



# THE REGIONAL ROUNDUP OF ENERGY EFFICIENCY POLICY IN THE NORTHEAST AND MID-ATLANTIC STATES FOR 2013: SUMMARY OVERVIEW

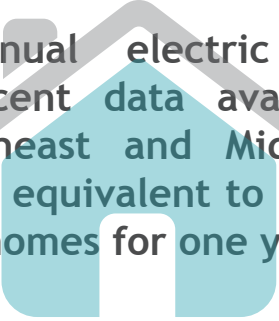
## SAVINGS AT A GLANCE

2012 Annual Electric Savings: 5,245,227 MWh

Total Retail Sales: \$549,745,316

Annual Saving as Percent of Regional Electricity Consumption: 1.0%

2012 annual electric savings (most recent data available in the Northeast and Mid-Atlantic states) are equivalent to powering 509,000 homes for one year.



NEEP is pleased to announce the third-annual *Regional Roundup of Energy Efficiency Policy in the Northeast and Mid-Atlantic States*. The *Roundup* is intended to give policymakers, program administrators, advocates, and other stakeholders a comparative view of building energy efficiency progress across the region in 2013. It provides summary and analysis of some of the biggest successes and setbacks in states from Maine to Maryland – including significant energy efficiency legislation, regulatory developments, and changes in funding levels for energy efficiency programs.

The report reveals regional trends and shared challenges as states harness the power of energy efficiency to meet today’s pressing energy and environmental challenges – controlling energy costs, improving system reliability, modernizing the electric grid, strengthening the economy, improving public health and curbing emissions of greenhouse gases and other pollutants.

NEEP likes to think of the states as runners along a racecourse – a course where advances in technologies, programs and policies mean there is always further to go – and where states that aren’t moving forward are falling behind their neighbors.



Leading the Pack



Moving Ahead



Keeping Pace



Falling Behind



Still In The Starting Blocks

## NEEP’S VIEW OF THE STATES 2013

- **Leading the Pack: Connecticut, Massachusetts, New York, Rhode Island and Vermont.** These states show robust and sustained support for energy efficiency program funding and are implementing policy and program innovations like building energy rating, new financing tools, improved program tracking and coordination, and evolving regulatory frameworks.
- **Moving Ahead: Maine and Maryland.** In 2013, Maine set the stage for a significant ramp-up in efficiency investments, and made progress on thermal efficiency needs with proceeds from the Regional Greenhouse Gas Initiative. Maryland’s program administrators made significant progress on savings goals, and state policymakers are currently working to refresh the state’s energy efficiency policy.
- **Keeping Pace: Pennsylvania and the District of Columbia.** The Keystone State continues with modest efficiency savings, and Washington, D.C. is making important strides with its efficiency and economic development program portfolio.
- **Falling Behind: New Hampshire and New Jersey.** New Hampshire and New Jersey’s energy efficiency programs continue to lag in comparison with other states around the region. Policymakers in New Hampshire are exploring new policy commitments to energy efficiency, but similar efforts in years past have not produced tangible results. New Jersey struggles to improve its performance as a result of Governor Christie’s diversion of efficiency funding to the general budget, with total funds raided amounting to about \$1 billion over four years.
- **Still in the Starting Blocks: Delaware.** Delaware is poised for real progress if the legislature passes a bill that could create a sustainable funding mechanism, and allow Delmarva Power to begin directly providing efficiency programs for their customers.

“As a result of Governor Malloy’s leadership on energy issues, Connecticut has adopted a Comprehensive Energy Strategy designed to bring cheaper, cleaner, and more reliable power to our state. We have made great progress in implementing our vision for efficiency...and electric ratepayers will be the real beneficiaries of the expanded programs and services we are making available.”

- Daniel C. Esty, CT DEEP Commissioner



# ON THE HORIZON

Here are some of the biggest policy and program trends we'll be watching in 2014:

- **The Impact of Gubernatorial and Legislative Elections:** Will states elect strong leaders who understand and support strong and advancing energy efficiency policies and programs budgets?
- **Federal Climate Regulations:** The U.S. Environmental Protection (EPA) will issue regulations on carbon dioxide (CO<sub>2</sub>) emissions for new electric power plants next June. Will RGGI be a model?
- **Making Progress on Thermal Efficiency Programs:** Our region relies heavily on unregulated heating fuels like oil and propane. Will states find ways to serve these customers better?
- **Higher Goals, Higher Investments:** Massachusetts, Rhode Island, and Vermont are working on energy efficiency programs with electric savings approaching 2.5 to 3 percent of their electricity needs. What will it take to sustain this level of investment?
- **The Role of Natural Gas:** Prices are relatively low now, but will perhaps double in the next twenty years. With some states trying to expand gas capacity for both electricity and heat, what role will natural gas play in state energy policy debates?
- **Grid Modernization:** Leading states are examining ways to modernize the electricity grid, making it more resilient, reliable, efficient and adaptable to the energy supply and demand of the future.
- **Cost-Effectiveness Screening:** A number of states will continue work on their cost-effectiveness screening protocols, to better align their efficiency targets with broader public policy goals.
- **Greater Focus on Peak and Total Energy Savings:** States and program administrators are beginning to view their goals more dynamically in order to reduce overall energy use – across fuels, and to achieve greater carbon emissions reductions.
- **Building Energy Benchmarking and Big Data:** Cities, states, and program administrators are all exploring ways to provide greater transparency in building-level energy data.
- **Greater Role of Financing:** When they leverage ratepayer efficiency programs, innovative financing instruments can help achieve deeper and broader savings to transform markets.



*"In our view, the unequivocal solution is to first invest in cost-effective demand-side resources to avoid as much of the increase as possible, and only then invest in strategic supply-side resources to meet any remaining requirements.*

*- Kevin Lucas, Director of Policy, Planning, and Analysis: Maryland Energy Administration*

## NEEP'S VIEW: ELEMENTS OF SUCCESSFUL ENERGY EFFICIENCY POLICY

1. Direct utilities to capture all cost-effective efficiency, and link efficiency to broader public policy goals.
2. Integrate efficiency into long-range state energy and air quality planning.
3. Ensure adequate, stable, long-term funding for efficiency programs.
4. Advance policies and programs that enable fuel-blind, total energy savings.
5. Foster a supportive and flexible regulatory framework on issues such as cost-effectiveness.
6. Support complementary public policies such as building energy codes, building energy rating and disclosure, and appliance efficiency standards.
7. Support development and implementation of greater transparency and consistency in evaluation, measurement and verification of program savings.

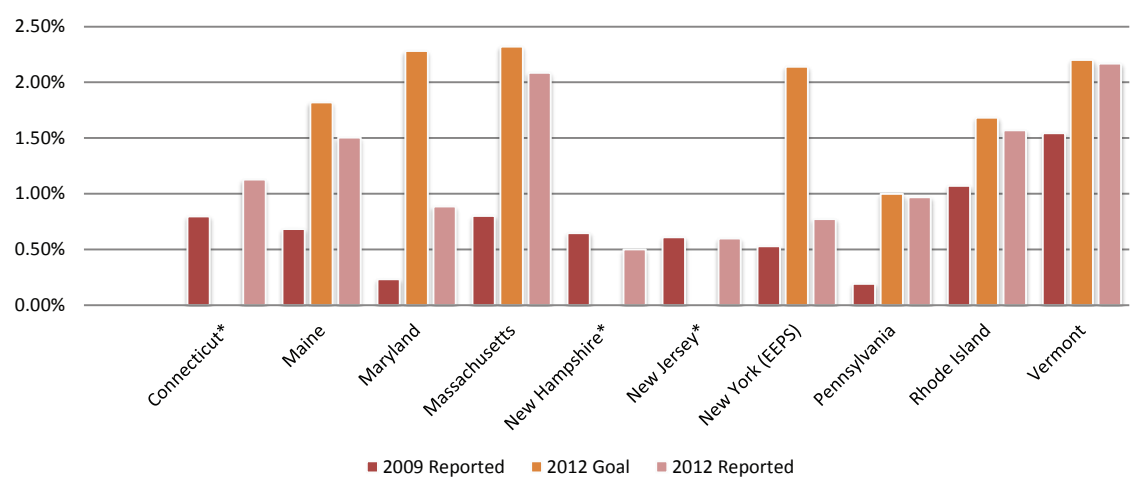
### About NEEP

Founded in 1996 as a non-profit, NEEP's mission is to serve the Northeast and Mid-Atlantic to accelerate energy efficiency in the building sector through public policy, program strategies and education. Our vision is that the region will fully embrace energy efficiency as a cornerstone of sustainable energy policy to help achieve a cleaner environment and a more reliable and affordable energy system.

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Check out NEEP's blog, [EnergyEfficiencyMatters.org](http://EnergyEfficiencyMatters.org), the [Public Policy Outreach and Analysis section](#) of our website and the [Regional Energy Efficiency Database](#) for news, opinions and information.



How Are States Performing Against Their Electric Savings Goals?  
2009 & 2012 Electric Energy Savings vs. 2012 Electric Savings Targets