council; as well as representatives from ISO New England, PJM Interconnection, The Dow Chemical Company, Food Lion, Johnson Controls, Servidyne Systems, USAA Realty Company, Vermont Energy Investment Corporation, and WAL-MART Stores. American Gas Association, American Public Power Association, Consumer Energy Council of America, Council of Energy Tribes, Demand Response Coordinating Council, Edison Electric Institute, Electric Power Research Institute, GAMA, National Association of Energy Service Companies, National Association of Regulatory Utility Commissioners, National Association of State Energy Officials, National Council on Electricity Policy, National Energy Assistance Directors' Organization, National Rural Electric Cooperative Association, North American Insulation Manufacturers Association, Steel Manufacturers Association, are serving as observers to the Leadership Group.

For more information on energy efficiency efforts in Minnesota, visit: www.commerce.state.mn.us.

For more information on the National Action Plan for Energy Efficiency, visit: <http://www.epa.gov/cleanenergy/eeactionplan.htm>