



Summary of Efforts on Energy Efficiency in New England 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 New England 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

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		CT		MA		ME		NH		RI		VT	
		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 (2006 statute)						Y (pre-2000)	
1.2	1.2.1 EE is integrated into an active IRP, portfolio management, or other planning process	P; proposed in statute	Y (2005 statute)	N		N	N	Y (new requirements)		Y (2006 statute)		Y (pre-2000)	Y (pre-2000)
	1.2.2 Efficiency is procured as a resource for default service/standard offer customers	N		P; Docket Opened		Y (2006 statute)				Y (2006 statute)		N/A	N/A
1.3	EE is an alternative to transmission based on a long-term transparent IRP or transmission system plan	S				S						Y (in development)	
1.4	1.4.1 EE is a biddable commodity	Y (FCM)		Y (FCM)		Y (FCM, standard offer procurement)		Y (FCM)		Y(FCM)		Y(FCM)	
1.5	State Implementation Plans (SIPs) include EE set-asides	P (CAIR)		Y (SIP Call), P (CAIR)		N/A (SIP Call & CAIR)		N/A (SIP Call & CAIR)		N (SIP Call), N/A (CAIR)		N/A (SIP Call & CAIR)	

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

Table 2. Strong Commitment to Energy Efficiency Implementation

Y = Policy in place N= Policy not in place P = Action is pending/possible S = Some elements of policy in place		CT		MA		ME		NH		RI		VT	
		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 is in statute	Y (2005)		N		Y (2006)	Y (2005)			Y (2006)		Y (pre-2000)	Y (pre-2000)
2.2	The TRC or Societal Cost Test is used to evaluate EE programs	Y	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 (2004)		Y (2001)								Y (2006)	
	2.3.2 Established EE programs reach all customer classes	Y		Y		Y	Y			Y		Y	
2.4	Funding requirements for all long-term, cost-effective EE have been established	Y (2004)										Y (2006)	
2.5	2.5.1 Quantitative MW and MWh savings goals have been established and are producing incremental investment.	Y; in budget process & EEPS		Y; in budget setting process						Y; in budget setting process		Y; by PSB	
	2.5.3 Energy Efficiency can be used to fulfill requirements of an RPS or similar standard	Y										N	
	2.5.4 Expected Capacity Savings (Annual MW)	135		58								40	
	2.5.5 Energy Savings (Annual MWh)			455,000		74,759						50,915	
2.6	2.6.1 A robust M&V process has been established	Y		Y						Y		Y	
	2.6.2 M&V is done using (a) deemed savings; (b) actual savings; (c) other	a,b,c										a,b	
2.7	2.7.1 EE delivery structure has been established	Y; utilities	Y; util.	Y; util.	Y; util.	Y; gov't agency	Y; util.	Y; util.		Y; util.	Y; util.	Y; 3 rd party	Y; util.
2.8	Resource plans are regularly updated	Y						Y				Y	
2.9	2.9.1 Building Energy Codes for are in place and regularly updated	Y		Y		Y		Y		Y		Y	
2.10	Appliance and Equipment Efficiency Standards are in place and regularly updated	Y (2004)		Y (2005)		N		N		Y (2006)		Y (2006)	
2.11	Energy efficiency is a high priority in state buildings and state funded buildings as evidenced in capital planning and enabling performance contracts	Y		Y		Y				Y			

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

Table 3. Provide Sufficient Stable Energy Efficiency Program Funding

Y = Policy in place N= Policy not in place P = Action is pending/possible S = Some elements of policy in place		CT		MA		ME		NH		RI		VT	
		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	Y; rates	Y; SBC	Y; rates	Y; SBC	Y; rates	Y; SBC		Y; SBC	Y; SBC	Y; SBC	
	4.1.3 Funding is for multi-year periods	N		N								Y	
4.2	A base energy efficiency spending level exists, with opportunity to justify higher level	N	N	N	N	N	N	N	N	N	N	P; legislation pending	N
4.3	% of net (retail) utility revenue presently used for energy efficiency [no unit = %; m/k = mils/kWh]	2 m/k		2.5 m/k		1.45 m/k	3%	3 m/k		2 m/k	\$.15/ decatherm	2.93 - 4.96 m/k	
4.4	Funds from carbon trading program support EE	P; 100% auction proposed in legislation		P; 100% auction proposed in legislation		P; 100% auction proposed in legislation		P; plan in develop- ment		P; plan in develop- ment		Y	

This table provides a snapshot of efforts to promote energy efficiency across the New England 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

Y = Policy in place N= Policy not in place P = Action is pending/possible S = Some elements of policy in place		CT		MA		ME		NH		RI		VT	
		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 investments.													
5.1	5.1.1 Utility throughput incentive is addressed and disincentives are removed	P; non-utility implementation proposed in legislation	S; lost revenue possible	P; docket opened on decoupling	S; lost revenue recovery possible	Y; non-utility implementation							Y; non-utility implementation some decoupling (2007), some lost revenue recovery
5.2	5.2.1 Utility/shareholder or third party EE incentives are provided	Y (pre-2000)		Y (pre-2000)	S (pre-2000)	N	N	Y (pre-2000)	Y (pre-2000); new incentives also in development	Y (in development)	Y (2002)		
	5.2.2 Incentives exceed amount of lost revenues												
5.3	5.3.1 Impact on EE is a consideration when designing retail rates					S							
	5.3.2 Declining block rates and fixed variable rate designs have been eliminated												
5.4	5.4.1 Time sensitive rates in place	Y (2005)		P; docket opened on dynamic pricing & AMI								Y	
	5.4.2 Usage sensitive rates in place											S	
	5.4.3 AMI deployment planned	P; proposed legislation introduced		P; docket opened on dynamic pricing & AMI								S; possible statewide, pending PSB investigation	
	5.4.4 Other mechanisms exist (e.g., on-bill financing, benefit sharing)	Y; on-bill financing											

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