



National Action Plan for Energy Efficiency

What is the National Action Plan for Energy Efficiency?

The National Action Plan for Energy Efficiency (Action Plan) presents policy recommendations for creating a sustainable, aggressive national commitment to energy efficiency through gas and electric utilities, utility regulators, and partner organizations. The recommendations, if fully implemented, could save Americans billions of dollars in energy bills over the next decade, contribute to enhanced energy security, and improve the environment. As of January 2009, over 120 organizations have endorsed the Action Plan recommendations and made public commitments to implement them in their areas.

A Leadership Group of more than 60 leading privately, publicly, and cooperatively owned electric and gas utilities, utility regulators, state agencies, large energy users, consumer advocates, energy service providers, and environmental and energy efficiency organizations direct the Action Plan. This group is co-chaired by Marsha Smith, Commissioner of the Idaho Public Utilities Commission and Past President of the National Association of Regulatory Utility Commissioners, and James E. Rogers, Chairman, President, and C.E.O. of Duke Energy. The U.S. Department of Energy and U.S. Environmental Protection Agency facilitate the work of the Leadership Group. The policy recommendations come from the Leadership Group itself, not DOE or EPA. In addition, the Leadership Group has issued a number of best-practice-based guides, reports, and tools.

Recommendations

1. Recognize energy efficiency as a high-priority energy resource.
2. Make a strong, long-term commitment to implement cost-effective energy efficiency as a resource.
3. Broadly communicate the benefits of and opportunities for energy efficiency.
4. Provide sufficient, timely, and stable program funding to deliver energy efficiency where cost-effective.
5. Modify policies to align utility incentives with the delivery of cost-effective energy efficiency and modify ratemaking practices to promote energy efficiency investments.

What's New in Fall 2009

Energy Efficiency as a Low-Cost Resource for Achieving Carbon Emissions Reductions. This report summarizes the scale and economic value of energy efficiency for reducing carbon emissions and discusses barriers to achieving the potential for cost-effective energy efficiency.

Customer Incentives for Energy Efficiency Through Electric and Natural Gas Rate Design. This brief summarizes the issues and approaches involved in motivating customers to reduce the total energy they consume through energy prices and rate design.

Energy Efficiency Program Administrators and Building Energy Codes. This brief explores how energy efficiency program administrators have helped advance building energy codes at the federal, state, and local levels—using technical, institutional, financial, and other resources—and discusses potential next steps.

Discussion of Consumer Perspectives on Regulation of Energy Efficiency Investments. This report considers the perspectives of consumers on policy and regulatory issues associated with administration of energy efficiency investments funded by ratepayers of electric and natural gas utilities.

Additional Resources of the National Action Plan for Energy Efficiency

National Action Plan Vision for 2025: A Framework for Change. This document was updated in 2008 with important refinements to the approach for measuring progress. The Vision establishes a goal of achieving all cost-effective energy efficiency by 2025, presents 10 implementation goals as a framework for advancing the Leadership Group's five key policy recommendations, and presents an approach to measure progress. The Vision is a living document which can be modified and improved over time.

National Action Plan for Energy Efficiency Report. This seminal report includes the Action Plan recommendations and summarizes methods for energy efficiency in utility ratemaking and revenue requirements, energy resource planning processes, rate design, and energy efficiency program best practices.

Understanding Cost-Effectiveness of Energy Efficiency Programs. This paper discusses the five standard tests used to assess the cost-effectiveness of energy efficiency, how states are using these tests, and how the tests can be used to determine the cost-effectiveness of energy efficiency measures.

Model Energy Efficiency Program Impact Evaluation Guide. This document provides guidance on model approaches for calculating energy, demand, and emissions savings resulting from energy efficiency programs. It describes several standard approaches that can be used for calculating savings, defines terms, provides advice on key evaluation issues, and lists efficiency evaluation resources.

Utility Best Practices Guidance for Providing Business Customers with Energy Use and Cost Data. This guidance summarizes the context, current state of utility practices, and the customer, business, and policy cases for providing customers with consistent, standardized energy use and cost data.

Aligning Utility Incentives with Investment in Energy Efficiency. This paper describes the financial effects on a utility of its spending on energy efficiency programs, how those effects could constitute barriers to more aggressive and sustained utility investment in energy efficiency, and how adoption of various policy mechanisms can reduce or eliminate these barriers. Privately, publicly, and cooperatively owned utility cases are covered.

Guide to Resource Planning with Energy Efficiency. A variety of successful processes are used to integrate energy efficiency into electric and gas resource planning and to facilitate the effective procurement of cost-effective energy efficiency. This "how-to-guide" describes the key issues, best practices, and main process steps for integrating energy efficiency into resource planning on an equal basis with other resources.

Guide for Conducting Energy Efficiency Potential Studies. This document provides guidance on standard approaches for parties looking to a) determine how much energy efficiency is available in their utility footprint, state, or region; b) evaluate efficiency as an alternative to supply-side resources; or c) formulate detailed program design plans by understanding the potential for cost-effective energy efficiency.

Additional Resources:

- Sector Collaborative on Energy Efficiency Report
- Energy Efficiency Resources Database
- Suite of Educational and Outreach Materials
- Energy Efficiency Benefits Calculator

For more information on the Action Plan and to download copies of these materials, visit

www.epa.gov/eeactionplan

Hard copies are available for several reports by contacting Stacy Angel at angel.stacy@epa.gov.