Utilities run electricity efficiency programs and some limited natural gas programs. The state has a renewable portfolio standard that allows limited levels of energy efficiency; however, the ability of industrial customers to opt out of energy efficiency programs limits achievable savings. North Carolina has approved performance incentives and lost revenue adjustment mechanisms for specific utilities.

Transportation

The state has complete streets legislation, a dedicated revenue stream for transit investments, and integrates transportation and land use planning. North Carolina has also seen a reduction in vehicle miles traveled per capita in recent years.

Building Energy Efficiency Policies

Residential and commercial buildings must comply with standards equivalent to the 2009 IECC with strengthening amendments. The state conducts code training and outreach and has also partnered with DOE to undertake a residential energy code field study.

Combined Heat and Power

The state offers incentives for cost-effective and efficient CHP projects, has an interconnection standard that applies to CHP, and includes CHP as an eligible resource within its renewable portfolio standard. Three new CHP installations were completed in 2017.

State Government-Led Initiatives

North Carolina offers two financial incentive programs for energy efficiency investments. The state government leads by example by requiring efficient buildings and fleets, benchmarking energy use, and encouraging the use of energy savings performance contracts. Several research centers within the state focus on energy efficiency.

Appliance Standards

North Carolina has not set appliance standards beyond those required by the federal government.

North Carolina tied for 26th in the 2018 State Energy Efficiency Scorecard, rising five positions compared to 2017. The state earned 16 points out of a possible 50, 1.5 more points than it earned last year.

The state’s levels of electricity savings remain around the national median. North Carolina’s renewable portfolio standard includes efficiency as an eligible measure but does not create clear guidance for cost-effective energy efficiency investments. The state could create a separate, long-term efficiency standard to more directly incentivize investments in electricity and natural gas efficiency. Utilities in the state could also work with large industrial customers to design programs that encourage their continued participation, in spite of their option to opt out. To further deepen energy and cost savings for consumers, the state could expand energy efficiency financing options and update its residential and commercial building energy codes.