

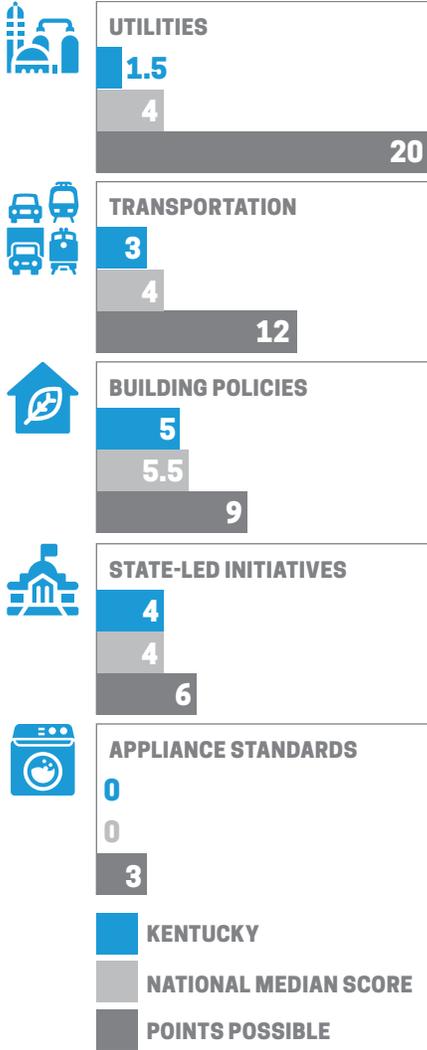
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2020 STATE ENERGY EFFICIENCY SCORECARD

Kentucky

Kentucky tied for 33rd in the 2020 State Energy Efficiency Scorecard, rising five places from 2019. The state scored 13.5 out of a possible 50 points, 2.5 more than it earned last year.

The 2018 discontinuation of almost all of Kentucky Power’s demand-side management programs, as well as substantial reductions in other utility programs, have resulted in lower electric savings overall. Kentucky has been proactive in other areas, for example through activities to encourage compliance with building energy codes and instituting lead by example policies, but many opportunities remain for the state to step up its efforts and improve in the rankings. These include ramping up (not down) utility-sector energy efficiency and pursuing strategies to improve vehicle and transportation system efficiency.



UTILITIES

Kentucky utilities report relatively low levels of spending on electricity and natural gas efficiency programs. Energy savings have dropped precipitously since a January 2018 decision by the public service commission to slash Kentucky Power’s efficiency budget. The state also allows certain customers to opt out of efficiency programs based on rate class, limiting energy savings potential. Kentucky has a lost revenue adjustment mechanism in place for electric and natural gas utilities and also offers performance incentives to utilities.

TRANSPORTATION

The state has a comprehensive freight plan and also incentivizes the creation of low-income housing near transit facilities and considers the proximity of transit facilities when distributing federal Low-Income Housing Tax Credits to qualifying property owners. Kentucky has not pursued other policies to encourage energy-efficient transportation.

BUILDING ENERGY EFFICIENCY POLICIES

Residential construction must comply with the 2009 International Energy Conservation Code (IECC), with state amendments. Commercial construction projects must comply with the 2012 IECC and American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 90.1-2010. The state partnered with the U.S. Department of Energy and Midwest Energy Efficiency Alliance in 2014 to complete a baseline compliance study for residential building energy codes, published in 2017. Kentucky offers a training program for contractors and builders, and convenes a stakeholder advisory group.

STATE GOVERNMENT-LED INITIATIVES

The state offers a variety of financial incentives for energy efficiency investments. State government leads by example by setting energy requirements for public buildings, benchmarking energy use, and encouraging the use of energy savings performance contracts. Development of energy efficiency technologies is fostered through the University of Louisville’s Conn Center for Renewable Energy Research.

APPLIANCE STANDARDS

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