



## Appendix K. Primary and Supplemental Cost-Effectiveness Tests by State, 2017<sup>1</sup>

State	Test <sup>2</sup>	Legislative Mandate or Regulatory Order	State	Test	Legislative Mandate or Regulatory Order
Alabama	The Commission permits rate recovery for energy efficiency programs that are cost-effective for all retail customers.		Nebraska	<b>TRC</b> , UCT, RIM	Not formally required
Alaska	No formally approved ratepayer-funded energy efficiency programs		Nevada	<b>TRC</b> , UCT, PTC, SCT, RIM, ATRC	Regulatory order
Arizona	<b>SCT</b>	Regulatory order	New Hampshire	TRC	Legislative mandates
Arkansas*	<b>TRC</b> , UCT, PCT, RIM	Regulatory order	New Jersey	TRC, UCT, PCT, SCT, RIM	Not formally required
California	<b>TRC</b> , UTC, PCT, SCT	Regulatory order	New Mexico	<b>UCT</b>	Legislative requirement
Colorado*	<b>TRC</b> , RIM	Regulatory order	New York	<b>TRC</b> , switching to SCT	Regulatory order
Connecticut	TRC, <b>UCT</b>	Legislative mandates	North Carolina	<b>TRC</b> , UCT, PCT, RIM	Regulatory order
Delaware*	<b>TRC</b>	Legislative mandates	North Dakota	None	None
Florida	TRC, PCT, RIM	Regulatory and legislative mandates	Ohio	<b>TRC</b> , UCT	Regulatory order
Georgia	TRC, UCT, PCT, RIM, SCT	Commission order	Oklahoma	<b>TRC</b> , UCT, PCT, SCT, RIM	Regulatory order and Commission rules
Hawaii	<b>TRC</b>	Legislative mandates	Oregon*	<b>TRC</b> , UCT	Regulatory order

<sup>1</sup> NEEP. 2017. Non-energy Impacts, Approaches and Values: an Examination of the Northeast, Mid-Atlantic and Beyond. Available at: <http://neep.org/sites/default/files/resources/NEI%20Final%20Report%20for%20NH%20updated%2010.4.17.pdf>

<sup>2</sup> Bold indicates the primary test for that state, some states do not identify a primary test



Idaho	TRC, UCT, PCT, RIM	Regulatory order	Pennsylvania*	<b>TRC</b>	Regulatory order and legislative mandates
Illinois*	<b>TRC, w/ societal components</b>	Regulatory and legislative mandates	Rhode Island*	<b>TRC<sup>3</sup></b>	Formal requirements
Indiana	<b>TRC, UCT, PCT, RIM</b>	Regulatory order	South Carolina	TRC, UCT, RIM	Regulatory order and legislative mandates
Iowa	<b>SCT, UCT, PCT, RIM</b>	Regulatory order and legislative mandates	South Dakota	<b>TRC, RIM</b>	Regulatory order and legislative mandates
Kansas	<b>TRC, UCT, PCT, RIM</b>	Regulatory order	Tennessee	<b>TRC, UCT, RIM</b>	None specific
Kentucky*	<b>TRC, UCT, PCT, RIM</b>	Regulatory order	Texas	UCT	Regulatory order and legislative mandates
Louisiana	<b>TRC, UCT, PCT, RIM</b>	Regulatory order	Utah	TRC, <b>UCT</b> , PCT, RIM	Regulatory order
Maine	<b>TRC</b>	By statute	Vermont*	<b>SCT, PCT, UCT</b>	Regulatory order and legislative mandate
Maryland*	<b>TRC, UCT, PCT, RIM, SCT</b>	Regulatory order and legislative mandates	Virginia	TRC, UCT, PCT, <b>RIM</b>	Legislative mandates
Massachusetts*	<b>TRC</b>	Regulatory order and legislative mandates	Washington	<b>TRC, UTC</b>	Regulatory order
Michigan	USRCT	Legislative mandates	Washington D.C.	<b>SCT</b>	Legislation
Minnesota	<b>SCT, UCT, PCT, RIM</b>	Legislative mandates	West Virginia	Appalachian Power is required to have a 3rd party program evaluator.	
Mississippi	None	None	Wisconsin	<b>TRC<sup>4</sup>, UTC, RIM</b>	Regulatory order and legislative mandates
Missouri*	<b>TRC, PCT, SCT, RIM</b>	Code of state regulation	Wyoming	<b>TRC, UCT, PCT, SCT, RIM</b>	Regulatory orders in utility dockets

<sup>3</sup> Rhode Island is developing its own cost-effectiveness framework called the Rhode Island Test

<sup>4</sup> TRC, which counts reduced emissions as benefits along with utility avoided costs, to be its primary test for decision making.



Montana	<b>TRC, SCT,</b> UCT, PCT	Regulatory order			
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<http://neep.org/sites/default/files/resources/NEI%20Final%20Report%20for%20NH%20updated%2010.4.17.pdf>