

The Energy Crisis of 2008

In just one year, crude oil prices have soared from \$65 per barrel to as high as \$130, and the price of a gallon of gasoline is now almost \$4. As **Tom Donohue**, president of the U.S. Chamber of Commerce, recently noted, “These runaway energy prices are punishing an economy that is already weak, and millions of small businesses and families on tight budgets are struggling” as a result. Add to that efforts in the United States to address global climate change and their potentially-catastrophic economic impact, and an “energy crisis” appears to be at hand.

Businesses, transportation companies and consumers alike are both concerned about and impacted by increasing energy costs, cost shifting and the potential impact of future increases, including those that may occur as global climate change issues are addressed in the United States. While some solutions may take years to develop, test and implement, others are available now for consideration and implementation here.

Last fall, your Chamber held a *Regional Issues Forum* on the topic of energy, with energy conservation as a focus, because we “watch the radar screen” on your behalf and know you rely on us to help you to address important business, community, economic and public policy issues. Since then, additional information and resources have been developed to help businesses and consumers “save energy” or to lower their energy costs.

One example is the Waste Wise and Energy Smart programs of the Minnesota Chamber of Commerce. Both programs involve a voluntary approach by businesses to waste reduction and energy conservation, according to **Mark Blaiser**, Waste Wise executive director. “It’s a win-win situation,” Blaiser states. “Businesses will improve their bottom lines while at the same time slowing the demand for electricity.”

Chamber member firm utilities *Xcel Energy*, *Cass County Electric Cooperative, Inc.* and *Moorhead Public Service* all provide energy management information and consultation assistance for their customers and the U.S. Department of Energy Web site contains information on energy conservation measures at www.energy.gov.

Generation, transportation, conservation and diversity of sources are all important considerations when it comes to energy issues, as are availability, reliability and cost. Your Chamber continues to be involved with these issues together with you and on your behalf as we advocate for a national energy policy that provides for our needs, protects our economy and promotes energy diversity and independence.

For more information about energy issues and your Chamber’s public policy work on this important issue, contact Public Affairs Coordinator Kelli Poehls at 218.359.0511 or kelli@fmchamber.com.

Energy Tips to Improve Fuel Economy

Drive at a moderate speed. This will have the biggest impact on increasing fuel efficiency. By increasing an automobile’s highway cruising speed from 55 miles per hour (mph) to 65, you decrease fuel economy from 40 miles per gallon (mpg) to 35. Speeding up to 75 mph reduces it by another 5 mpg.

Drive smoothly. Aggressive driving (speeding, rapid acceleration and braking) can lower gas mileage by 33 percent at highway speeds and by 5 percent around town.

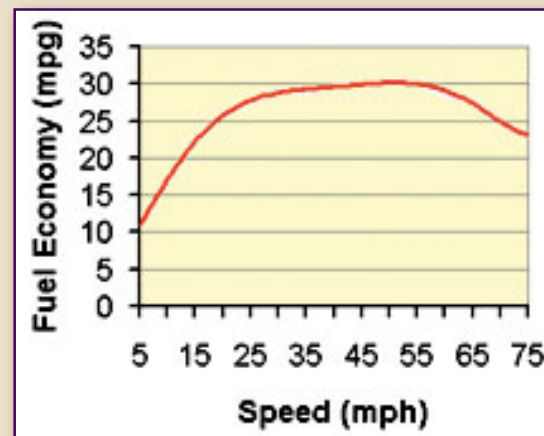
Use Cruise Control. Using cruise control on the highway helps to maintain a constant speed and, in most cases, will save gas.

Don’t use premium fuel if you don’t have to. If your car specifies regular fuel, it is not necessary to pay about 20 cents more per gallon for the higher octane blend. Most cars are designed to run just fine on regular gasoline.

Keep tires properly inflated. A vehicle can experience 1.3 mpg loss in highway fuel economy when the tires are underinflated by 10 pounds per square inch (psi).

Buy tires with lower rolling resistance. A tire’s rolling resistance can add or detract 1 or 2 mpg. A high-rated tire with low rolling resistance generally won’t cost more, and replacing a worn tire could save more than \$100 a year in fuel.

Avoid idling for long periods. When idling, your car is getting zero miles per gallon. As a rule, turn off the engine if you expect to sit for longer than 30 seconds. An engine warms up faster as it’s driven anyway.



Source: U.S. Department of Energy, www.fueleconomy.gov

*As a rule of thumb, you can assume each 5 mph you drive over 60 mph is like paying an additional \$0.20 per gallon for gas.