



Southwest Energy Efficiency Project

Saving Money and Reducing Pollution through Energy Conservation

NEWS RELEASE

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STATE ENERGY EFFICIENCY PROGRAMS KEEP GROWING, IN CONTRAST TO FEDERAL RETREAT

(Boulder, Colorado) -- Despite weak state budgets and a soft economy, states and utilities are boosting their investment in energy efficiency, while the federal government continues to cut efficiency programs. "Energy efficiency programs are expanding because they keep the lights on, keep energy prices affordable, stimulate the economy, and cut air pollution," said Dr. Martin Kushler, Utility Program Director for the American Council for an Energy-Efficient Economy (ACEEE). "We fail to see why the federal government is increasingly blind to these vital public benefits."

Based on information presented at ACEEE's recent Market Transformation Symposium in Washington, total state and utility funding for these programs in 2003 is about \$1.45 billion, up from \$1.1 billion in 2000—a 32% increase. By contrast, the federal commitment to efficiency has shrunk since the Bush Administration took office. The administration is seeking to cut Department of Energy (DOE) energy efficiency funding by \$36 million, or about 4%, while EPA is planning to cut ENERGY STAR®, the nation's best-known efficiency program, by about \$15 million, or 30%. This would put federal efficiency spending at about 60% of state-based spending, when just a few years ago the federal commitment was roughly equal to state efforts.

This new data highlights the widening gap between federal and state support for energy efficiency. "At the same time that states are expanding their energy efficiency programs, neither the Bush Administration nor Congress are proposing any effective action to improve energy efficiency," stated Howard Geller, Executive Director of the Southwest Energy Efficiency Project (SWEEP). "Federal policymakers are ignoring America's cleanest, cheapest, and most reliable energy resource—improving the efficiency of our homes, appliances, workplaces, and vehicles."

In Congress, the Senate Energy Committee's proposed electricity title issued on April 25 contains no provisions for energy efficiency, despite growing evidence that energy efficiency improves reliability, prevents market power abuse, and reduces peak power prices. "Both the Senate and House bills miss the boat completely on energy efficiency in their electricity titles," said ACEEE Policy Director Bill Prindle. "They focus on promoting deregulation and subsidizing the power industry, but do nothing to get at the root of the problem—unnecessarily high electricity demand due to inefficiency. Congress would be wise to follow the states' lead on effective solutions to the electricity problem."

About ACEEE: The American Council for an Energy-Efficient Economy (ACEEE) is an independent public interest organization dedicated to advancing energy efficiency as a means of promoting energy security, economic prosperity, and environmental protection. For more information about ACEEE and its programs, contact ACEEE, 1001 Connecticut Avenue, N.W., Suite 801, Washington, D.C. 20036-5525, or visit www.aceee.org.

About SWEEP: The Southwest Energy Efficiency Project (SWEEP) is a public interest organization dedicated to advancing energy efficiency in Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming. For more information about SWEEP and its programs, contact SWEEP, 2260 Baseline Road, #212, Boulder, Colorado 80304, or visit www.swenergy.org.

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