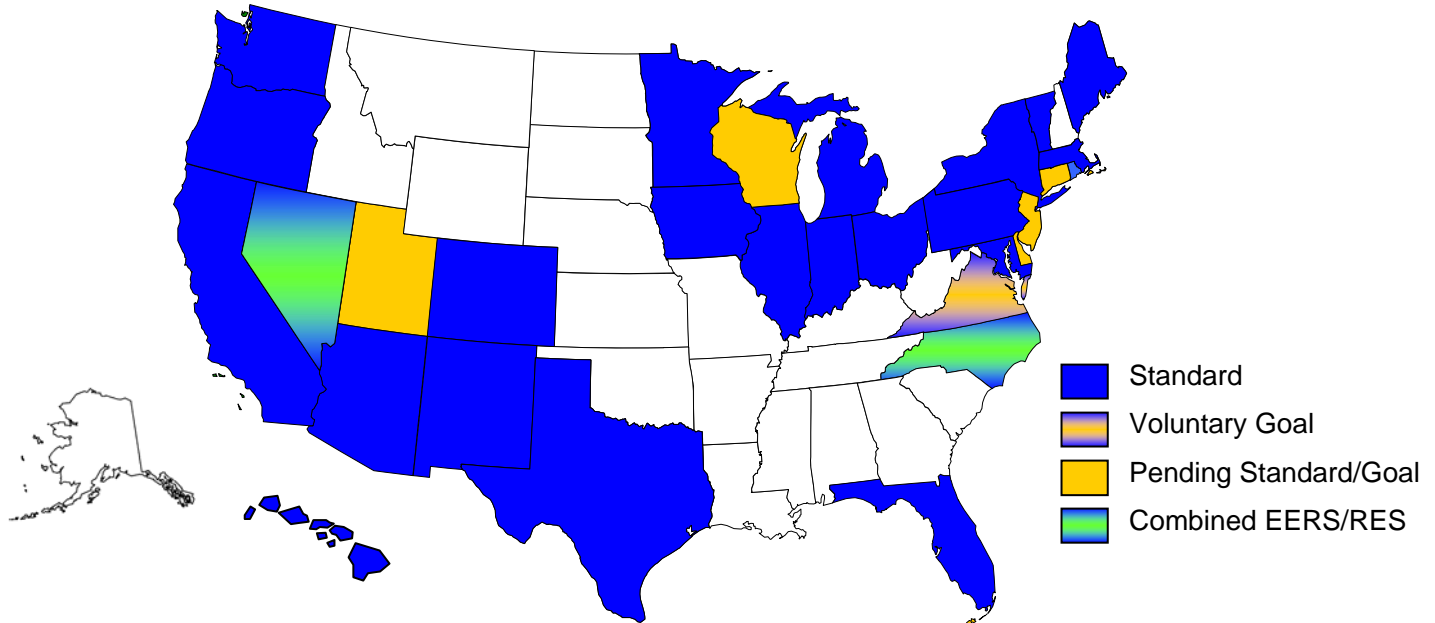


State Energy Efficiency Resource Standard (EERS) Activity

November 2010



Twenty-four states have enacted energy savings goals, or Energy Efficiency Resource Standards (EERS), through legislation and several states have a pending EERS

State EERS descriptions are listed below chronologically from when the state adopted an EERS.

State	EERS Policy	Reference
Texas 1999 and 2007 Electric	Texas became the first state to establish an EERS in 1999, requiring electric utilities to offset 10% of load growth through end-use energy efficiency. In 2007 the legislature doubled the standard to 20% of load growth by 2010 and directed that higher targets be investigated. In 2010, the Public Utilities Commission approved an increase in the energy efficiency goal to 25% of electric demand growth by 2012 and 30% in 2013 and beyond.	Texas Statutes 39.905; PUCT Substantive Rule Sec. 25.181
Vermont 2000 Electric	Efficiency Vermont (EV), an independent “efficiency utility” that delivers efficiency programs for the state, is contractually required to achieve energy and demand goals. EV cumulatively met over 9% of Vermont’s electricity requirements by the end of 2008. EV has energy savings goals for 2009-2011 of 360,000 total annual MWh, 51.2 total summer peak MW, and 54 total winter peak MW. The projected MWh savings amount to 6% of 2008 sales for these three years combined.	30 V.S.A. Sec. 209(d)(e); VT PSB Docket 5980; Draft 2009-2011 Annual Plan, 2009-2011 Energy Efficiency Utility Contract

State	EERS Policy	Reference
California 2004 and 2009 Electric and Natural Gas	California's long-term targets for its investor-owned utilities (IOUs) plan to save over 16,000 GWh and over 4,500 MW between 2012 and 2020. The most recent 2010-2012 program plan sets interim targets of 1,500 MW and 7,000 GWh, which is equivalent to 3.9% of total retail electric sales for California's 3 major utilities. The plan also establishes natural gas savings targets of 150 million metric therms.	Rulemaking 06-04-010; Application 08-07-021
Hawaii 2004 and 2009 Electric	The state's new EEPS sets a goal of 4,300 GWh savings by 2030, approximately 40% of 2007 electricity sales. The PUC must set interim goals and may change the 2030 goal if proven unattainable. It also calls for penalties for non-compliance. Formerly, under the state's RPS requirements, energy efficiency was allowed to qualify as an eligible resource. As of January 1, 2015, energy efficiency may no longer count towards the state's renewable goals.	HB 1464
Pennsylvania 2004 and 2008 Electric	Energy efficiency is an eligible resource in Tier II of Pennsylvania's Alternative Energy Portfolio standard, which was established in 2004 as a two-tiered renewable energy standard; however, there was no minimum efficiency target. In 2008, legislation was passed requiring electric distribution companies to meet 1% electricity savings in 2011 and a total of 3% by 2013, as a percent of 2009-2010 electricity sales.	Act 129; Alternative Energy Portfolio Standards (AEPS) Act (Act 213)
Connecticut 2005 (Pending) Electric	In compliance with its renewable portfolio standard, Connecticut's utilities had to procure a minimum 1% of electricity sales from energy efficiency and/or CHP, a class III resource, each year from 2007 through 2010. The Department of Public Utility Control (DPUC) did not adopt higher savings goals proposed by the utility program administrators and the Energy Efficiency Board in the last two Integrated Resource Plans, which were equivalent to about 20% energy savings over ten years. In its latest decision, the DPUC did not approve additional funding for energy efficiency programs that would be necessary to comply with the state's statute to acquire all cost-effective energy efficiency.	The 2007 Electricity and Energy Efficiency Act (H.B. 7432); Conn. Gen. Stat. §16a-3a (2007). Docket 09-10-03; Docket 10-02-07
Nevada 2005 and 2009 Electric	Nevada's Renewable Portfolio Standard was revised in 2005 to increase the portfolio requirement to 20% by 2015 and allow the utilities to use energy efficiency to help meet the requirements. The state's RPS was expanded in 2009 to 25% of electricity sales. Energy efficiency can meet up to 25% of the total portfolio standard.	2009 Senate Bill 358
Rhode Island 2006 Electric and Natural Gas	The Comprehensive Energy Conservation, Efficiency, and Affordability Act of 2006 requires utilities to submit energy efficiency procurement plans. The Commission has approved the plan of the state's major utility, National Grid, which aims to save 1% in 2009, ramping up to 1.5% in 2011 based on 2008 retail sales. The goals also include natural gas targets of 0.5% for programs in 2009.	2006 SB 2903; Docket No. 3931

State	EERS Policy	Reference
Washington 2006 Electric	In 2006, ballot initiative I-937 was approved requiring utilities to acquire all cost-effective energy efficiency. The Northwest Power and Conservation Plan sets the basis for efficiency targets. The 6 th and most recent NWPC plan identifies 5,900 average MW of cost-effective and achievable conservation savings in the Northwest by 2030. In January 2010, Washington's three IOUs submitted biennial conservation goals and identified achievable efficiency potential through 2019. Avista, has had its goals approved, which aim for over 1% savings a year. PacifiCorp has proposed similar goals. Puget Sound Energy submitted lower goals based on the 5 th Power Plan, which have been challenged by the utility commission.	Ballot initiative 937; Sixth Northwest Power Plan
Colorado 2007 Electric and Natural Gas	In April 2007, the Colorado legislature adopted a bill that called on the Colorado Public Utilities Commission (CPUC) to establish energy savings goals and provide financial incentives for electric and natural gas utilities. The CPUC established an energy savings goal of about 11.5% by 2020 for Xcel Energy and sets the same targets for Black Hills Energy to 2011. Natural gas utilities have individual targets in place as well	HB-07-1037; CPUC Docket No. 07A- 420E; Docket No. 08A-518E
Minnesota 2007 Electric and Natural Gas	Minnesota utilities must achieve 1.5% annual energy savings of electric and natural gas sales, at least 1% of which must come from energy efficiency. This plan was enacted in legislation in 2007 and requires utilities to meet the annual targets by 2010.	MN Statutes 2008 § 216B.241
Virginia 2007 Electric	Governor Kaine inserted an enactment clause into the March 2007 electricity restructuring legislation stating that the Commonwealth shall have a goal of reducing electricity consumption by 10% (of 2006 consumption) by 2022. Dominion is currently on track to achieve about 3% energy savings by 2022. As it is a voluntary goal, it is not counted among the twenty-five states with an EERS.	VA 2007 Acts of Assembly, Chapter 933; Case No. PUE- 2007-00049
Illinois 2007 Electric and Natural Gas	In July 2007, the Illinois legislature set energy efficiency and demand response program requirements for utilities. With help from the state of Illinois Utilities must achieve annual savings goals of: 0.2% of energy delivered in 2008, 0.4% in 2009, and so on, rising to 2.0% annually for 2015 and subsequent years. Program implementation began in 2008. The state also passed natural gas savings targets in 2009 providing cumulative savings of 8.6% in 2020. For all programs, there is a rate impact cap of 2% of overall rates over the 3-year reporting period.	220 ILCS 5/12-103; SB 1918
North Carolina 2007 Electric	In August 2007, the North Carolina legislature enacted a law requiring public electric utilities in the state to obtain renewable energy power and energy efficiency savings of 3% of prior-year electricity sales in 2012, 6% in 2015, 10% in 2018, and 12.5% in 2021 and thereafter. Energy efficiency is capped at 25% of the 2012-2018 targets, and at 40% of the 2021 target.	N.C. Gen. Stat. § 62- 133.8

State	EERS Policy	Reference
New York 2008 Electric and Natural Gas	In June 2008, the New York State Public Service Commission approved a goal to reduce electricity usage 15% by 2015. The Commission currently has an open proceeding working with utilities and NYSERDA to expand existing programs and develop new ones. New York also has natural gas targets that aim for 1.3% annual savings and are not binding.	NYSERDA Order 07-M-0548
New Mexico 2008 Electric	Electric and gas utilities must acquire all cost-effective and achievable energy efficiency resources. Investor-owned electric utilities must achieve 5% energy savings from 2005 sales by 2014 and 10% by 2020.	NMSA §§ 62-17-1 – 62-17-11
Maryland 2008 Electric	In 2008, legislation was enacted that requires the state's electric utilities to reduce per-capita electricity consumption 15% by 2015, relative to 2007 per capita consumption. Utilities must meet 2/3 rd of the goal and the state must administer programs to reach 1/3 rd of the goal.	MD Public Utility Companies Code, Title 7-211
Ohio 2008 Electric	In 2008, legislation was enacted that requires a gradual ramp-up to a 22% reduction in electricity use by 2025. Starting in 2009, electric distribution utilities must achieve 0.3% savings, which amps up to 1% per year by 2014, then jumps to 2%/year in 2019 through 2025.	Ohio Revised Code 4928.66
Michigan 2008 Electric	Michigan's goals start at 0.3% of electricity sales in 2009 and ramp up to an annual electricity savings requirement of 1% of total sales by 2012, and continue at that level each year thereafter (0.75% for natural gas utilities).	SB 213
Iowa 2009 Electric	In 2008, the Iowa Utilities Board (IUB) issued an order asking investor-owned utilities (IOUs) to submit plans including a scenario to achieve a 1.5% annual electricity and natural gas savings goal. Most recently, in March 2009, the IUB approved MidAmerican Energy Company's Energy Efficiency Plan which calls for 1.5% electricity savings by 2010 and 0.85% natural gas savings by 2013. Although not required by legislation, once the board approves the utility plan, the goals are binding. Also in 2008, the legislature passed a new framework for municipal and cooperative utility efficiency programs requiring these utilities to set energy savings goals, create plans to achieve those goals, and report to the IUB on progress.	Docket No. 199 IAC 35.4(1) (EEP-02-38, EEP-03-1, EEP-03-4); 2009 Iowa Code Title XI, Subtitle 5, Ch. 476
Indiana 2009 Electric	Indiana's Commission ordered all jurisdictional electric utilities to begin submitting three-year DSM plans in 2010 indicating their proposals and projected progress in meeting annual savings goals outlined by the Commission. The goals begin at 0.3% annual savings in 2010, increasing to 1.1% in 2014, and leveling at 2% in 2019.	Cause No. 42693
Arizona 2009 Electric	On December 18th, the ACC ordered that all investor-owned utilities and rural electric cooperatives achieve 2% annual savings beginning in 2014. By 2020, the state should reach 20% cumulative savings, relative to 2005 sales, plus 2% from peak demand reductions from demand response programs. Electric distribution cooperatives are required to meet 75% of the standard in any year.	Docket Nos. RE-00000C-09-0427, Decision No. 71436

State	EERS Policy	Reference
Massachusetts 2009 Electric and Natural Gas	Massachusetts has a legislative requirement enacted in 2008 for electric and gas utilities to acquire all cost-effective energy efficiency that costs less than new energy supply as the first priority resource. The Department of Public Utilities also recently approved an annual electricity savings target of 2.4% and natural gas target of 1.15% by 2012.	D.P.U. 09-116 through D.P.U. 09-128
Florida 2009 Electric	In December 2009, the Florida Public Utility Commission set goals for its electric utilities at 3.5% energy savings over 10 years. The goal is less than half of the goal recommended by the Commission staff's own expert.	Docket Nos. 080407-EG – 080413-EG; Order No. PSC-09-0855-FOF-EG
Maine 2010 Electric and Natural Gas	The Maine Public Utilities Commission approved the triennial plan of the Efficiency Maine Trust, which develops, plans, coordinates, and implements energy efficiency programs in the state. In the plan, the Trust commits to annual energy savings goals in FY2011 of around 1%, ramping up to 1.4% in FY2013. The plan also includes savings targets for other fuels.	Docket No. 2010-116
Oregon 2010 Electric and Natural Gas	In its first ever long-range strategic plan, the Energy Trust of Oregon laid out energy savings goals between 2010 and 2014 of 256 average megawatts (2,242.6 GWh) of electricity and 22.5 million annual therms of natural gas. These goals include savings from Northwest Energy Efficiency Alliance programs. The electric targets are equivalent to 0.8 percent of 2009 electric sales in 2010, ramping up to 1% in 2013 and 2014. The natural gas targets ramp up from 0.2 percent of 2007 natural gas sales to 0.4 percent in 2014.	Energy Trust of Oregon 2009 Strategic Plan
Delaware Pending Electric and Natural Gas	On July 29, 2009, Governor Markell signed SB 106, which sets goals for consumption and peak demand for electricity and natural gas utilities. The goals are 15% electricity consumption and peak demand savings and 10% natural gas consumption savings by 2015. A binding EERS is currently pending, however, as regulations outlining compliance standards and procedures have yet to be approved.	SB 106
Wisconsin Pending Electric and Natural Gas	In November 2010, the Wisconsin Public Service Commission approved electric energy and demand goals as a percent of peak load and electric sales of 0.75% in 2011, ramping up to 1.5% in 2014. The PSC also approved natural gas goals of 0.5% in 2011, ramping up to 1% in 2013. The goals must be approved by the State Senate Finance Committee before they are binding and may be revised by the PSC.	Docket 5-GF-191
Utah Pending Electric and Natural Gas	Utah passed an EERS bill in 2009 that urges the UT PUC to set energy savings goals of at least 1% per year for regulated electric utilities and at least 0.5% per year for gas utilities. The bill does not penalize utilities that do not meet the savings goals, as long as they make good faith efforts. A docket is open that is reviewing a wide range of DSM policies including (but not limited to) the issues addressed in the resolution.	Docket No. 09-035-T08, House Joint Resolution 9

State	EERS Policy	Reference
New Jersey Pending Electric and Natural Gas	New Jersey's utility efficiency goals, which are still under development, contain two main elements: (1) setting energy and demand goals for the administrators of the Clean Energy Program, and (2) requiring each electricity supplier/provider to meet efficiency goals. As of June 2007, the BPU has been authorized to adopt an electric and a gas energy efficiency portfolio standard, with goals as high as 20% savings by 2020 relative to predicted consumption in 2020. It has yet to implement any targets for utilities.	Executive Order 54; New Jersey Energy Master Plan

For further information, please visit <http://www.aceee.org/energy/state/>
529 14th Street N.W. • Suite 600 • Washington, D.C. 20045
(202) 507-4000 / FAX (202) 429-2248