

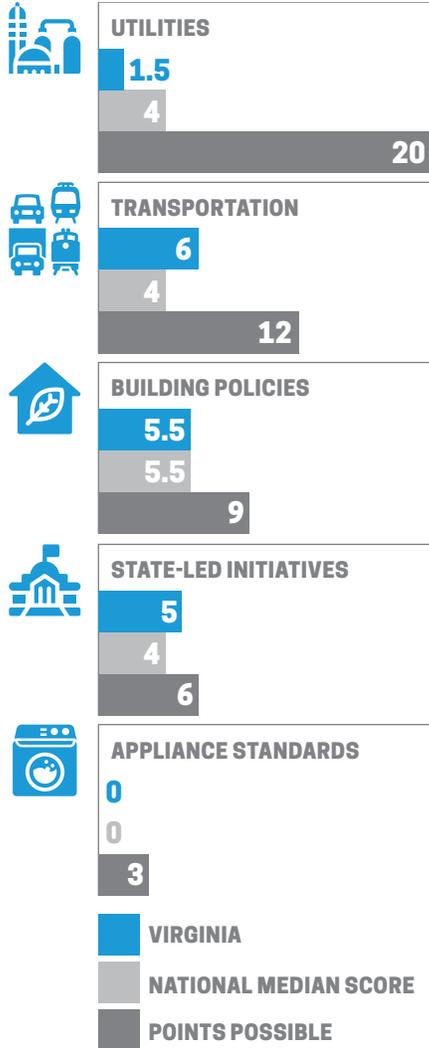
25 

2020 STATE ENERGY EFFICIENCY SCORECARD

# Virginia

Virginia ranked 25th in the 2020 State Energy Efficiency Scorecard, rising four places since 2019. The state scored 18 points out of a possible 50, 3 more than it earned last year.

The Virginia Clean Economy Act (VCEA), passed earlier this year, was among the top energy stories of 2020, creating the commonwealth’s first clean energy standard and making it the first state in the Southeast with a 100% clean electricity goal. The VCEA also established an energy efficiency resource standard (EERS) that sets multiyear electric savings targets for utilities. In addition, the governor signed HB 981 to make Virginia the first southern state to join the Regional Greenhouse Gas Initiative (RGGI), with proceeds going toward energy efficiency, renewable energy, and climate mitigation measures. As the state’s utilities design and administer new customer demand-side offerings to meet VCEA goals, we anticipate the state’s Scorecard performance will continue to improve alongside the accrual of future savings.



## UTILITIES

While Virginia has historically reported savings below the national average, recent legislation like the Grid Transformation and Security Act of 2018 and the VCEA have established new spending and saving requirements that have the state poised to usher in a new era of efficiency. The bill also sets up a process to strengthen the EERS after 2025, with the State Corporation Commission adjusting savings targets every three years thereafter. Importantly, utilities will have to prove they are achieving those targets before they are permitted to build new fossil fuel plants. To support low-income customers, the VCEA includes measures to reduce energy burden and cap monthly payments for low-income customers. The bill also includes additional provisions restructuring how utilities recover costs from energy efficiency programs and directs the removal of the current automatic opt-out for large customers, to be replaced in 2021 with a verified program for self-directing energy efficiency funds.

## TRANSPORTATION

The state devotes significant funding to transportation initiatives, integrates transportation and land use planning, offers consumer incentives for high-efficiency vehicles, and has passed complete streets legislation. Virginia has seen a reduction in vehicle miles traveled per capita and has more electric vehicles per capita than most states. The state also considers the proximity of transit facilities when distributing federal Low-Income Housing Tax Credits to qualifying property owners. In 2020, the state’s transportation funding omnibus bill included a “Transit Ridership Incentive Program” to promote improved transit service in urban localities and reduce barriers to transit use for low-income individuals through programs to reduce and/or eliminate fares.

## BUILDING ENERGY EFFICIENCY POLICIES

The Virginia Department of Housing and Community Development has adopted the 2015 International Energy Conservation Code (IECC) for residential and commercial buildings. In addition, the state has completed a recent baseline compliance study, regularly convenes building code stakeholders, and offers code trainings.

## STATE GOVERNMENT-LED INITIATIVES

The state offers a variety of consumer incentives for energy efficiency and leads by example by requiring energy-efficient public buildings, benchmarking energy use, and offering an energy savings performance contracting program. Two major research centers in Virginia conduct energy efficiency research. This year the state also finalized regulations to establish a market-based program to reduce greenhouse gas emissions, enabling the state to become a full participant in the RGGI cap-and-trade program starting in January 2021. In addition, HB 981 requires that 50% of the revenue generated by participation in RGGI shall support low-income energy efficiency programs, including programs for eligible housing developments.

## APPLIANCE STANDARDS

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