



Michigan Agri-Business Association

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Dear Senator Nofs and Representative Nesbitt:

As agricultural leaders in Michigan, we are writing to share our deep concern about the future of energy efficiency programs in our state. Legislation introduced both in the House and Senate would end the existing Energy Optimization Standard found in P.A. 295 of 2008. **We believe that clear statutory authority requiring utilities to offer energy efficiency programs is critical to ensure these programs remain available.** A recent report issued by the Michigan Public Service Commission (MPSC) indicates that for every dollar spent on energy efficiency programs, customers save an estimated \$4.38. Overall energy efficiency programs are expected to save Michigan utility customers \$4.2 billion.

Many of us have seen firsthand the benefits of reducing energy use. Because of the unique nature and seasonality of what we do in agriculture, we do not believe utilities would have been responsive to our needs without the energy efficiency mandate.

It was only after intervening in a MPSC case that one of the major utilities stepped forward to provide meaningful programs for our industry. After years of engagement, dialogue and litigation, a second utility recently stepped up to offer similar programs. We firmly believe that without the mandate to offer energy efficiency programs, we would not have seen these opportunities.

Prior to P.A. 295, utilities had no energy efficiency programs in place, and absent the clear requirement in statute, we do not believe these opportunities will be available in the future. **We strongly urge you to support continuation of and increase Michigan's Energy Optimization Standard as you continue the debate of Michigan's energy future before your committees.** As technology changes, there will be additional opportunities for our industry to be more energy efficient. Clear goals for energy efficiency are necessary to affect change and spark innovation in a way that serves all Michiganders.

We appreciate your consideration and look forward to discussing how Michigan agribusinesses can continue helping modernize and improve Michigan's energy sector.

Sincerely,

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Lansing, MI

Bruce Sutherland, Vice President
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