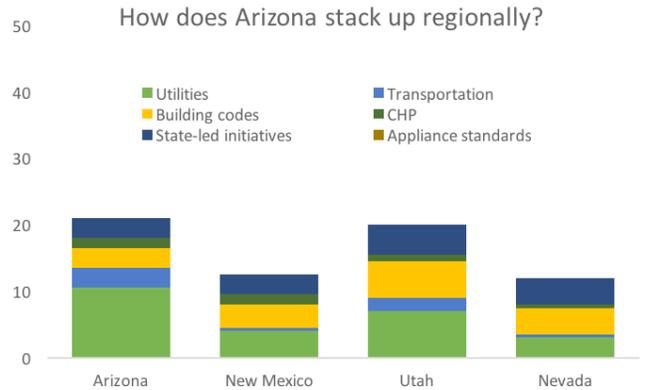
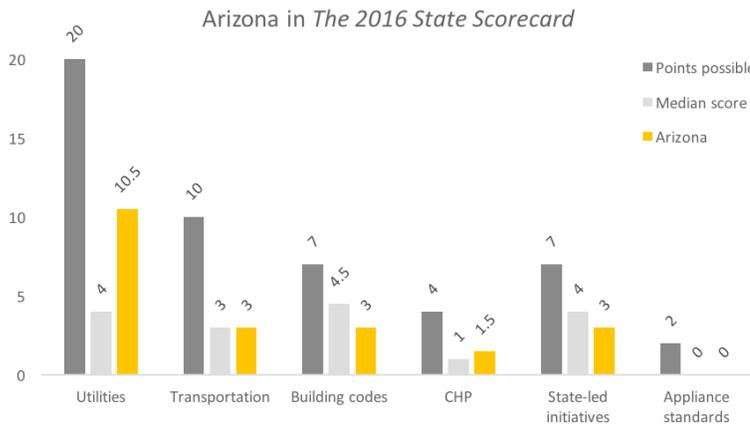


Arizona



Arizona ranked 18th in the 2016 *State Energy Efficiency Scorecard*, falling one spot from its 2015 ranking. The state earned 1 point less than it earned in 2015, totaling 21 points out of a possible 50.



UTILITIES

Arizona scored 10.5 points out of 20 for its utility policies and programs. The state set aggressive electricity and natural gas savings targets as part of an energy efficiency resource standard, and achieved notable levels of electricity savings and higher than average natural gas savings in 2015. Performance incentives are in place for electric utilities. Electric utilities are not decoupled, but state regulators do allow them to recover lost revenues.



TRANSPORTATION

Arizona earned 3 points out of a possible 10 points for transportation policies. Arizona has seen an improvement in the vehicle miles traveled per capita in the past few years. The state integrates transportation and land use planning, and has a notable number of electric vehicle registrations. Although the state has a comprehensive freight plan in place, opportunities remain to strengthen the plan's energy efficiency goals through concrete strategies and metrics. Additionally, Arizona has room for improvement in terms of funding public transportation initiatives and developing complete streets policies.



BUILDING ENERGY CODES

Arizona earned 3 points out of 7 for its building energy code stringency and compliance efforts. Arizona is a home rule state, with significant local adoption of the 2012 IECC for both residential and commercial buildings. Utilities are involved in code compliance support activities, and the state also organizes energy code training and outreach. Opportunity remains to work with local jurisdictions to adopt the most recent iteration of building energy codes.



COMBINED HEAT & POWER

Arizona scored 1.5 out of 4 points for its combined heat and power policies. Arizona includes CHP as an eligible resource in its energy efficiency resource standard and renewable

portfolio standard. The state also offers incentives for CHP deployment. One new CHP system was installed in 2015.



STATE GOVERNMENT-LED INITIATIVES

Arizona scored 3 out of 7 points for state-led energy efficiency initiatives. A property tax exemption is available for energy-efficient building components, although other consumer incentives are limited. The state government leads by setting stringent energy standards for new constructed public buildings, and encouraging the use of energy savings performance contracts.



APPLIANCE STANDARDS

Although Arizona has set appliance standards in the past, no additional standards have gone into effect in the past three years. The state's most recent standards were adopted in 2012. In 2005, the state set standards for twelve products, but all were preempted by federal standards.



HIGHLIGHTS AND OPPORTUNITIES

Arizona's electric and natural gas programs continue to rank among the top tier of states in terms of savings achieved thanks to aggressive utility energy efficiency targets. Increasing efforts in other areas, including policies to encourage CHP deployment, leading by example by adopting fleet and freight efficiency policies, and working with localities to adopt and enforce more stringent building standards could allow Arizona to see even greater results.