



Summary of Efforts on Energy Efficiency in Mid-Atlantic States - April, 2007 *draft*

- The National Action Plan for Energy Efficiency presents five recommendations for creating a sustainable, aggressive national commitment to energy efficiency.
- The following tables mark a first attempt to comprehensively reflect the status of efforts in the Mid-Atlantic with respect to four of these recommendations (one on communication is excluded), for the electricity and natural gas sectors:
 - Recognize energy efficiency as a high priority resource.
 - Make a strong, long-term commitment to implement cost-effective energy efficiency as a resource.
 - Provide sufficient, timely, and stable program funding to deliver energy efficiency where cost-effective.
 - Modify policies to align utility incentives with the delivery of cost-effective energy efficiency and modify ratemaking practices to promote energy efficiency investments.
- This summary data was compiled for the US EPA by the Regulatory Assistance Project (RAP), based on a more detailed database developed by RAP. If you have updated or additional information, or want more details, please contact Cathie Murray at RAP at cathie@raponline.org.

The National Action Plan for Energy Efficiency is an ongoing effort led by a Leadership Group of over 50 electric and gas utilities, state utility commissioners, state air and energy agencies, energy services providers, energy consumers, and energy efficiency and consumer advocates. It is facilitated by the US EPA and US DOE. For more information, visit www.epa.gov/eeactionplan

Table 1. Recognize Energy Efficiency as a Resource

| | | DC | | DE | | KY | | MD | | NJ | | NY | | PA | | VA | | WV | |
|--|---|-----------------------|----|--------------------|----|--------------|----|------------------|----|------------------------|----|------------------------|----|------------------|----|----------|----|----|----|
| Y = Policy in place N = Policy not in place P = Action pending/possible S = Some elements of policy in place E = Electricity NG = Natural gas | | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG |
| Recommendation 1: Recognize energy efficiency as a high priority energy resource. | | | | | | | | | | | | | | | | | | | |
| 1.1 | EE is established as a high priority resource, equivalent or superior to supply resources | | | | | | | | | Y (2007 Energy Plan) | | | | Y (pre-2000) | | | | | |
| 1.2 | 1.2.1 EE is integrated into an active IRP, portfolio mgmt, or other planning process | | | S/P (2006 statute) | | Y (pre-2000) | | | | N | | P; Docket Opened | | N | | N | | | |
| | 1.2.2 Efficiency is procured as a resource for default service/standard offer customers | P (2007 PEPCO filing) | | P (2006 statute) | | | | P (2006 statute) | | P; EEPS in development | | N | | P; Docket Opened | | | | | |
| 1.3 | EE is an alternative to transmission based on a long-term transparent IRP or transmission system plan | N | | N | | | | | | N | | S | | N | | | | | |
| 1.4 | 1.4.1 EE is a biddable commodity | N | | N | | | | | | N | N | | | | | | | | |
| 1.5 | State Implementation Plans (SIPs) include EE set-asides | N | | | | | | | | Y (SIP Call), P (CAIR) | | Y (SIP Call), P (CAIR) | | P (CAIR) | | Y (CAIR) | | | |

This table provides a snapshot of efforts to promote energy efficiency across the Mid-Atlantic states with respect to the recommendations presented in the National Action Plan for Energy Efficiency

Table 2. Strong Commitment to Energy Efficiency Implementation

| | | DC | | DE | | KY | | MD | | NJ | | NY | | PA | | VA | | WV | |
|--|--|-----------------------|----|-----------------------|----|----|----|-----------------------|----|------------------------------|------------------------------|--------------------------|----|----|----|------------------|----|----|----|
| Y = Policy in place N = Policy not in place P = Action pending/possible S = Some elements of policy in place E = Electricity NG = Natural gas | | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG |
| Recommendation 2: Make a strong, long-term commitment to implement cost-effective energy efficiency as a resource | | | | | | | | | | | | | | | | | | | |
| 2.1 | Efficiency commitment in statute | | | Y | | | | | | Y | | | | | | | | | |
| 2.2 | The TRC or Societal Cost Test is used to evaluate EE programs | N | | Y | | Y | | | | Y | Y | Y | | N | | Y | | | |
| 2.3 | 2.3.1 Potential for cost-effective EE has been established through a potential study | | | | | | | | | Y | Y | Y | Y | | | | | | |
| | 2.3.2 Established EE programs reach all customer classes | P (2007 PEPCO filing) | | P (2007 PEPCO filing) | | | | P (2007 PEPCO filing) | | Y | Y | Y | | | | | | | |
| 2.4 | Funding requirements for all long-term, cost-effective EE have been established | | | | | | | | | | | | | | | | | | |
| 2.5 | 2.5.1 Quantitative MW and MWh savings goals have been established | | | N | | | | | | Y; in budget setting process | Y; in budget setting process | Y; in Gov.'s Energy Plan | | | | P (2007 statute) | | | |
| | 2.5.3 EE is part of RPS | | | N | | | | | | N | | P | | Y | | | | | |
| | 2.5.4 Expected capacity savings (annual MW) | | | | | | | | | 74 (2005) | | <50 (2006 cum.) | | | | | | | |
| | 2.5.5 Energy savings (annual MWh/decatherms) | | | | | | | | | 409,454 (2006) | 585,206 (2006) | <410,000 (2006 cum.) | | | | | | | |

This table provides a snapshot of efforts to promote energy efficiency across the Mid-Atlantic states with respect to the recommendations presented in the National Action Plan for Energy Efficiency

| | | DC | | DE | | KY | | MD | | NJ | | NY | | PA | | VA | | WV | |
|--|---|----|----|-----------------------|----|----|----|-----------------------|----|-----|----|----|----|-------|----|----|----|------------------|----|
| Y = Policy in place N = Policy not in place P = Action pending/possible S = Some elements of policy in place E = Electricity NG = Natural gas | | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG |
| Recommendation 2: Make a strong, long-term commitment to implement cost-effective energy efficiency as a resource | | | | | | | | | | | | | | | | | | | |
| 2.6 | 2.6.1 A robust M&V process has been established | N | | P (2007 PEPCO filing) | | | | | | Y | | Y | | Y | | | | | |
| | 2.6.2 M&V is done using (a) deemed savings; (b) actual savings; (c) other | | | | | | | | | b,c | | | | a,b,c | | | | | |
| 2.7 | 2.7.1 EE delivery structure has been established | Y | | P (2007 PEPCO filing) | | | | P (2007 PEPCO filing) | | Y | | Y | | | | | | P (2007 statute) | |
| 2.8 | Resource plans are regularly updated | | | | | Y | | | | Y | | N | | Y | | | | | |
| 2.9 | Building Energy Codes are in place and regularly updated | Y | | N | | Y | | Y | | Y | | N | | Y | | Y | | | Y |
| 2.10 | Appliance and Equipment Efficiency Standards are in place and regularly updated | | | N | | N | | Y | | Y | | Y | | N | | | | | |
| 2.11 | Energy efficiency is a high priority in state buildings | Y | | Y | | Y | | Y | | | | Y | | | | | | | |

This table provides a snapshot of efforts to promote energy efficiency across the Mid-Atlantic states with respect to the recommendations presented in the National Action Plan for Energy Efficiency

Table 3. Provide Sufficient Stable Energy Efficiency Program Funding

| | | DC | | DE | | KY | | MD | | NJ | | NY | | PA | | VA | | WV | |
|---|--|--------------|----|---------------------|----|-------------|-------------|----------------------|----------------------|-------------|--------------|-----------|-----------|----------------------------------|----|------------------|----|-------------|----|
| Y = Policy in place N = Policy not in place P = Action is pending/possible S = Some elements of policy in place E = Electricity NG = Natural gas | | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG |
| Recommendation 4: Promote sufficient, timely, and stable program funding to deliver energy efficiency where cost-effective. | | | | | | | | | | | | | | | | | | | |
| 4.1 | 4.1.1 Cost recovery process exists | Y; SBC | | P; docket opened | | Y; rider | Y; rider | P; utility filing | P; utility filing | Y; SBC | Y; SBC | Y; SBC | Y; SBC | S; rider; SBC (LI only) | | P (2007 statute) | | S; rider | |
| | 4.1.3 Funding is for multi-year periods | | | | | | | | | Y | Y | Y | | | | | | | |
| 4.2 | A base energy efficiency spending level exists, with opportunity to justify higher level | | | | | | | | | | | | | | | | | | |
| 4.3 | % of net (retail) utility revenue presently used for energy efficiency [no unit = %; m/k = mils/kWh] | >0.21 m/k | | | | | | | | 2 - 2.5% | 1.1- 2.1% | 1.7 | | | | | | | |
| 4.4 | Funds from carbon trading program support EE | | | | | | | | | P | | P | | | | | | | |

This table provides a snapshot of efforts to promote energy efficiency across the Mid-Atlantic states with respect to the recommendations presented in the National Action Plan for Energy Efficiency

Table 4. Align Incentives and Ratemaking Practices with Energy Efficiency Investment

| | | DC | | DE | | KY | | MD | | NJ | | NY | | PA | | VA | | WV | |
|---|---|-----------------------------------|----|-----------------------------|-----------------------------|--------------------------|--------------------------|-----------------------------|--------------------------|--------------------------|---|---|---|-----------------------------|----|------------------|------------------|----|----|
| Y = Policy in place N = Policy not in place P = Action pending/possible S = Some elements of policy in place E = Electricity NG = Natural gas | | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG |
| Recommendation 5: Modify policies to align utility incentives with the delivery of cost-effective energy efficiency and modify ratemaking practices to promote energy efficiency | | | | | | | | | | | | | | | | | | | |
| 5.1 | 5.1.1 Utility throughput incentive is addressed and disincentives are removed | P (2007 PEPC O decoupling filing) | | P; decoupling docket opened | P; decoupling docket opened | S; lost revenue possible | S; lost revenue possible | P; decoupling docket opened | S; one utility decoupled | P; 3 rd party | Y; 3 rd party and decoupling | Y; 3 rd party and decoupling | Y; 3 rd party and decoupling | P; decoupling docket opened | | P (2007 statute) | P (2007 statute) | | |
| 5.2 | 5.2.1 Incentives are provided | | | | | S | S | | | Y, but not used | Y, but not used | N | N | | | S | | | |
| | 5.2.2 Incentives exceed amount of lost revenues | | | | | | | | | | | | | | | | | | |
| 5.3 | 5.3.1 Impact on EE is a consideration when designing retail rates | | | | | | | | | | | P; docket opened | P; docket opened | P; docket opened | | | | | |
| | 5.3.2 Declining block rates and fixed variable rate designs eliminated | | | N | | | | N | | | | | N | P; docket opened | | | | | |

This table provides a snapshot of efforts to promote energy efficiency across the Mid-Atlantic states with respect to the recommendations presented in the National Action Plan for Energy Efficiency

| | | DC | | DE | | KY | | MD | | NJ | | NY | | PA | | VA | | WV | |
|---|---|----|----|---------------------|------------------|----|----|------------------------|----|----|----|------------------|----|------------------|----|----|----|----|----|
| Y = Policy in place N = Policy not in place P = Action pending/possible S = Some elements of policy in place E = Electricity NG = Natural gas | | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG | E | NG |
| Recommendation 5: Modify policies to align utility incentives with the delivery of cost-effective energy efficiency and modify ratemaking practices to promote energy efficiency | | | | | | | | | | | | | | | | | | | |
| 5.4 | 5.4.1 Time sensitive rates in place | Y | | S; P; docket opened | | S | | S | | | | S | | P; docket opened | | P | | | |
| | 5.4.2 Usage sensitive rates in place | Y | | S | | | | S | | | | | | P; docket opened | | | | | |
| | 5.4.3 AMI deployment planned | Y | | P; docket opened | P; docket opened | N | | N; under investigation | | | | P; docket opened | | P; docket opened | | | | | |
| | 5.4.4 Other mechanisms exist (e.g., on-bill financing, benefit sharing) | | | | | | | | | | | | | | | | | | |

This table provides a snapshot of efforts to promote energy efficiency across the Mid-Atlantic states with respect to the recommendations presented in the National Action Plan for Energy Efficiency