
TESTIMONY
House Energy Policy Committee
April 29th, 2015

Byrd - Good morning Chairman Nesbitt and ladies and gentlemen of the Committee.

On behalf of the Michigan Energy Efficiency Contractors Association (MEECA), I thank you for the opportunity to have the voice of Michigan's energy efficiency contractors heard. My name is Brindley Byrd, executive director of MEECA. I am joined today by Amanda Godward, founder and president of Ecotelligent Homes and vice president of our association. I want to thank her for taking time from her business and coming here from Farmington Hills to speak with you today.

MEECA's primary purpose is to advocate that Michigan has the most robust, reliable, qualified and predictable energy efficiency industry in the nation. We are working in several different areas to build an integrated energy efficiency market as you can see in this bubble graphic on slide 3.

MEECA has testified before you in the past as we worked together supporting legislation that moves Michigan closer to our goals with near unanimous passage of on-bill financing for co-ops and municipal utilities last session – the first program offering this option is being launched just this week in Holland.

Today, we are here to express our strong opposition to the bill under consideration -- HB4297. We object to the provisions of this bill that repeals what can be said are tremendously successful Energy Optimization programs. This proposal has triggered significant concern by our members for their businesses, their customers and Michigan's energy future.

Godward - Energy efficiency contractors like me see the impact these programs have on real people everyday as we improve the comfort of their homes, curb overhead by reducing energy bills or make their companies more competitive by reducing the amount of embodied energy in the products they manufacture.

I have seen momentum gain in the market because of the EO programs since starting my business in 2009.

The impact of these programs on Michigan's workforce and economy has been significant. As slide 4 shows, Michigan's energy efficiency workforce totals 46,000 skilled-trade workers (Energy Cluster Workforce Analysis, Michigan's Workforce Development Agency).

Working with our members who administer the majority of Michigan's utility programs we established just over 1500 contracting companies participating in these programs.

Further, we gathered data showing that for every dollar of incentive spent on contractor driven residential programs, there was \$10 of additional investment made by owners into their homes. In the commercial/industrial sector the ratio of incentive to investment is \$1 dollar to \$21 dollars. All totaled, in 2013 Michigan's EO programs are tied to \$1.5-billion dollars being pushed into Michigan's economy through investment into eliminating energy waste.

Byrd - The concern our members have with the proposed legislation really centers on what would happen to their workforce and their businesses should these programs go away.

MEECA estimates that should repeal of Michigan's EO programs in fact occur, that no less than 10% of the energy efficiency workforce will loose their jobs. Looking at the number of skilled-trades workers and then adding in energy auditors, engineers and other program support professionals, Michigan could see 5000 clean energy workers become unemployed.

We testified before about the importance of keeping in mind the men and women working at this very moment to save energy when making energy policy decisions. In our opinion, HB4297 doesn't do that.

Godward - I have had to do exactly what Brindley said. Having experienced curtailment of utility rebates, I've honored forecasted rebates lost and laid-off workers.

Fortunately, there are other legislative proposals either introduced or outlined that MEECA is looking at. Last week, the Powering Michigan's Future proposals were made which look to double the Energy Optimization Standards. Valerie Brader sat in this very room and outlined a proposal that MEECA is cautiously supportive of. Additionally, we eagerly await the proposal from Senator Nofs with further details on his Clean Energy Standard developed through his collaborative workgroup that MEECA was part of.

I see that repeal of the EO programs without any replacement policy would lose the momentum gained to date.

Byrd - We want to again thank you for the time today and commit to continuing to work together with this committee, the Senate, administration and all stakeholders in Michigan's energy future to pass legislation that we can agree on. Thank you again for the opportunity to speak.

We are more than happy to take any questions.

Sincerely,



Brindley Byrd
Executive Director



Amanda Godward
Vice President



MEECCA
MICHIGAN ENERGY EFFICIENCY
CONTRACTORS ASSOCIATION

TESTIMONY

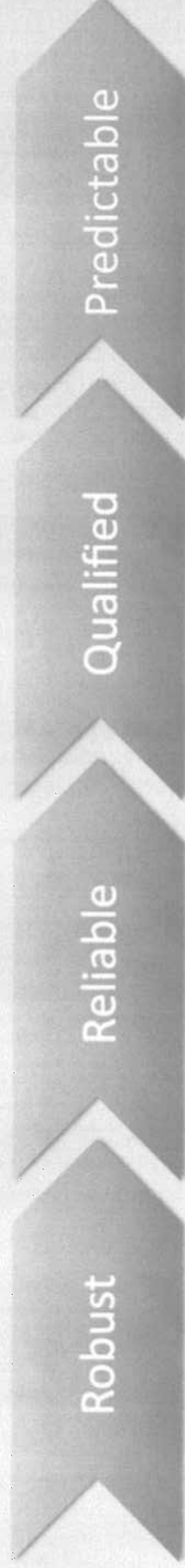
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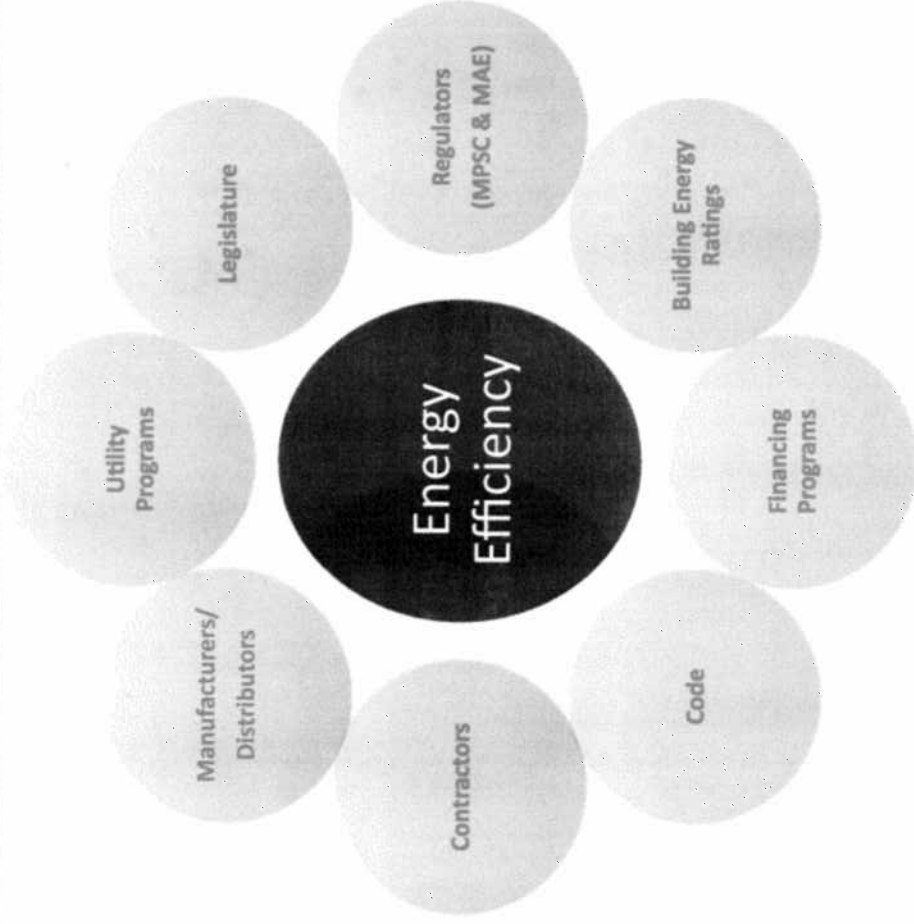
Brindley Byrd and Amanda Godward

Core Purpose

To advocate that Michigan has the most *robust, reliable, qualified and predictable* energy efficiency industry in the nation.



Integrated EE Market



Impact of Energy Optimization (PY2013)



MEECA

www.MEECA.info



WORKFORCE

46,000¹
of Workers

650
Commercial
Contractors

910
Residential
Contractors

INVESTMENT

\$147.8M
Residential
Expenditures

\$1.2B
Commercial
Expenditures

\$14.7M
Residential
Incentives Paid

\$57.8M
Commercial
Incentives Paid

INCENTIVE SPEND

¹Energy Cluster Workforce Analysis,
Michigan's Workforce Development Agency

MEECA's Position

