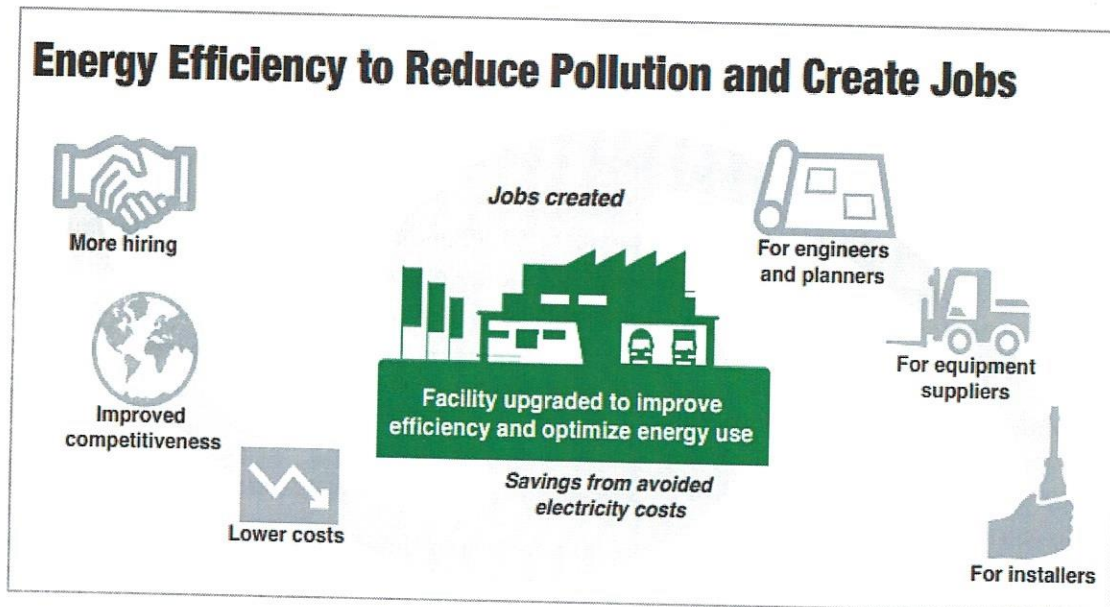


# The Economic Benefits of Building Benchmarking in Des Moines

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What is benchmarking, and how does it contribute to economic growth? Benchmarking is the practice of tracking a building's energy usage so that building owners can see how much they're using and how their building compares to itself and its peer buildings over time. Once building owners know how much energy and water they're using, they can make energy efficiency improvements—saving money and the planet. The benefits from energy and water benchmarking make waves throughout the economy as energy efficiency investments are made and as dollars are diverted from energy costs and into the local economy.



Energy efficiency investments support energy efficiency jobs, as Iowa has demonstrated over decades. It is currently home to 30,537 clean energy jobs, 66.2% of them in energy efficiency. Benchmarking supports efficiency jobs by encouraging building owners to invest in energy efficiency improvements. When energy efficiency measures are installed, whether through government incentives or private sector investment, they create a demand for skilled labor<sup>2</sup>. Efficiency improvements such as improved lighting and ventilation can improve indoor environmental quality, leading to increased worker productivity and less sick days taken<sup>3</sup>. These improvements not only improve conditions within buildings, they support 19,964 jobs in the state of Iowa. These jobs belong to Iowans in a large variety of positions from factory workers and technicians to software and hardware implementers to contractors specializing in heating, ventilation, and air conditioning (HVAC) systems. Within the metro Des Moines area, 4,036 people work in the energy efficiency sphere.<sup>4</sup>

Des Moines has demonstrated its commitment to creating a more efficient economy and a better future for its residents. At the end of 2017, the city launched Energize Des Moines, an energy and water efficiency challenge for buildings about 25,000 square feet with the goal of improving energy and water efficiency at least 10% by 2020<sup>5</sup>. However, recent legislation SF 2331 may jeopardize thousands of Iowans' jobs and put Iowa's position as an energy efficiency leader at risk. While utilities may scale back on efficiency programs and clean energy is under attack, a

<sup>1</sup> Image credit: [http://aceee.org/sites/default/files/ee-jobs-pollution\\_1.pdf](http://aceee.org/sites/default/files/ee-jobs-pollution_1.pdf)

<sup>2</sup> Ibid.

<sup>3</sup> <http://www.iea.org/Textbase/npsum/MultipleBenefits2014SUM.pdf>

<sup>4</sup> [https://www.cleanjobsmidwest.com/wp-content/uploads/2018/08/CJM-Executive-Summary-IA\\_2018.08.08.pdf](https://www.cleanjobsmidwest.com/wp-content/uploads/2018/08/CJM-Executive-Summary-IA_2018.08.08.pdf)

<sup>5</sup> <https://www.dmgov.org/Departments/CityManager/Pages/energizedsm.aspx>

benchmarking and efficiency policy would help support investment in energy efficiency —by far Iowa’s leading clean energy employer—supporting local jobs, Iowa families, and the greater community in addition to helping Des Moines and the rest of Iowa continue its leadership and growth as a regional leader.

#### Des Moines Energy Worker Profile: Emily Rice



Emily Rice is the Business Development Director for The Energy Group (TEG). TEG is a locally-owned consulting firm specializing

in energy management solutions. Emily started her employment at TEG after graduating from the University of Iowa with a degree in Chemical Engineering and a focus in Sustainability in Business 9 years ago; she entered her current role in 2013 where she is responsible for managing TEG’s day-to-day operations; from balancing workloads to systematizing new opportunities.

TEG provides energy management solutions to owners and operators by designing and delivering energy efficiency programs on behalf of utilities or large customers, helping to optimize a building’s performance before it’s built, or by partnering with consumers to evaluate their existing properties, making cost-effective recommendations to lower energy use and cost.

*“Clean energy advancement and economic growth are not mutually exclusive. We should be doubling down on Energy efficiency because it saves money for customers, creates jobs and spurs economic development”*

Credit:

<https://www.cleanjobsmidwest.com/worker-profiles/emily-rice>

Building benchmarking and energy efficiency can help to keep overhead costs low, attracting more businesses to Des Moines as an operational base. Being able to save on utility costs means that businesses in Des Moines will have more money available to invest in core business functions, enabling them to be even more competitive, as the money they save can be redirected into increased production or research and development, both of which involve job creation.<sup>6</sup> Moreover, energy efficiency spending tends to stay local, and such investments made by local businesses will benefit local contractors, engineers, and other building professionals. A study by the US Department of Energy found that each dollar spent on energy efficiency generated \$2.23 for the local economy, which is more than comparative returns generated on spending on local consumer goods and utility services. (\$1.90 and \$1.66, respectively).<sup>7</sup> Building benchmarking and the energy efficiency improvements that come with it also have indirect positive effects on the economy. Savings from energy efficiency improvements put more money into consumer’s pockets, meaning they will have more money to spend and contribute to the local economy.

#### SYNERGIES BETWEEN RENEWABLE RESOURCES AND EFFICIENCY

Iowans have long been pioneers in energy efficient policy and investment.<sup>8</sup> Building benchmarking would help them continue that trajectory of growth and prosperity, even in the face of damaging state legislation. As MidAmerican continues transitioning to 100% wind energy, energy efficiency will continue to be a key element in the strategy to deliver clean, affordable, energy to the residents of Des Moines. Saving energy complements existing strategies to become renewable by reducing energy demand, giving customers control over their consumption (and therefore their costs), and reducing the investment required to meet the renewable energy goal.<sup>9</sup>

Even with increases in reliance on renewable energy, the cheapest energy remains the energy we don’t use. No matter how you slice it, energy efficiency creates the highest returns for the consumer due to general utility savings and utility-wide savings from

avoiding the construction of new generation plants, and supports Iowa’s growth as a regional leader in clean energy jobs and efficiency in the Midwest.

<sup>6</sup> [https://www.imt.org/wp-content/uploads/2018/02/PCC\\_Benefits\\_of\\_Benchmarking.pdf](https://www.imt.org/wp-content/uploads/2018/02/PCC_Benefits_of_Benchmarking.pdf)

<sup>7</sup> Hayes, Sarah, Steven Nadel, Chris Granda, and Kathryn Hottel. “What Have We Learned from Energy Efficiency Financing Programs?” September 20, 2011. <http://aceee.org/research-report/u115>

<sup>8</sup> <http://www.iowaenergyplan.org/>

<sup>9</sup> <https://aceee.org/blog/2018/02/iowa-bills-threaten-roll-back-energy>