

Michigan Agri-Business Association

1501 North Shore Drive, Suite A East Lansing, Michigan 48823

www.miagbiz.org

Telephone (517) 336-0223 Fax (517) 336-0227

FOR IMMEDIATE RELEASE: Wednesday, October 28, 2015

Contact: Chuck Lippstreu, 517-333-1606

Michigan agribusinesses call for energy efficiency standards in letter to legislators

LANSING—In a letter sent today to **Sen. Mike Nofs** and **Rep. Aric Nesbitt,** agribusiness leaders from across Michigan are calling for mandatory energy efficiency standards within the state's energy policy. As the Michigan Legislature continues work on renewing Michigan's energy policy, agribusiness leaders have urged lawmakers to maintain the state's energy efficiency standard.

The letter, signed by 13 agribusiness leaders across the state, is attached to this press release.

"Agribusinesses have seen firsthand the benefits of reducing energy use at businesses across the state," said **Jim Byrum**, president of the **Michigan Agri-Business Association (MABA)**. "Because of the unique nature and seasonality of what we do, we do not believe Michigan's utilities would have been responsive to our needs without mandated energy efficiency standards, and with more progress yet to come, now is not the time to turn back the clock on energy savings in the agriculture sector."

The letter explains it was only after agribusinesses intervened in a **Michigan Public Service Commission** case that one of the major utilities stepped forward to provide meaningful energy efficiency programs for Michigan agriculture. After years of engagement, dialogue and litigation, another major utility recently agreed to offer similar programs. Without the mandate to offer energy efficiency programs, agribusinesses emphasized they likely would not have seen these opportunities.

"Advances in technology will bring new and exciting ways for all of us to reduce energy use in the future," **Byrum** said. "An energy optimization standard is necessary to spark innovation in a way that boosts our industry in the long term."



Michigan Agri-Business Association

1501 North Shore Drive, Suite A East Lansing, Michigan 48823

www.miagbiz.org

Telephone (517) 336-0223 Fax (517) 336-0227

October 28, 2015

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,

Jim Byrum, President Michigan Agri-Business Association Lansing, MI

Bruce Sutherland, Vice President Michigan Agricultural Commodities Lansing, MI

David Geers, Vice President Michigan Agricultural Commodities Lansing, MI

Brian Brink, President Brink Farms and Brink Terminal Services Hamilton, Bay City and Muskegon, MI

Scott Dumaw Marketing Manager, Michigan Division Crop Production Services Auburn, MI

Jim Sheppard, Marketing Manager Harvey Milling Company Carson City, MI Alan J. McTaggart, Plant Manager Star of the West Milling Co. Bad Axe, MI

Ron Brown, President Brown Milling Mt. Pleasant, MI

Chad Tyrakowski, Plant Manager The Mennel Milling Company of Michigan Dowagiac, MI

Tom Ittner, President Ittner Bean & Grain Auburn, MI

Ken Nobis, President Michigan Milk Producers Association Ovid, MI

Joe Cramer, Executive Director Michigan Bean Commission Frankenmuth, MI

Michael Wehner, Vice President of Finance Cooperative Elevator Co. Pigeon, MI