



Dear Partners:

Happy New Year! ACEEE launched the [Climate-Forward Efficiency Initiative](#) last spring to scale utilities' energy efficiency programs and focus them on meeting the climate challenge. Read on for project news, notable news stories, engagement opportunities, and relevant resources.

Best,

The ACEEE Climate-Forward Efficiency Initiative Team

Report Publication and Webinar Recap

In December, ACEEE published [The Need for Climate-Forward Efficiency: Early Experience and Principles for Evolution](#). The report identifies the urgent need to evolve energy efficiency portfolios and scale them to meet state and utility deep decarbonization goals. Some states have already made progress—Minnesota's ECO Act raises the state's energy efficiency goals and allows fuel switching, for example, while Washington State's Clean Energy Transformation Act requires utilities to factor emissions reductions and equity into their decision-making—but more work needs to be done.

ACEEE also hosted a webinar to accompany the report's release. Over 300 people attended to hear from guest speakers Chris Duffrin (Center for Energy and Environment), Rob Greig (Con Edison), and Mohit Chhabra (NRDC). Duffrin and Greig reviewed recent clean energy policies in the Midwest and New York, respectively, while Chhabra discussed how a “total system benefit” metric changes the way California values and prioritizes

energy efficiency programs. A key theme of the presentations was how programs can best serve low- and moderate-income customers. We encourage you to check out the webinar [recording](#) or [transcript](#).

Upcoming Report Publication

An upcoming ACEEE report, *A Roadmap for Climate-Forward Efficiency*, will discuss practical strategies for overcoming barriers and transforming the utility sector. The report draws on stakeholder interviews, workshop discussions, and external feedback to present nine practical strategies for achieving climate-forward efficiency. The report recommends concrete steps that legislators, regulators, and utilities can take to achieve quick wins and move the energy sector toward decarbonization. Look out for the report in February.

News Spotlight

- The Denver Office of Climate Action, Sustainability, and Resiliency published a [Renewable Heating and Cooling Plan](#) to inform residents and businesses about clean-energy heating and cooling technologies. The plan emphasizes benefits of building electrification such as improved air quality in homes, reductions in greenhouse gas emissions, and a stronger energy efficiency workforce.
- [A new report](#) by the international nonprofit CDP [found that](#) only 3 of the 50 utilities assessed are making sufficient progress to limit global warming to 1.5°C. According to the report, nearly half of the utilities have not made concrete, direct emissions reduction goals or have not made decarbonization plans beyond 2024.
- As part of a [performance-based regulatory framework](#) to encourage the uptake of renewable energy, new performance incentive mechanisms passed by the Hawaii Public Utilities Commission include one that measures energy savings for low- and moderate-income customers and the number of these customers in Hawaii Energy programs. This action reflects [a wider trend](#) of regulators incorporating equity metrics in utility programs.

Resource Spotlight

[Acadia Center](#) recently published [a proposal](#) for “Reforming Energy System Planning for Equity and Climate Transformation” (RESPECT). The proposal identifies planning silos, planning processes that ignore equity and environmental justice considerations, and business models that favor fossil fuels as the primary obstacles to widespread utility decarbonization. The RESPECT framework proposes two solutions: 1) a comprehensive planning process that considers supply- and demand-side resources, energy system capacity, climate goals, and environmental justice concerns; and 2) separation of planning entities from utilities to avoid conflicts of interest. While the RESPECT strategies differ from those of our climate-forward efficiency framework, the goals are compatible.

In a recently published [white paper](#), ICF's Val Jensen presented guidelines for improving energy affordability, particularly for low-income communities. Many of the strategies, such as breaking down utility organizational silos, establishing specific equity metrics, and tailoring their programs to serve disadvantaged communities, are identical to the strategies that advance climate-forward efficiency. The white paper concluded with exemplary pilot projects to inspire work in this area.

Opportunities to Engage

ACEEE is planning a February event to present our new roadmap report, highlight recent progress toward climate-forward efficiency, and provide a collaboration space for interested stakeholders. If you have a success story to share, or if you wish to recommend a topic for a working session to help advance your climate-forward efficiency goals, please let us know. Stay tuned for more details!

If you would like to share feedback on the Climate-Forward Efficiency Initiative or offer relevant knowledge or services, please reach out to Jasmine at jmah@aceee.org.