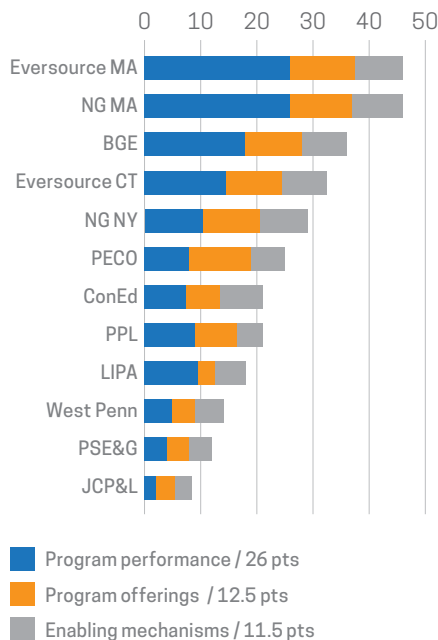
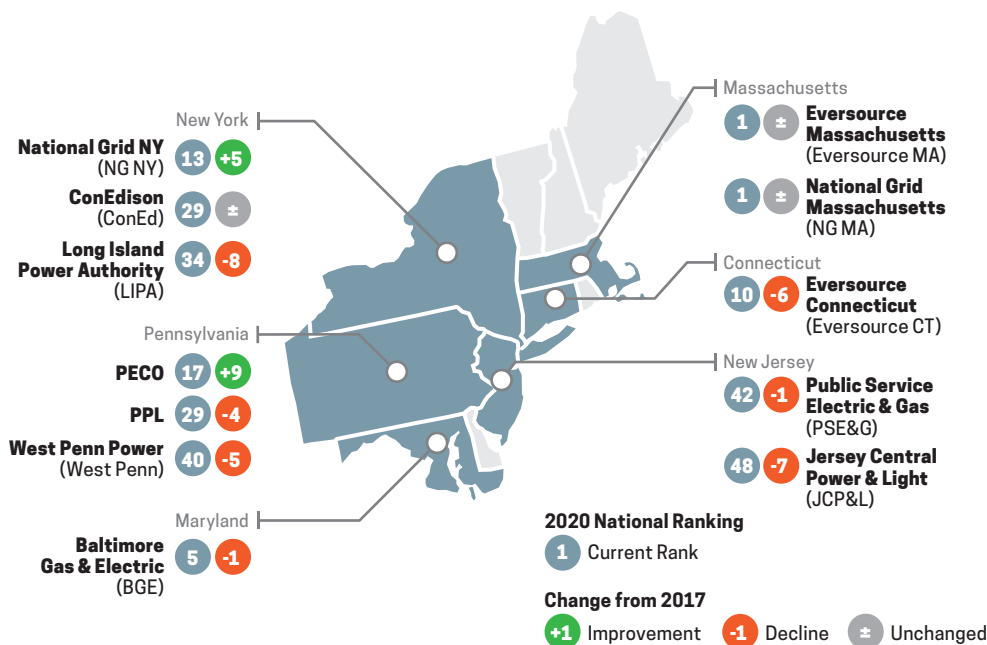


Points earned by northeastern utilities



Northeast



Highlights and Opportunities

The highest-ranking northeastern utilities in *2020 Utility Energy Efficiency Scorecard* are Eversource MA and NG MA (tied for first), followed by BGE in 5th place and Eversource CT in 10th. The performance of the region's utilities varies widely, placing them throughout the rankings. Energy efficiency progress has been mixed, as more than half the northeastern utilities have fallen in the rankings since 2017.

The region continues to have both leaders and laggards, sometimes in the same state, e.g., Pennsylvania. Massachusetts' strong energy efficiency policies stand out. Both the utilities in the state have ambitious energy savings goals, averaging about 3% of 2018 sales a year or higher through 2020. Both actually achieved over 3% savings in 2018, with NG MA reaching over 3.5%.

We will likely see progress from more northeastern utilities in the coming years. New Jersey's Clean Energy Act of 2018 put policies in place that signalled a new era of efficiency investment. Pennsylvania also opened the door to business model reform with legislation and a PUC order on alternative ratemaking.

Category 1. Annual and lifetime energy savings, demand savings, efficiency spending, and program participation

The northeastern utilities ranged widely in efficiency program performance, scoring between 26 out of 26 points (NG MA and Eversource MA) and only 2 points (JCP&L). On average, the region's utilities scored a total of about 12 points on program performance, which is slightly higher than the average for all US utilities (9.5 points). The Northeast falls right in the middle of the other regions in this category. Four utilities from the region (NG MA, Eversource MA, BGE, and Eversource CT) delivered average incremental savings above 1.5%. However the other utilities trended below the national average of 1.03% of total sales, saving on average only 0.79%. Northeast utilities spent an average of about 4% of revenue on efficiency, slightly more than the national average of 2.6%. However their spending ranges from 1.0% to 11.4% of revenue, more than a tenfold difference.

Category 2. Portfolio comprehensiveness including new, existing, low-income, and electric vehicle offerings

Together the northeastern utilities scored just above the national average for program offerings metrics. Their individual performance varied widely. For example, Eversource MA's portfolio included 24 different core programs and 14 emerging programs, whereas West Penn offered only 13 core and 2 emerging programs. Most of the utilities offer residential heat pump water heater and home appliance programs, as well as commercial and industrial custom and lighting programs. All but two offer midstream programs. This region had not yet strongly pursued electric vehicle offerings as of 2018, with only 5 of the 12 utilities offering incentives for charging infrastructure (BGE, Eversource MA, NG MA, NG NY, and PECO). Seven of them offered electric rates to customers with electric vehicles to encourage off-peak charging.

Category 3. Mechanisms to enable efficiency, including advanced metering, savings targets, rate design, the utility business model, and resource planning

Eversource MA and NG MA led in this category, a critical component of their overall first-place finish. We found a diversity of approaches for each enabling mechanism, even within the same state. For example, some utility plans treat efficiency as a supply resource (Eversource CT, Eversource MA, NG NY, PECO, and PSE&G); some as a demand resource (LIPA, NG MA, and PPL); and some as both (BGE and ConEd). The two New Jersey utilities, PSE&G and JCP&L, scored well for rate design that encourages efficiency through low customer charges and time-of-use rates. The three Pennsylvania utilities' approaches to rate design vary widely; some customer charges (PPL at \$18) are more than double others (West Penn at about \$8).