

Study Shows That Florida Could Save \$28 Billion and Create More Than 14,000 Jobs Through Energy Efficiency

Washington, D.C. (June 26, 2007): Florida could save \$28 billion -- enough to cover this year's entire education and transportation budgets -- by using energy efficiency strategies that are available now, says a study released today by the American Council for an Energy-Efficient Economy (ACEEE).

The ACEEE study shows that using energy efficiency policies alone (such as efficient windows, compact fluorescent light bulbs, and ENERGY STAR appliances) can nearly offset the state's entire future growth in electric demand by the year 2023. Florida would also create more than 14,000 jobs in 2023. The direct and indirect jobs created would be equivalent to nearly 100 new manufacturing plants relocating to Florida, but without the demand for infrastructure and other energy needs, the study says.

The study provides specific energy efficiency and renewable energy policy recommendations that the state should consider, especially as Florida gears up for Gov. Charlie Crist's "Serve to Preserve" Summit on Global Climate Change with California Gov. Arnold Schwarzenegger in Miami July 12 and 13.

If Florida both expanded its energy efficiency measures and invested in renewable energy sources like biomass and solar, the state could cut electricity demand by nearly a third in the year 2023 without building expensive and environmentally risky new power plants or relying on conventional power sources such as natural gas, coal, oil, or nuclear power.

Specifically, the study found that energy efficiency measures could cut demand by 19.9 percent, and using renewable energy sources could cut demand by 9.5 percent by 2023.

"Energy efficiency is the most affordable energy resource in Florida," said Dr. R. Neal Elliott, Industrial Program Director at ACEEE and lead author on the report. "While 20% efficiency savings in 15 years may seem challenging, other states are already reducing electricity growth faster than that, at a cost of 3.5 cents per kilowatt-hour, only about half of what new power plants would cost."

Power from building traditional plants is more expensive, costing from 5 to 10 cents per kilowatt-hour.

The study, "Potential for Energy Efficiency and Renewable Energy to

Meet Florida's Growing Energy Demands," comes at a time when Florida is at a crossroads in determining its energy future. Florida's Public Service Commission recently rejected a proposal for a new coal power plant -- the first power plant denial in 15 years. It was also the first time ever that global warming played a role in a PSC decision.

ACEEE's experts set out to narrowly look at where Florida gets its energy from, what it costs, how it is used, and what the future might hold if the state uses existing technology to slow demand without difficult sacrifices for industry or residential users.

Florida's electricity demand is growing faster than the state's population. A particular challenge is peak demand -- those times when extreme heat or extreme cold crank up air conditioners and heaters. Peak demand is growing even faster than total electricity usage, and it costs the most to serve. Peak-hour electricity costs several times what consumers see in average rates, because high-cost "peaker" power plants run less efficiently and operate only a few hours a year so that their costs drive up rates.

Florida has not aggressively implemented energy efficiency policies in the past.

"Energy efficiency is the first fuel in the race for affordable and clean energy, because it is the cheapest and fastest to deploy," said Bill Prindle, ACEEE's Deputy Director. "Combined with renewables, efficiency offers Florida a sustainable energy future that provides greater energy security, costs less, pollutes less, and supports economic growth better than the current course."

The five key policies that the ACEEE study recommends are:

- An Energy Efficiency Resource Standard that sets savings targets for utilities, such as Texas and several other states have done;
- More Stringent Building Energy Codes that make Florida's buildings much more efficient in the future;
- An Advanced Buildings Program that changes building practices, reducing energy demand;
- Onsite Renewables policies that help meet much of these advanced buildings' energy demand with solar energy; and
- A Renewable Portfolio Standard that sets a target for utilities to procure a share of their power from renewable energy resources such as wind and solar, which more than twenty other states have done.

The report, "Potential for Energy Efficiency and Renewable Energy to Meet Florida's Growing Energy Demands," is available for free download

at <http://aceee.org/pubs/e072.htm> or a hard copy can be purchased for \$35 plus \$5 postage and handling from ACEEE Publications, 1001 Connecticut Avenue, N.W., Suite 801, Washington, D.C. 20036-5525, phone: 202-429-0063, fax: 202-429-0193, e-mail: aceee_publications@aceee.org.

The American Council for an Energy-Efficient Economy is an independent, nonprofit research group dedicated to advancing energy efficiency as a means of protecting the environment and strengthening the economy. For more information, see our Web site at www.aceee.org.