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Comments on Energy Efficiency in the Proposed Clean Power Plan

Good morning, Regional Administrator Toney and staff of EPA Region 4. My name is Taylor Allred, and I am here speaking in place of John Bonitz on behalf of the Southern Alliance for Clean Energy, or SACE. SACE appreciates this opportunity to provide oral comments to the EPA on the proposed Clean Power Plan. Today, my comments will focus on energy efficiency.

I would like to start by saying that SACE appreciates the EPA's use of energy efficiency as a building block in the proposed rule. SACE applauds the EPA's acknowledgement that energy efficiency is an abundant resource that can be used to reduce carbon emissions while also saving people money on their utility bills. SACE also appreciates that the EPA has proposed state-level efficiency goals that will significantly increase the level of energy efficiency in the Southeast. The proposed cumulative goals for Southeastern states will save approximately 10% of retail electric sales by 2029. SACE believes that these goals are not only achievable, but also fairly conservative compared to the region's full energy efficiency potential.

SACE believes that maximizing energy efficiency impacts is essential for our nation, and particularly for Southeastern states, for several reasons. First, the United States as a whole currently fails to lead in energy efficiency. In a recent energy efficiency scorecard published by the American Council for an Energy Efficient Economy, or ACEEE, the U.S. is ranked 13th out of the 16 largest economies.¹ The scorecard considers energy efficiency policies and programs covering several different categories, including buildings, industry and transportation, and data on overall energy use.

Our country and our region cannot afford to fall behind on energy efficiency. Among the nations with higher energy efficiency rankings than the U.S. are Germany, China, India and South Korea – all of which enjoy a competitive advantage by being able to produce goods and services using less energy.

Moreover, Southeastern states have lagged behind in energy efficiency in the U.S. In ACEEE's state-level energy efficiency scorecard, not a single

¹ American Council for an Energy Efficient Economy, International Energy Efficiency Scorecard, <http://aceee.org/portal/national-policy/international-scorecard>

Southeastern state is ranked in the top 30.² Consumers in the Southeast also have some of the highest electricity bills in the country. Recent data from the Energy Information Administration indicates that eight out of the 15 states with the highest average monthly electricity bills are in the Southeast.³ High electricity bills combined with low median incomes result in a higher-than-average financial burden for Southeastern families, and U.S. Census data shows that Southeastern states make up nine out of the 15 states with the lowest median income rates.⁴

It is SACE's understanding that energy efficiency measures that have been put into place after the proposed rule was released may count toward the initial annual goals. SACE applauds the EPA for allowing early action on energy efficiency to count toward the goals, and SACE has encouraged Southeastern utilities to consider this factor as they make decisions about energy efficiency investments today.

Energy efficiency will also help the economy in several ways. To begin with, energy efficiency creates a lot of jobs. A study by Southface, a Georgia-based organization focused on green building services, found that over 4,100 Georgians were employed full time in the energy efficiency and building sciences sector in 2013.⁵ In addition to direct job creation, energy efficiency puts more money in consumers' pockets, which drives economic growth and further job creation. Lower utility bills also position local businesses to be more profitable and create even more jobs.

SACE is also aware of the EPA's request for comments on several other issues, including increasing the states' savings targets to 2% per year to reflect the impact of energy efficiency strategies outside the utility sphere, such as building efficiency codes and state appliance standards. SACE looks forward to commenting on this and other topics in the coming weeks.

Thank you for your time.

² American Council for an Energy Efficient Economy, State Energy Efficiency Scorecard, <http://aceee.org/state-policy/scorecard>

³ Energy Information Administration, 2012 Average Monthly Bill – Residential, http://www.eia.gov/electricity/sales_revenue_price/pdf/table5_a.pdf

⁴ U.S. Census Bureau, State Median Family Income, <https://www.census.gov/hhes/www/income/data/statemedian/>

⁵ Southface, Georgia Clean Energy Industry 2013 Census, <http://www.southface.org/default-interior/gaenergycensusfinal.pdf>