

State Energy Efficiency Resource Standards (EERS)

April 2014

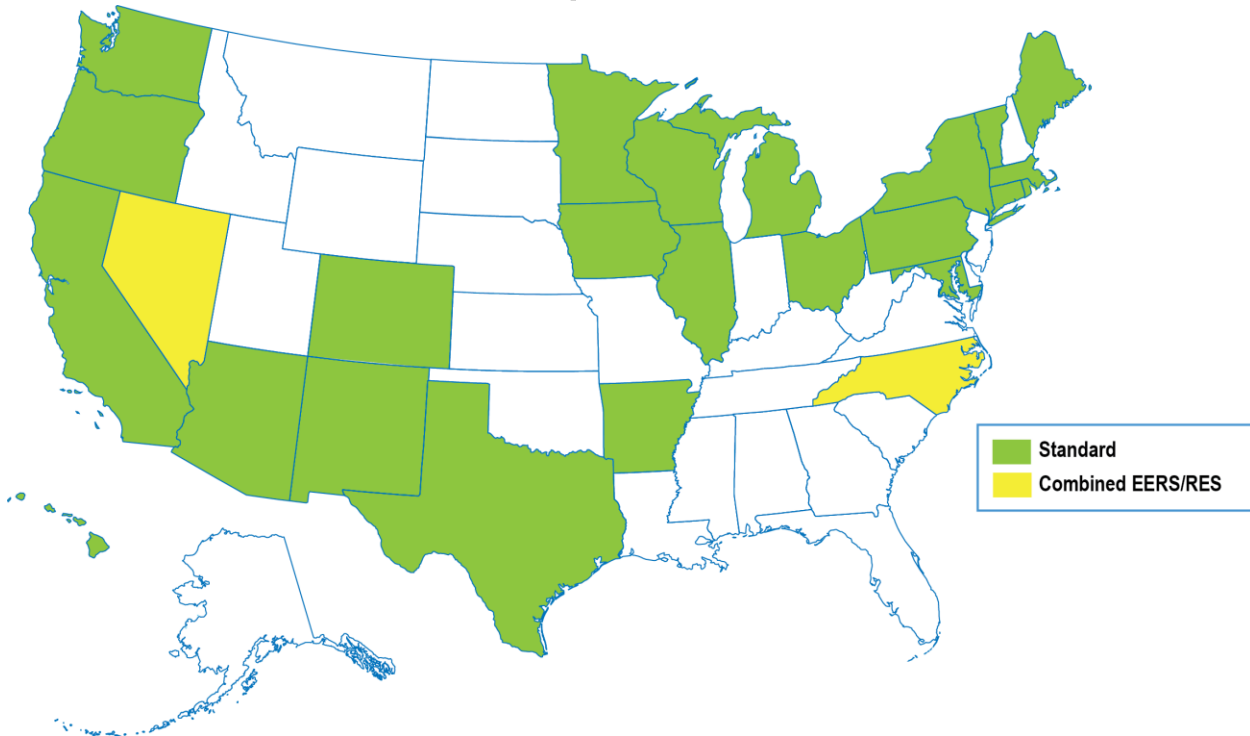


Figure 1. EERS policy approaches by state (as of April 2014).

Twenty-five¹ states have enacted long-term (3+ years), binding energy savings targets, or energy efficiency resource standards (EERS). These 25 states make up nearly 60% of electricity sales in the United States. If each of these states maintains its current EERS target out to 2020, the total annual savings would be more than 232,000 GWh by 2020, equivalent to over 6% of projected 2020 sales nationwide, or the combined electricity consumption of Ohio, Minnesota, and Rhode Island.

This policy brief outlines state EERS approaches. For a more in-depth look at individual state EERS policies, visit ACEEE's [State Energy Efficiency Policy Database](#). The Database also describes other types of utility energy efficiency policies in each of the fifty states plus the District of Columbia. It also highlights specific policies and programs states use to implement efficiency, and the methods by which they evaluate programs and measure and verify savings. The database is updated annually in conjunction with the [State Energy Efficiency Scorecard](#).

¹ Does not include Indiana (EERS eliminated), Delaware (EERS pending), Florida (programs funded at levels far below what is necessary to meet targets), Utah, or Virginia (voluntary standards).

EERS policy status by state

	· State · Year enacted · Electric/Natural Gas · Applicability (% sales affected)	Energy efficiency resource standard	Reference
1	Arizona 2010 Electric and Nat. Gas IOUs, Co-ops (~59%)	Electric: Annual savings targets began at 1.25% of sales in 2011, ramping up to 2.5% in 2016 through 2020 for cumulative annual electricity savings of 22% of retail sales, of which 2% may come from peak demand reductions. Natural Gas: ~0.6% annual savings (for cumulative savings of 6% by 2020).	Docket No. RE-00000C-09-0427, Decision 71436 Docket No. RE-00000C-09-0427, Decision 71819 Docket No. RG-00000B-09-0428 Dec. No. 71855
2	Arkansas 2010 Electric and Nat. Gas IOUs (~53%)	Electric: Annual reduction of 0.75% of total electric kWh sales in 2014 and 0.9% in 2016. Natural Gas: Annual reduction of 0.40% in 2014 and 0.5% in 2015. The Commission has withheld a ruling on targets for 2016-2017 pending a potential study.	Order No. 17, Docket No. 08-144-U ; Order No. 15, Docket No. 08-137-U Order No. 1, Docket No. 13-002-U Order No. 7, Docket No. 13-002-U
3	California 2004 and 2009 Electric and Nat. Gas IOUs (~78%)	Electric: ~0.9% annual savings through 2020. Demand reduction of 4,541 MW through 2020. Natural Gas: 619 gross MMTh between 2012 and 2020. Utilities must pursue all cost-effective efficiency resources.	CPUC Decision 04-09-060 ; CPUC Decision 08-07-047 ; CPUC Decision 09-09-047
4	Colorado 2007 Electric and Nat. Gas IOUs (~57%)	Electric: Black Hills follows PSCo savings targets of 0.8% of sales in 2011, increasing to 1.35% of sales in 2015 and 1.66% of sales in 2019. Natural Gas: Savings targets commensurate with spending targets (at least 0.5% of prior year's revenue).	Colorado Revised Statutes 40-3.2-101, et seq. ; Docket No. 08A-518E Dec. R09-0542 COPUC Docket No. 12A-100E Dec. R12-0900 ; Docket 10A-554EG
5	Connecticut 2007 & 2013 Electric and Nat. Gas IOUs (~94%)	Electric: Targets equivalent to annual savings of ~1.4% through 2015. Natural Gas: Average annual savings of ~60 MMTherms through 2015 Utilities must pursue all cost-effective efficiency resources.	Public Act No. 07-242 Public Act No. 13-298 2013-2015 Electric and Natural Gas Conservation and Load Management Plan
6	Hawaii 2004 and 2009 Electric Statewide Goal (100%)	In 2009, transitioned away from a combined RPS-EERS to a standalone EEPS goal to reduce electricity consumption by 4,300 GWh by 2030 (equal to ~30% of forecast electricity sales, or 1.4% annual savings).	HRS §269-91, 92, 96 HI PUC Order, Docket 2010-0037

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7	Illinois 2007 Electric and Nat. Gas Utilities with over 100,000 customers, Illinois DCEO (~88%)	Electric: 0.2% annual savings in 2008, ramping up to 1% in 2012, 2% in 2015 and thereafter. Annual peak demand reduction of 0.1% through 2018. Natural Gas: 8.5% cumulative savings by 2020 (0.2% annual savings in 2011, ramping up to 1.5% in 2019). Energy efficiency measures may not exceed an established cost-cap.	S.B. 1918 Public Act 96-0033 § 220 ILCS 5/8-103
8	Iowa 2009 Electric and Nat. Gas IOUs (75%)	Electric: Varies by utility from 1-1.5% annually through 2014. Natural Gas: Varies by utility from 0.74-1.2% annually through 2014.	Senate Bill 2386 Iowa Code § 476
9	Maine 2009 Electric and Nat. Gas Efficiency Maine (100%)	Electric and natural gas savings of 20% by 2020, with annual savings targets of ~1.6% for electric and ~0.3% for natural gas. Efficiency Maine operates under an all cost-effective mandate.	Efficiency Maine Triennial Plan H.P. 1128 – L.D. 1559
10	Maryland ² 2008 Electric Statewide Goal (100%)	15% per-capita electricity use reduction goal by 2015 (10% by utilities, 5% achieved independently). 15% reduction in per capita peak demand by 2015, compared to 2007. The next round of targets are currently under discussion.	Md. Public Utility Companies Code § 7-211
11	Massachusetts 2009 Electric and Nat. Gas IOUs, Co-ops, Muni's, Cape Light Compact (~86%)	Electric: 1.4% in 2010, 2.0% in 2011; 2.4% in 2012; 2.5% in 2013 increasing to 2.6% by 2015. Natural Gas: 0.63% in 2010, 0.83% in 2011; 1.0% in 2012; 1.1% in 2013 increasing to 1.15% by 2015. All cost-effective efficiency requirement.	D.P.U. Order 09-116 through 09-128 D.P.U. Order 12-100 through 12-111
12	Michigan 2008 Electric and Nat. Gas Statewide Goal (100%)	Electric: 0.3% annual savings in 2009, ramping up to 1% in 2012 and continuing through 2015. Natural Gas: 0.10% annual savings in 2009, ramping up to 0.75% in 2012 and continuing through 2015.	M.G.L. ch. 25, § 21; Act 295 of 2008
13	Minnesota 2007 Electric and Nat. Gas Statewide Goal (100%)	Electric: 1.5% annual savings in 2010 and thereafter. Natural Gas: 0.75% annual savings from 2010-2012; 1% annual savings in 2013 and thereafter.	Minn. Stat. § 216B.241

² The 15% per-capita electricity use reduction goal translates to around 17% cumulative savings over 2007 retail sales.

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1 4	Nevada 2005 and 2009 Electric IOUs (~62%)	20% of retail electricity sales to be met by renewables and energy efficiency by 2015, and 25% by 2025. Energy efficiency may meet a quarter of the standard through 2014, but is phased out of the RPS by 2025.	NRS 704.7801 et seq. NRS 704.7801 as amended
1 5	New Mexico 2008 and 2013 Electric IOUs (68%)	5% reduction from 2005 total retail electricity sales by 2014, and an 8% reduction by 2020.	N.M. Stat. § 62-17-1 et seq.
1 6	New York 2008 Electric and Nat. Gas Statewide Goal (100%)	Electric: 15% cumulative savings by 2015. Natural Gas: ~14.7% cumulative savings by 2020.	NY PSC Order, Case 07-M-0548 NY PSC Order, Case 07-M-0748
1 7	North Carolina 2007 Electric Statewide Goal (100%)	Renewable Energy and Energy Efficiency Portfolio Standard (REPS) requires renewable generation and/or energy savings of 6% by 2015, 10% by 2018, and 12.5% by 2021 and thereafter. Energy efficiency is capped at 25% of target, increasing to 40% in 2021 and thereafter.	N.C. Gen. Stat. § 62-133.8 04 NCAC 11 R08-64, et seq.
1 8	Ohio 2008 Electric IOUs (~89%)	22% by 2025 (0.3% annual savings in 2009, ramping up to 1% in 2014 and 2% in 2019). Peak demand reduction targets of 1% in 2009 and an additional 0.75% each year thereafter until 2018.	ORC 4928.66 et seq. S.B. 221
1 9	Oregon 2010 Electric and Nat. Gas Energy Trust of Oregon (~70%)	Electric: Targets are equivalent to 0.8% of 2009 electric sales in 2010, ramping up to 1.4% in 2013 and 2014. Natural Gas: 0.2% of sales in 2010 ramping up to 0.4% in 2014.	Energy Trust of Oregon 2009 Strategic Plan
2 0	Pennsylvania 2004 and 2008 Electric Utilities with over 100,000 customers (~93%)	3% cumulative savings from 2009 to 2013; ~2.3% cumulative savings from 2014-2016. EERS includes peak demand targets. Energy efficiency measures may not exceed an established cost-cap.	66 Pa C.S. § 2806.1 ; PUC Order Docket No. M-2008-2069887 ; PUC Implementation Order Docket M-2012-2289411
2 1	Rhode Island 2006 Electric and Nat. Gas IOUs, Muni's (~99%)	Electric: Annual savings of 1.7% in 2012, 2.1% in 2013, 2.5% in 2014. EERS includes demand response targets. Natural Gas: Annual savings of 0.6% in 2012, 0.8% in 2013, and 1.0% in 2014. Utilities must acquire all cost-effective energy efficiency.	R.I.G.L § 39-1-27.7 Docket 4284, 4295

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2 2	Texas 1999 and 2007 Electric IOUs (~73%)	20% Incremental Load Growth in 2011 (equivalent to ~0.10% annual savings); 25% in 2012, 30% in 2013 onward. Peak demand reduction targets of 0.4% compared to previous year. Energy efficiency measures may not exceed an established cost cap.	Senate Bill 7 ; House Bill 3693 ; Substantive Rule § 25.181 Senate Bill 1125
2 3	Vermont 2000 Electric Efficiency Vermont, Burlington Electric (100%)	Expected cumulative savings of ~6% from 2012 to 2014. EERS includes demand response targets. Energy efficiency utilities must set budgets at a level that would realize all cost-effective energy efficiency.	30 V.S.A. § 209 ; VT PSB Docket EEU-2010-06
2 4	Washington 2006 Electric IOUs, Co-ops, Muni's (~81%)	Biennial and Ten-Year Goals vary by utility. Law requires savings targets to be based on the Northwest Power Plan, which estimates potential annual savings of about 1.5% through 2030 for Washington utilities. All cost-effective conservation requirement.	Ballot Initiative I-937 WAC 480-109 WAC 194-37
2 5	Wisconsin 2011 Electric and Nat. Gas Focus on Energy (100%)	Electric: Annual savings of ~0.66% of sales in 2011-2014. Natural Gas: Annual savings of ~0.5% of sales in 2011-2014. Energy efficiency measures may not exceed an established cost-cap.	Order, Docket 5-GF-191

For further information on energy efficiency resource standards, please visit <http://www.aceee.org/topics/eers>

ACEEE Contacts:

Annie Downs
adowns@aceee.org
(202) 507-4002

Maggie Molina
mmolina@aceee.org
(202) 507-4004