

New Energy Efficiency Policy Initiatives and Advances in the Southeast United States

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ABSTRACT

The Southeast is one of the last regions of the country to embrace energy efficiency programs, especially the widespread deployment of utility demand side management programs. Electric utility energy efficiency program spending per capita in the Southeast is just one-fifth the national average. With a fuel mix for electricity generation in the region consisting of 65 percent fossil fuels, and the majority in coal, energy savings levels experienced in other regions of the United States would significantly improve air quality across the region.

Reports on energy efficiency in the Southeast, particularly *Powering the South* by the Renewable Energy Policy Project and *Assessment of Energy Efficiency in Georgia* by ICF Consulting for the Georgia Environmental Facilities Authority, have demonstrated that energy efficiency holds the proven potential to reduce energy consumption, foster economic development, and improve air quality in the Southeast through demand-side management programs and economic incentives.

This paper describes recent advances in energy efficiency policies in the Southeastern United States, including the advocacy process used to achieve policy and program changes in Georgia in the years 2004-2005. The formation of a broad coalition to effect policy changes at the Georgia Public Service Commission and the collaborative process between efficiency advocates and regulated utilities and the four demand side management program recommendations it produced are highlighted. The paper concludes with the discussion of the coalition development of the Southeast Energy Efficiency Alliance (SEEA) - an emerging regional energy efficiency alliance whose principal goal is to promote and achieve greater energy efficiency levels than are now realized throughout the 11-state Southeast region of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia.

The Southeast Energy Outlook

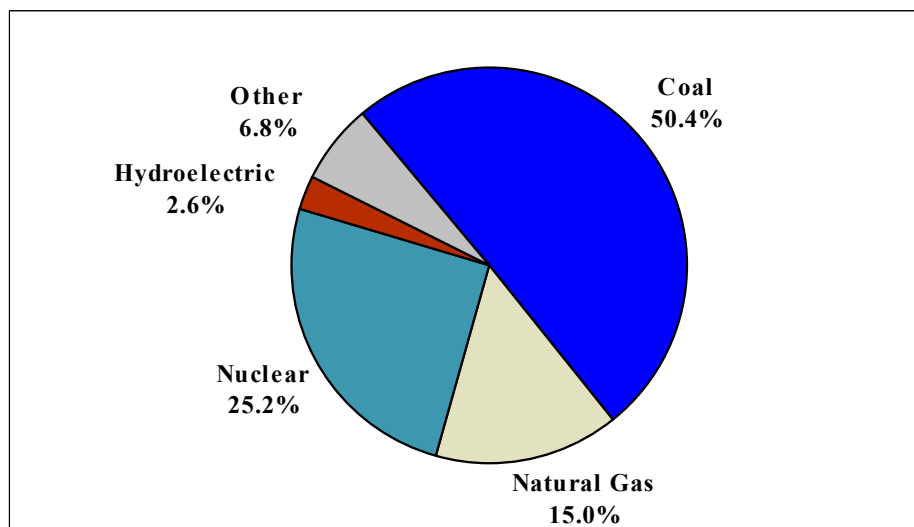
The Southeast¹ region is the nation's leader in population, as well as net in-migration, and is consistently ranked among the nation's largest and fastest growing regions. The Southeast recorded a 20 percent population growth during the past decade alone (Census 2003). In 2004, 700,706 privately owned housing permits were issued across the Southeast – 34 percent of the national total (Census 2004).

As a result of this growth, the Southeast will require more energy and consume more of it. Fortunately for the Southeast, it is among the nation's leaders in generation capacity, producing over 265,000 MWh in 2002 (DOE 2002). Unfortunately, per capita electricity consumption in the Southeast is among the highest in the nation. According to a report by the

¹ The 11-state Southeast region in this paper is defined as Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia.

Renewable Energy Policy Project, electricity consumption in the South under a “business as usual” scenario – without further energy efficiency improvements – is expected to grow 45 percent by 2020 (REEP 2002). In addition, the level of energy intensity, which is the amount of energy consumed to produce one dollar of gross state product, is also significantly higher in much of the Southeast compared to the national average. This indicates that many states in the Southeast have yet to maximize the economic potential of the energy it uses and therefore, not realizing its full economic development potential (SEEA 2004). Unless policies are implemented to curb its inefficient consumption of energy, the Southeast’s voracious appetite for cheap energy will continue to grow.

Figure 1. Southeast Electric Generation Fuel Mix



Source: U.S. Department of Energy, Energy Information Agency. 2002

Growing energy consumption can also lead to an increase in air quality problems and customer energy costs in the Southeast. According to 2002 U.S. Energy Information Agency statistics (see Figure 1), 65 percent of the fuel mix for electricity generation in the region consists of fossil fuels – of which 50 percent is coal and 15 percent natural gas (DOE 2002). The Southeast has much to gain by implementing more energy efficiency policies and programs, including better air quality and a healthier economy. Energy efficiency is a cost-effective way to reduce energy consumption and therefore, avoid the need to construct several power plants in a region growing as fast as the Southeast. At their peak in the mid-1990s, demand-side management programs nationally produced 61,800 gigawatt-hours of savings per year, reducing peak demand by 29,900 megawatts—enough to keep about 60 power plants of 500 megawatts each from being built and operated (DOE 1996). However, due to cheap energy prices in the past, the Southeast has had little incentive to reduce its energy usage. In fact, the Southeast spends only one-fifth the national average, per capita, on energy efficiency programs, and ranks near the bottom among regions in ENERGY STAR[®] appliance penetration (D&R 2004). However, with energy prices increasing, the era of cheap energy that the Southeast has enjoyed for so long may be coming to a quick end. To help stem the sharp increases in energy prices and demand, energy efficiency programs could be implemented to reduce the rate of growth of electric consumption without having to build new sources of generation.

**Table 1. Electric Utility Energy Efficiency Spending, DSM and Public Benefit Funds
(Sample Regions: 2002)²**

Region	Spending Per State (\$ million)	Spending Per Capita (\$)
New England average	33.91	12.10
Midwest average	14.65	2.98
Southeast average	7.37	0.67
Northwest average <i>(Washington, Oregon, Idaho, Montana, Wyoming and Utah)</i>	11.91	4.00
National average	n/a	3.88

Source: Renewable Energy Policy Project 2002

Demand Side Management Programs Re-Emerge in Georgia

The movement to increase energy efficiency in the Southeast began in the year 2004 with the opening of the 2004 Georgia Public Service Commission (Commission) review of the Georgia Power Company and the Savannah Electric and Power Company Integrated Resource Plans (IRP).

Georgia law requires investor-owned electric utilities to submit integrated resource plans to the Georgia Commission every three years for review and approval. Integrated resource plans (IRP) provide a 20-year forecast of electric growth and a plan to meet the electric load requirements. An IRP identifies a utility's supply-side resources, such as power plants, and demand-side measures, such as energy efficiency programs. It is the Georgia Commission's responsibility to review the IRPs and consider both demand-side and supply-side options, as well as "the economic, environmental, and other benefits to the state and to consumer of the utility." O.C.G.A. §§ 46-3A-1(7) and 46-3A-2(b)(3) (Georgia 2004).

The Georgia Power Company and the Savannah Electric and Power Company, both subsidiaries of the parent company Southern Company, filed their 2004 IRPs with the Georgia Commission for review and approval. The Georgia Power Company IRP included a \$328 million rate request to meet energy demand for investments in transmission and distribution upgrades in the quickly growing region. However, no demand-side management (DSM) programs were included in the IRP to help mitigate the growing electric demand in the region. This was no surprise given that DSM programs were discontinued by the Commission in 1995.

Numerous DSM programs were approved by the Commission in the early 1990's, but overall proved costly to non-participants and provided little system-wide benefits. The Commission, in its final order in Dockets 17687-U and 17688-U, found that the primary reason for the failure of the DSM programs was that there was no real focus or targeted objectives in approving the DSM options (GA DSM Working Group 2005). Others contend the failure was

² Spending does not include State Energy Office and Federal programs. More than 50 percent of this number is from Florida alone.

due to a heavy reliance on the Total Resource Cost test without consideration of the Rate Impact Measurement (RIM) test and a failure to use pilot projects for program evaluation. The Total Resource Cost (TRC) test is a cost-benefit analysis that generally determines the net benefit to society of a DSM program, whereas the RIM test generally measures a program's impact on utility rates.³ Whatever the reason, the Commission in a 1995 IRP Order adopted the RIM test as the sole program analysis tool and as a result, effectively eliminated the future implementation of DSM programs in Georgia.

Building Support and Educating the Georgia Commission

Energy efficiency advocates decided that the 2004 IRP process would be the best opportunity to educate the Commission on energy efficiency initiatives and resurrect demand side management programs in Georgia. To achieve this goal, a coalition comprised of the Alliance to Save Energy, Southern Alliance for Clean Energy, and Southface Energy Institute (Coalition) worked to inform Georgia citizens and ratepayers about participating in the public regulatory process and to build public support for the adoption of new energy efficiency policies and programs in Georgia. Various policy tools were prepared by the Coalition, such as documents to prepare individuals and organizations for preparing and presenting public testimony to the Commission, to gather and broaden support for increased energy efficiency measures in Georgia. Utility regulatory hearings are usually not attended by the general public. However, in this proceeding, the hearing room was crowded with progressive home builders, architects, engineers, retailers, faith-based groups, environmental interests and others ready to speak in favor of energy efficiency programs. This grassroots advocacy demonstrated that there was a substantial public interest in the outcome of the IRP and helped put energy efficiency back on the Commission's IRP agenda.

Intervention

The Alliance to Save Energy intervened in the 2004 Georgia Power Company and Savannah Electric Company (Companies) IRP proceedings and submitted testimony (assisted by GDS Associates, a leading DSM consulting firm in Georgia) to the Commission addressing seven points:

1. Demonstrate that the implementation of cost effective energy efficiency program in the service areas of the Companies could save ratepayers hundreds of millions of dollars (over \$1.4 billion in net present value saving to ratepayers of Georgia Power Company alone);
2. Show that the TRC test is the correct cost effectiveness test for DSM programs in Georgia;
3. Explain the recommendations of the Alliance to Save Energy relating to DSM programs and the need for a DSM Working Group;
4. Present up-to-date information of successful DSM programs and savings in other states;

³ For a DSM program to pass the RIM test, economic benefits must overcome the utility revenue loss at full retail rates. As a result, the RIM test tends to favor DSM programs that reduce peak load demand instead of programs that seek to reduce energy consumption. The RIM test also tends to favor programs that build electric load.

5. Identify fundamental shortcomings in the DSM measure screening process used by the Georgia Power Company and the Savannah Electric and Power Company;
6. Demonstrate that the IRP plans filed by the Georgia Power Company and the Savannah Electric and Power Company were not integrated IRP plans as per the Georgia IRP statute and Commission rules; and
7. Provide Alliance to Save Energy recommendations for DSM cost recovery and shareholder incentive mechanisms (Alliance 2004).

The testimony provided the Commission with current mainstream thinking on the benefits of DSM and the best use of cost effectiveness tests to identify and screen potential energy efficiency programs. However, the Alliance testimony was significantly different from the Companies' testimony and left the Commission with an "all-or-nothing" message. Rather than return to the hearing process to further develop the record, a motion was unanimously passed by the Commission to have the opposing parties work out an acceptable solution.

Formation of Georgia DSM Working Group

As noted by the Commission, the positions of the parties on DSM programs were very far apart and they were unable to find a balance between economic efficiency (i.e. TRC test benefits) and fairness and equity (i.e. RIM test results.) A motion was passed in July 2004 which ordered the creation of a DSM Working Group (Working Group) to develop reasonable and credible DSM initiatives. Comprised of the parties in the IRP cases, the Working Group's task was to propose a DSM Plan to the Commission that would be a comprehensive proposal consisting of:

1. A mix of DSM initiatives to be recommended to the Commission for approval, including how they would be implemented;
2. A recommendation of a process for the selection of future DSM initiatives; and
3. Recommendations for changes to the Commission's IRP rules regarding DSM or for proposed legislation (Georgia 2004).

It was further ordered by the Commission that the mix of DSM initiatives to be recommended be selected according to the following criteria:

1. The proposed DSM Plan should minimize upward pressure on rates and maximize economic efficiency;
2. The cost/benefit analysis result of each initiative using all three tests (RIM, Total Resource Cost, and Participants) shall be considered by the Working Group and shall balance between economic efficiency and fairness and equity;
3. An examination of where growth is occurring on the system shall be performed by the Working Group, which shall attempt to concentrate its recommended initiatives there. Consideration shall also be given to initiatives that encourage participation by low-income customers;
4. In addition to traditional DSM programs, the Working Group shall consider rate design initiatives. In considering such initiatives, the Working group should consider the

- cost/benefit analysis of such initiatives and the time periods that such initiatives would be available to a customer;
5. Every effort should be made by the parties to develop innovative programs and market approaches that will prevent upward pressure on rates and subsidies between participants and non-participants; and
 6. Where appropriate, the Working Group should consider the development of pilot initiatives (limited enrollment, limited terms) as a tool to gauge initiatives (Georgia Order 2004).

A final order was issued by the Commission in August 2004 with a directive to the Working Group to deliver its recommendations to the Commission by February 15, 2005.

DSM Working Group Final Report

The Working Group presented its Final Report to the Commission on February 16, 2005. In the report, four pilot DSM programs and an evaluation process for selecting future DSM initiatives were offered to the Commission for adoption. The four pilot programs were:

1. An ENERGY STAR Home Program for new construction;
2. ENERGY STAR Appliance Program;
3. Duct Sealing and Infiltration Control Program; and
4. Home Inspector Program.

The report also made a recommendation for future DSM evaluations. The Working Group proposed a new procedure to screen and analyze proposed DSM programs for future IRP proceedings. First, the procedure would set an “analytical cap” for DSM expenditures – a proposed limit on the total amount of projected rate impact over the life of a program (3 years in Georgia). The analytical caps proposed in the report covered a range between \$10 million/year to 1.5 percent of the revenue derived from residential and commercial sector electricity sales (~\$40-50 million/year) (GA DSM Working Group 2005). Second, DSM programs would be evaluated using both the RIM and TRC tests, showing program costs, program savings and potential impacts on rates up to the analytical cap amount. Therefore, this approach would not prevent the Commission from considering a program because it failed the RIM test. Finally, the procedure recommended a new stakeholder participation process that involves interested parties during different stages of the IRP process – 18 months, 12 months, and six months before the IRP is filed with the Commission. This new procedure would therefore provide the Commission with additional options in selecting appropriate DSM programs.

The Commission had also requested from the Working Group recommendations on legislative proposals that could increase energy efficiency levels in Georgia. In response, the Working Group proposed measures that would facilitate the adoption of energy efficient appliances and equipment through traditional tax incentives, regulations tested in other states, and improved energy efficiency in state government facilities for the benefit of state taxpayers. The proposed legislative changes included:

1. Sales tax “holiday” for energy efficient appliances;
2. State appliance standards;

3. Development of a Georgia state energy policy; and
4. State facilities energy conservation goals.

Additional comments and recommendations were provided in the Final Report for the Commission to consider, such as pursuing fuel neutral participation in DSM programs from other utilities (i.e. gas companies and electric membership cooperatives).

2005 Commission's Final Order

On May 17, 2005, after almost a year of Working Group deliberations, the Commission voted 5 to 0 to unanimously accept the recommendations of the Working Group. In the Final Order, the Georgia Power Company agreed to implement each of the four pilot programs included in the report and the Savannah Electric and Power Company agreed to participate in the ENERGY STAR Home Program. It was further ordered by the Commission that the two utilities implement the evaluation process recommended in the report for selecting future DSM programs.

Recently, the Georgia Power and Savannah Electric and Power Companies (Companies) released documentation describing each of the energy efficiency initiatives they agreed to implement, which include:

- **ENERGY STAR Home Program.** This program seeks to increase the awareness level about the benefits of new ENERGY STAR homes sold in Georgia and provide incentives to cover the cost of home ratings. The Companies will also work with other utilities of the state to increase the awareness to all state residents.
- **ENERGY STAR Appliance Program.** The main objective of this program is to increase consumer awareness and understanding of the benefits of ENERGY STAR appliances. Working with ENERGY STAR, the Companies will educate retailers, consumers, and others to promote the energy efficiency benefits of ENERGY STAR appliances.
- **Home Inspector Program.** The Companies will train home inspectors about the benefits of energy efficiency and inspectors will make recommendations to potential home buyers at the point of sale.
- **Duct Sealing and Infiltration Control Affinity Marketing.** Working with Georgia Interfaith Power and Light (GIPL), Georgia Power will pay a fee to GIPL for each one of its members that is a Georgia Power customer that makes a duct sealing or a duct sealing/infiltration control improvement. Homes that are 10 years old or older with central heating and/or cooling will be targeted and qualify.

The 2007 IRP Process

Because of the new rules for IRP planning set by the Commission in adopting the Working Group report, the 2007 IRP process has been started and stakeholder meetings have been held. The stakeholder meetings have provided a forum for all parties in the IRP process to propose ideas for future DSM programs in Georgia to be considered by the Commission. The energy efficiency advocates in the stakeholder group have proposed that the Georgia Environmental Facilities Authority's (GEFA) Technical and Economic Potential for Energy

Efficiency study (“TEPOT”) provide a framework for considering DSM programs for the 2007 IRP (GEFA 2005.)

Conducted by ICF Consulting, the TEPOT study provided detailed estimates of energy savings and peak demand reductions by sector and end use. For energy savings (kWh), about one-half of the energy savings potential was found to be concentrated in residential and commercial air-conditioning and in residential, commercial and industrial lighting. For peak demand savings (kW), about two-thirds of the savings potential was concentrated in these same end-uses. Thus, the energy efficiency advocates recommended that the future DSM programs in Georgia focus on lighting and air-conditioning in the residential and commercial sectors because this is where the major energy efficiency potential lies.

The Georgia utilities have been urged to develop programs that address these priority end-uses. At a minimum, all of the measures and programs that were found to pass the TRC test in the recent GEFA TEPOT study need to be included in measure screening and program screening, according to the energy efficiency advocates. The new DSM programs recommended by energy efficiency advocates for the 2007 IRP include the following:

- New commercial energy efficient construction program;
- New residential energy efficient construction program (expanded Energy Star Homes and advanced residential new construction);
- Existing residential air-conditioning replacement/upgrade program;
- Existing residential lighting efficiency program;
- Existing commercial air-conditioning replacement/upgrade program; and
- Existing commercial lighting efficiency program.

In addition to addressing high impact areas for energy efficiency, these programs also lend themselves to tie-ins with the newly-enacted energy efficiency tax incentives included in the Energy Policy Act of 2005. This legislation includes incentives for:

- Energy efficient new residential construction;
- Energy efficient new commercial construction;
- Energy efficiency retrofits of existing residential buildings; and
- Energy efficiency retrofits of existing commercial buildings.

The Southeast Energy Efficiency Alliance (SEEA)

As demonstrated by the Georgia DSM Working Group, one way to increase energy efficiency in a state is to work through the regulatory process of the state public service commission to require regulated utilities to offer more demand-side management programs. An alternative approach to increase energy efficiency in a region is to form a regional energy efficiency alliance. A regional alliance, comprised of regional energy efficiency stakeholders, could promote energy efficiency on a regional basis and create voluntary energy efficiency programs. This alternative approach was the basis for the formation of the Southeast Energy Efficiency Alliance (SEEA).

SEEA's Formation

The concept of a regional energy efficiency alliance in the Southeast began in 2003 when regional energy efficiency stakeholders decided that the time was ripe for the formation of one. Other energy efficiency alliances located in the Midwest, Northeast, Northwest, and Southwest have demonstrated their value tangibly and factually to their partners and their region's consumers, by means of lowered energy bills, lowered air emissions, improved economic productivity, more jobs, and greater business attraction. The same could be done in the Southeast.

Led by the Alliance to Save Energy, a stakeholder group comprised of Southeast energy efficiency stakeholders, such as the Oak Ridge National Laboratory, Southern Alliance for Clean Energy, and Southface Energy Institute, began work on developing the Southeast Energy Efficiency Alliance to build regional partnerships to promote and achieve energy efficiency for a cleaner environment, a more prosperous economy, and a higher quality of life in the region. The stakeholder group understood that in order for the Southeast to realize the numerous energy saving opportunities that lead to economic and environmental benefits, stakeholders of various sectors would need to work cooperatively to reach the region's energy efficiency potential.

In early 2004, energy efficiency stakeholders began building support for SEEA. The Alliance to Save Energy and the Southface Energy Institute of Atlanta, partnered with the Southern States Energy Board (SSEB) to hold a "SEEA Utility Forum" at the U.S. Department of Energy - Atlanta Regional Office. SEEA recognized early that without the support and participation by the region's utilities, SEEA would find it very difficult to succeed in the Southeast. Because of SSEB's support for SEEA, the major investor-owned utilities not only participated, but several expressed their desire to work closely with SEEA. Several municipal utilities and coops also participated, adding their voice for energy efficiency improvements. Several benefits to utilities from SEEA were emphasized in the forum. SEEA learned that many utilities would prefer voluntary programs, as developed by SEEA stakeholders, to programs mandated through regulation. This forum was critical to gaining initial support from the utilities and many of them have consistently participated with SEEA in all of its meetings and actions. In August 2004, the SEEA Working Group (SEEA Group) requested a "strawman." The strawman provided a conceptual framework for SEEA, outlining the major decisions to be reached by the working group as SEEA was formed and was included in an Assessment Report of SEEA. The SEEA assessment took a year to develop and involved all potential supporters of SEEA, including: utilities, state energy offices, federal agencies, Fannie Mae, environmental and energy efficiency organizations, low-income energy advocates, public utility commissions, energy service companies, manufacturers, retailers, large consumers, and universities. In December 2004, the SEEA Group unanimously decided to move forward and launch SEEA as a nonprofit organization to be based in Atlanta, Georgia.

In 2005, SEEA began to take shape as a viable organization. The SEEA Group met in July to discuss the next steps of SEEA's organizational development, such as the development of an official website and the incorporation process. It was also determined that a series of meetings would be held in each of the states in the Southeast region to educate Southeast energy efficiency stakeholders about SEEA and its mission and learn the energy efficiency issues and policies of each state. Information gathered during these meeting would provide SEEA with the necessary input for its future development, including the formation of future energy efficiency

programs, committees, and a Board of Directors, to best meet the energy efficiency needs of the region.

States Tour

Since SEEA is still in its infancy, it is vital to educate state energy efficiency stakeholders in the region, such as government, business, utilities, and nongovernmental organizations, of SEEA and its mission. The “States Tour” provides an avenue to educate state energy efficiency stakeholders about SEEA while at the same time gathering energy efficiency information relevant to each state.

Each state meeting is being approached in a similar manner to gain as much state policy insight as possible and to look for opportunities to promote energy efficiency on a regional or multi-state basis. Once a date with the state energy office has been selected, the agenda, based on of a standard agenda created by SEEA, is tailored specifically for each state. The major agenda topics include: 1) an introduction to SEEA; 2) status and plans of energy efficiency at the state level, including low-income; 3) utility overview of energy efficiency programs; 4) business and industry update on energy efficiency activities; 5) nongovernmental organization summary of energy efficiency programs, and; 5) breakout sessions to discuss three questions: a) identify the top-five energy efficiency issues facing the state; b) identify the top policy options available to SEEA to increase energy efficiency in the state (i.e. building codes), and; c) identify how SEEA can work with the state stakeholders to increase energy efficiency in the state. This approach to the meeting allows all in attendance to learn what energy efficiency policies, programs, and activities are occurring across the state, identify state energy efficiency stakeholders, and discuss what energy efficiency issues are most critical.

SEEA began its States Tour process in South Carolina and held its second meeting in North Carolina. Similar needs were voiced in these two successful meetings, including: increase distribution of energy efficiency information throughout the Southeast region; development of programs that focus on education outreach (to customers and public utility commissions); technical assistance; Best Practices; building codes; economic incentives; demand-side management programs, and; market transformation. The States Tour should conclude by the end of 2006. The wealth of information that will be gathered from the States Tour will enable the future SEEA Board of Directors to develop programs and policies that will increase energy efficiency in the Southeastern United States.

Tax Incentive Workshop for Energy Efficiency Buildings in the Southeast – January 2006

While the States Tour is providing SEEA with an opportunity to educate Southeast energy efficiency stakeholders of its growing existence, SEEA needed a politically benign event or program that had broad appeal to many constituents to increase its exposure in the Southeast.

SEEA held its first such regional event on January 31, 2006 in Atlanta, Georgia to promote the energy efficiency tax incentives offered in the federal Energy Policy Act 2005 (EPAct). The "Tax Incentive Workshop for Energy Efficiency Buildings in the Southeast" was an all-day workshop. Representatives from the Alliance to Save Energy, Residential Energy Service Network, Southface Energy Institute, North America Insulation Manufacturers Association, Acuity Brands Lighting, the Epstein Group, and more presented information about new and existing residential and commercial building tax incentives. In addition, the workshop

provided two partnership networking breakout sessions for residential and commercial building interests to find ways to promote the tax incentives by partnering with others. The workshop attracted more than 175 participants from 14-states. Numerous attendees found the workshop extremely helpful even though the U.S. Internal Revenue Service guidelines had yet to be released. Requests for follow-up workshops once the guidelines were released were numerous. In fact, SEEA is currently researching opportunities to hold more workshops within the SEEA region and in conjunction with other regional energy efficiency alliances across the country. Presentations and audio recordings of the tax incentives workshop are posted at the new SEEA website (<http://www.seea.us/programs.html>), including a link to the IRS Guidelines.

Conclusion

Public support for energy efficiency can be a powerful factor in causing change. While the Southeast region of the U.S. can be characterized as having little energy efficiency activity compared with other regions, there is enough concern with growth of the built environment, increasing energy demand and environmental issues that the energy efficiency message resonates with many constituencies. The key is to provide the organization and technical support that can assist local advocacy groups to make their case before regulatory bodies. Such initiatives reveal that there is a sizable constituency interested in regional energy and environmental issues who are willing to collaborate on regional solutions. Additionally, the participation of national leadership organizations can make a difference at the local level.

The lack of energy-efficiency programs in the Southeast compared to other regions of the U.S. may lead one to conclude that support for energy-efficiency programs is minimal. However, the successful outcome of the Georgia 2004 IRP hearings and the formation of a Southeast Energy Efficiency Alliance demonstrate that there is an increased interest in energy efficiency as a means to address both energy and environmental issues in the region. National and regional energy-efficiency organizations, working together as a coalition, were able to organize local interest groups and provide them with the necessary tools and information to make an effective case before regulatory bodies. The formation of a regional energy efficiency alliance, comprised of national, regional, state, and local constituencies interested in regional solutions to energy and environmental issues, further demonstrates increased interest in the Southeast. As public support for energy efficiency in the Southeast continues to grow, the participation of national and regional energy-efficiency organizations at the local level will empower local organizations to influence change.

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