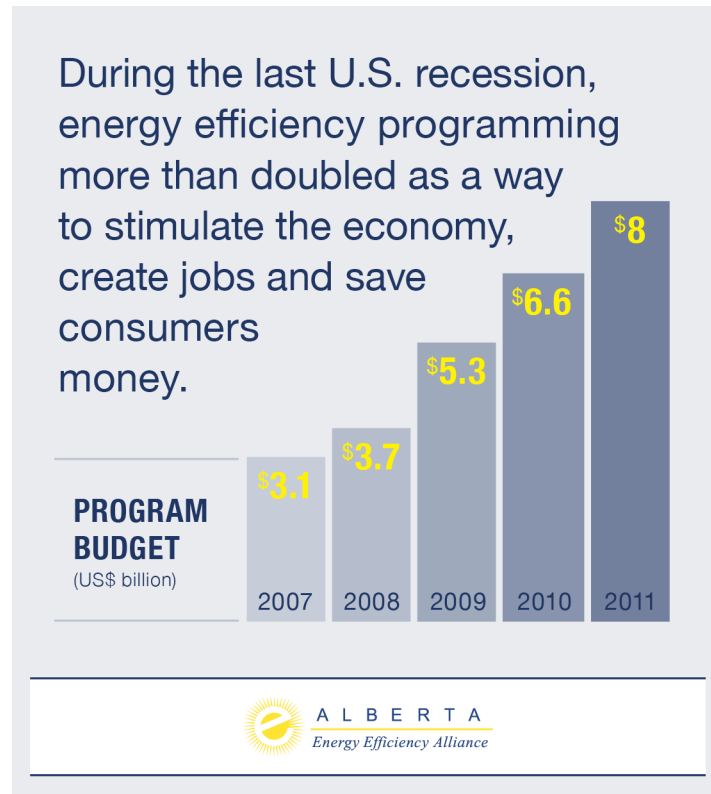




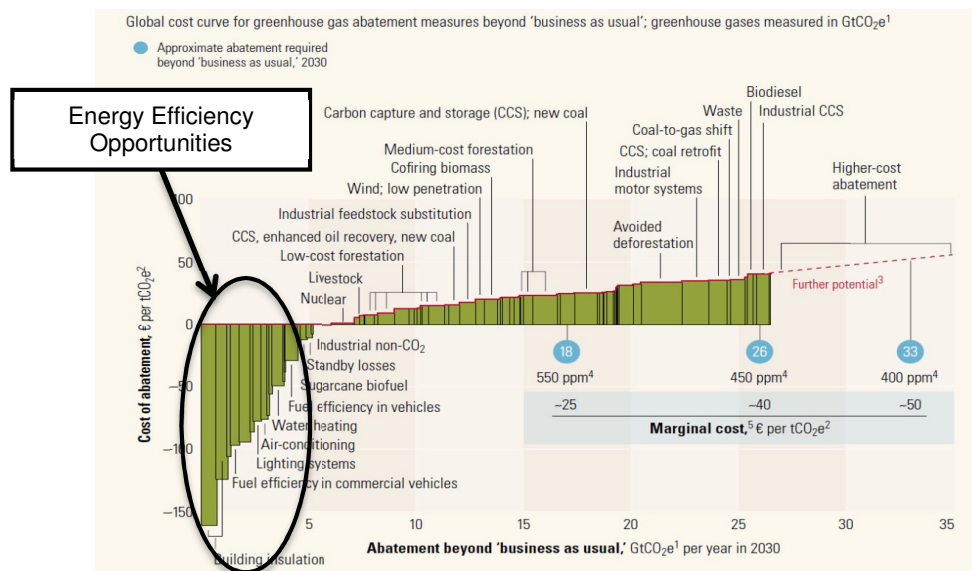
Figure 2: FUNDING FOR ENERGY EFFICIENCY PROGRAMS IN THE U.S. (2007-2012)<sup>ii</sup>



### Multiple benefits of energy efficiency

Energy efficiency is globally recognized as the most cost effective way to reduce GHG emissions. Figure 3 shows that energy efficiency actions not only reduce GHG emissions, but save consumers money at the same time.

Figure 3: COST OF REDUCING GHG EMISSIONS FOR VARIOUS APPROACHES<sup>iii</sup>



Energy efficiency is also recognized as less expensive and easier to deploy than developing new energy supplies, and provides greater job creation and economic development potential.<sup>iv</sup>

Data available on past energy efficiency programs in the U.S. (Table 1) shows that consumers saved more than twice as much money as was spent (including all costs). Studies completed for other U.S. states and Canadian provinces show similar consumer benefits for past efficiency programs.<sup>v</sup>

Table 1: CONSUMER BENEFITS OF PAST ENERGY EFFICIENCY PROGRAMS<sup>vi</sup>

	Southern California Edison	Avista Utilities (Pacific Northwest)	Puget Sound Energy	MassSAVE (Massachusetts)
Program Overhead	\$3,493,619	\$2,564,894	\$2,745,048	\$1,191,029
Incentives	\$15,457,880	\$4,721,881	\$9,914,463	\$3,507,691
Consumer costs for EE upgrades	\$41,102,993	\$16,478,257	\$25,103,588	\$2,452,985
<b>Total costs</b>	<b>\$56,560,873</b>	<b>\$21,200,138</b>	<b>\$35,018,051</b>	<b>\$5,960,676</b>
Total savings on energy bills	\$187,904,906	\$30,457,665	\$53,040,873	\$12,384,048
Non-energy benefits <sup>1</sup>		\$12,595,276		\$155,601
<b>Total benefits</b>	<b>\$187,904,906</b>	<b>\$43,052,941</b>	<b>\$53,040,873</b>	<b>\$12,539,649</b>
Net benefits	\$131,344,033	\$21,852,803	\$18,022,822	\$6,423,372
<b>Benefit : cost ratio</b>	<b>3.3</b>	<b>2.0</b>	<b>1.5</b>	<b>2.1</b>

A recent study<sup>vii</sup>, based on a Canada-wide report<sup>viii</sup> completed for Natural Resources Canada, estimates the following benefits from an average-sized energy efficiency program<sup>2</sup> in Alberta:

- \$510 million in annual savings,
- \$550 million annual GDP increase,
- 3,000 jobs created, and
- equivalent to 900,000 cars off the road.

<sup>1</sup> Includes labour, operation and maintenance benefits when provided.

<sup>2</sup> Per capita spending in Canadian provinces (other than Alberta) in 2014 was \$34.

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- <sup>i</sup> Sources: Consortium for Energy Efficiency. 2015. *2014 State of the Efficiency Program Industry - Appendices*. [http://library.cee1.org/sites/default/files/library/12206/CEE\\_2014\\_AIR\\_Tables\\_April\\_2015.pdf](http://library.cee1.org/sites/default/files/library/12206/CEE_2014_AIR_Tables_April_2015.pdf); Delaware Sustainable Energy Utility. 2014. *Consolidated Financial Statements and Independent Auditors' Report*. [https://imageserv11.team-logic.com/mediaLibrary/191/Final\\_Financial\\_Statements.pdf](https://imageserv11.team-logic.com/mediaLibrary/191/Final_Financial_Statements.pdf); Personal communication with Prince Edward Island Office of Energy Efficiency, January 8, 2016.
- <sup>ii</sup> Consortium for Energy Efficiency. 2013. *2012 State of the Efficiency Program Industry - Appendices* [http://library.cee1.org/sites/default/files/library/10535/2012\\_AIR\\_Tables\\_-\\_All\\_Tables\\_FINAL\\_-\\_with\\_erratum\\_NEW\\_VERSION.pdf](http://library.cee1.org/sites/default/files/library/10535/2012_AIR_Tables_-_All_Tables_FINAL_-_with_erratum_NEW_VERSION.pdf)
- <sup>iii</sup> Enkvist, P., T. Naucler, J. Rosander. 2007. *A Cost Curve for Greenhouse Gas Reduction*. The McKinsey Quarterly, 2007, Number 1. [http://www.epa.gov/air/caaac/coaltech/2007\\_05\\_mckinsey.pdf](http://www.epa.gov/air/caaac/coaltech/2007_05_mckinsey.pdf). pp. 38
- <sup>iv</sup> Laitner, J., V. McKinney. 2008. *Positive Returns: State Energy Efficiency Analyses Can Inform U.S. Energy Policy Assessments*. <http://aceee.org/pubs/e084.pdf?CFID=2125642&CFTOKEN=86126255>.
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- <sup>v</sup> Synapse Energy Economics Inc. 2012. *Energy Efficiency Cost-Effectiveness Screening*, 32. <http://neep.org/uploads/EMV%20Forum/EMV%20Studies/RAP%20EE%20Cost%20Effectiveness%2010-25a.pdf>
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