

states have requirements that utilities or third-party administrators achieve all cost-effective energy efficiency.²

Texas adopted the nation's first EERS in 1999, and many states followed suit in the mid-2000s. These policies have contributed to notable energy and bill savings in many states. Eighteen of the 27 states with an EERS ranked in the top 20 of ACEEE's *2018 State Energy Efficiency Scorecard*.³ In 2013, ACEEE reported that nearly every state with an EERS were meeting or surpassing their targets.⁴ A recent update to that analysis found that 20 of the 25 states with an established EERS in 2017 reported savings meeting annual targets that year, while all but one, Maine, met at least 80% of its target.⁵

This policy brief summarizes each state electricity and natural gas EERS policy currently in place. Table 1 outlines current policy approaches for electricity EERS policies. Table 2 describes natural gas EERS policies. For a more in-depth look at individual state EERS policies, visit ACEEE's [State and Local Policy Database](#).⁶

² The seven states that have enacted all cost-effective efficiency policies are California, Connecticut, Maine, Massachusetts, Rhode Island, Vermont, and Washington. In addition, New Hampshire's EERS has set forth a long-term goal of achieving all cost-effective efficiency, which is anticipated to be met through planning and goal-setting in future implementation cycles.

³ 2017 is the most recent year for which complete data is available. See *The 2018 State Energy Efficiency Scorecard* (Berg et. al, 2018) for more details. <https://aceee.org/research-report/u1808>

⁴ See *Energy Efficiency Resource Standards: A New Progress Report on State Experience* (Downs and Cui, 2014) for more details: <https://aceee.org/research-report/u1808>

⁵ Gold, R., Gilleo, A., and Berg, W. Forthcoming. *Next Generation Energy Efficiency Resource Standards*. Washington, DC: American Council for an Energy-Efficient Economy.

⁶ <http://database.aceee.org/>

Table 1. Electricity EERS policy status by state

	· State · Year enacted · Authority · Applicability (% sales affected) ⁷	Electricity energy efficiency resource standard	Reference
1	Arizona 2010 Regulatory ⁸ IOUs, Co-ops (~56%)	Incremental savings targets began at 1.25% of sales in 2011, ramping up to 2.5% in 2016 through 2020 for cumulative electricity savings of 22% of retail sales, of which 2% may come from peak demand reductions. ⁹ Co-ops must meet 75% of targets.	Docket No. RE-00000C-09-0427, Decision 71436 Docket No. RE-00000C-09-0427, Decision 71819
2	Arkansas 2010 Regulatory IOUs (~50%)	Incremental savings targets began at 0.25% in 2011, ramping up to 0.9% annually for 2015 – 2018, 1.00% for 2019, and 1.2% for 2020-2022.	Order No. 15, Docket No. 08-137-U Order No. 17, Docket No. 08-144-U Order No. 1, Docket No. 13-002-U Order No. 7, Docket No. 13-002-U Order No. 31, Docket No. 13-002-U Order No. 43, Docket No.13-002-U
3	California 2004, 2009, and 2015 Legislative ¹⁰ IOUs (~73%)	While SB 350, signed in 2015, called on state agencies and utilities to double cumulative efficiency savings achieved by 2030, work to develop specific utility targets is ongoing. Average incremental savings targets average about 1.3% of retail sales electricity from 2020-2025. Utilities must pursue all cost-effective efficiency resources.	CPUC Decision 15-10-028 CPUC Decision 17-09-025 AB 995 SB 350 (10/7/15)

⁷ This does not take into account whether large customers are eligible to opt-out of programs. For more information on large customer opt-out, see *The 2018 State Energy Efficiency Scorecard* (Berg et. al, 2018).
<https://aceee.org/research-report/u1808>

⁸ EERS policies can either be established through legislation or regulatory action. EERS policies under regulatory authority were set without legislation requiring specific savings levels or calling upon the state public utility commission to set savings targets. Thus far, a total of 22 states have legislatively established EERS policies, while five states have done so solely through regulatory orders.

⁹ Incremental savings are one year of energy savings from measures implemented under programs in a given year. Cumulative savings are the savings in a given year from all the measures that have been implemented under the programs in that year and in prior years that are still saving energy.

¹⁰ Legislation governing EERS policies may not include specific targets. In many cases, referenced legislation requires or explicitly enables the state public utility commission to set targets.

	<ul style="list-style-type: none"> · State · Year enacted · Authority · Applicability (% sales affected)⁷ 	Electricity energy efficiency resource standard	Reference
4	Colorado 2007 and 2017 Legislative IOUs (56%)	For 2015–18, PSCo had been required to achieve incremental savings of at least 400 GWh per year; starting in 2019, this was increased to 500 GWh, or roughly 1.7% of sales. HB 17-1227 extends programs and calls for 5% energy savings by 2028 compared to 2018.	Colorado Revised Statutes 40-3.2-101, et seq.; Docket No. 13A-0686EG Dec. C14-0731 HB17-1227 Proceeding no. 17A-04262EG: Settlement Agreement (2/26/18) Dec. C18-0417 approving settlement agreement in proceeding 17A-0462EG
5	Connecticut 2007 and 2013 Legislative IOUs (93%)	Average incremental savings of 1.11% of sales from 2019 through 2021. Utilities must pursue all cost-effective efficiency resources.	Public Act No. 07-242 Public Act No. 13-298 2016-2018 Electric and Natural Gas Conservation and Load Management Plan 2019-2021 Electric and Natural Gas Conservation and Load Management Plan
6	Hawaii 2004 and 2009 Legislative Statewide goal (100%)	In 2009, Hawaii transitioned away from a combined RPS-EERS to a standalone EEPS goal to reduce electricity consumption by 4,300 GWh by 2030 (equal to ~30% of forecast electricity sales, or 1.4% incremental savings per year).	HRS §269-91, 92, 96 HI PUC Order, Docket 2010-0037
7	Illinois 2007 and 2016 Legislative Utilities with over 100,000 customers, Illinois DCEO (89%)	Incremental savings targets vary by utility, averaging 1.77% of sales from 2018 to 2021, 2.08% from 2022 to 2025, and 2.05% from 2026 to 2030. SB 2814 (Public Act 99-0906) also sets a rate cap of 4%, which would adjust targets downward should utilities reach spending limits.	S.B. 1918 (2009) Public Act 96-0033 § 220 ILCS 5/8-103 S.B. 2814 (2015) Public Act 99-0906 Illinois Energy Efficiency Stakeholder Advisory Group

	<ul style="list-style-type: none"> · State · Year enacted · Authority · Applicability (% sales affected) ⁷	Electricity energy efficiency resource standard	Reference
8	Iowa 2009 and 2018 Legislative IOUs (75%)	<p>Requirements for utility submission of energy efficiency goals to the IUB are outlined in SB 2386 (2008). Incremental savings targets vary by utility and have been reduced significantly by a 2% cost cap for electric energy efficiency under SF 2311 (1.5% cap for natural gas). Current gross savings targets average 0.9% of electric sales and 0.2% for natural gas according to utility 5-year plans (2019-2023).</p> <p>SF 2386 requires municipal utilities and rural cooperatives to set energy efficiency savings goals, but their plans are not reviewed or approved by the IUB.</p>	<p>Senate Bill 2386 Docket EEP-2012-0001 SF 2311 (2018) Iowa Code chapter 1135, § 476.6 Energy Efficiency Plans, Operating Plans and Reports</p>
9	Maine 2009 Legislative Statewide goal (100%)	<p>Electric savings of 20% by 2020, with incremental savings targets of ~ 1.6% per year for 2014-2016 and ~2.4% per year for 2017-2019.</p> <p>Efficiency Maine operates under an all cost-effective mandate, however has fallen short of targets in recent years due to budget cuts.</p>	<p>Efficiency Maine Triennial Plan (2017-2019) H.P. 1128 - L.D. 1559</p>
10	Maryland 2008; 2015 Legislative through 2015, regulatory thereafter Electric IOUs (97%)	<p>15% reduction in per capita peak demand by 2015, compared to 2007. After 2015, targets vary by utility, ramping up by 0.2% per year to reach 2% incremental savings.</p>	<p>Md. Public Utility Companies Code § 7-211 MD PSC Dockets 9153-9157 Order No. 87082</p>
11	Massachusetts 2009 Legislative IOUs, Co-ops, Muni's, Cape Light Compact (85%)	<p>Net annual savings of 3.45 million MWh (not including fuel switching) for 2019-2021, equivalent to savings of about 2.7% of retail sales per year.</p> <p>Additional goal of 261.9 million net lifetime MMBtu for 2019-2021.</p> <p>All cost-effective efficiency requirement.</p>	<p>D.P.U. 15-160 through D.P.U. 15-169 (MA Joint Statewide Three-Year Electric and Gas Energy Efficiency Plan 2016-2018) M.G.L. ch. 25, § 21; D.P.U. 18-110 through D.P.U. 18-119 (MA Joint Statewide Three-Year Energy Efficiency Plan for 2019 through 2021.)</p>

	<ul style="list-style-type: none"> · State · Year enacted · Authority · Applicability (% sales affected)⁷ 	Electricity energy efficiency resource standard	Reference
12	Michigan 2008 and 2016 Legislative Statewide Goal (100%)	1.0% incremental savings through 2021.	Act 295 (2008) S.B. 438 (2016)
13	Minnesota 2007 Legislative Statewide Goal (100%)	1.5% incremental savings in 2010 and each year thereafter.	Minn. Stat. § 216B.241
14	Nevada 2005, 2009, and 2017 Legislative IOUs (88%)	20% of retail electricity sales to be met by renewables and energy efficiency by 2015, and 25% by 2025. Energy efficiency may meet a quarter of the standard through 2014, but is phased out of the RPS by 2025. SB 150, signed June 2017, directed the Nevada Public Utilities Commission to set new savings goals for NV Energy. The utility's 2018 Joint IRP Demand Side Plan establishes statewide goals of 1.18% in 2019, 1.14% in 2020, and 1.14% in 2021.	NRS 704.7801 et seq. NRS 704.7801 as amended Docket No. 18-06003
15	New Hampshire 2016 Regulatory Statewide goal (100%)	0.8% incremental savings in 2018, ramping up to 1.0% in 2019 and 1.3% in 2020 (set as a percent of 2014 statewide delivered sales).	NH PUC Order No. 25932, Docket DE 15-137
16	New Mexico 2008, 2013, and 2019 Legislative IOUs (69%)	The state's three public utilities must achieve 5% savings of 2020 retail sales by 2025. HB 291 (2019) directs the Public Regulation Commission to set additional targets through 2030.	N.M. Stat. § 62-17-1 et seq. HB 291
17	New Jersey 2018 Legislative (100%)	Under 2018 legislation A3723/S2314, utilities must achieve 2% of electric savings (as a percent of average annual usage from the prior three years) within five years.	A3723/S2314

	· State · Year enacted · Authority · Applicability (% sales affected) ⁷	Electricity energy efficiency resource standard	Reference
18	New York 2008, 2016, 2018 Regulatory Statewide Goal (100%)	An April 2018 NYSERDA white paper called for 185 TBtu of cumulative annual site energy savings under the 2025 energy-use forecast, as well as an electric site savings subtarget of 3% of IOU sales in 2025. A December 2018 PSC Order adopting the 3% electric goal calls for detailed targets to be proposed by the utilities, which the PSC assumes will account for 2% of savings, with the remainder contributed through NYSERDA, codes and standards, and other state activities.	NY PSC Order Authorizing the Clean Energy Fund Framework Energy Efficiency Metrics and Target Options Report (November 2016) New Efficiency: New York (2018) NY PSC Case 18-M-0084
19	North Carolina 2007 Legislative Statewide Goal (100%)	Renewable Energy and Energy Efficiency Portfolio Standard (REPS) requires renewable generation and/or energy savings of 6% by 2015, 10% by 2018, and 12.5% by 2021 and thereafter. Energy efficiency is capped at 25% of target, increasing to 40% in 2021 and thereafter. REPS for electric cooperatives and munis requires renewable generation and/or energy savings of 3% by 2012, 6% by 2014, and 10% by 2018.	N.C. Gen. Stat. § 62-133.8 04 NCAC 11 R08-64, et seq.
20	Ohio 2008, 2014 Legislative IOUs (88%)	Beginning in 2009, incremental savings of 0.3% per year, ramping up to 1% in 2014 and 2% in 2021. Savings targets resumed in 2017 following a “freeze” (S.B. 310) in 2015-2016 that allowed utilities that had achieved 4.2% cumulative savings to reduce or eliminate program offerings.	ORC 4928.66 et seq. S.B. 221 S.B. 310
21	Oregon 2010 Regulatory Energy Trust of Oregon (63%)	Incremental targets average ~1.3% of sales annually for the period 2015-2019.	Energy Trust of Oregon 2015-2019 Strategic Plan Grant Agreement between Energy Trust of Oregon and OR PUC
22	Pennsylvania 2004 and 2008 Legislative Utilities with over 100,000 customers (96%)	Varying targets have been set for IOUs amounting to yearly statewide incremental savings of 0.8% savings for 2016-2020. EERS includes peak demand targets. Energy efficiency measures may not exceed an established cost-cap.	66 Pa C.S. § 2806.1; PUC Order Docket No. M-2008-2069887; PUC Implementation Order Docket M-2012-2289411 PUC Final Implementation Order Docket M-2014-2424864

	· State · Year enacted · Authority · Applicability (% sales affected) ⁷	Electricity energy efficiency resource standard	Reference
23	Rhode Island 2006 Legislative IOUs, Muni's (~99%)	Average incremental savings of 2.5% for 2018-2020. EERS includes demand response targets. Utilities must acquire all cost-effective energy efficiency.	R.I.G.L § 39-1-27.7 Docket No. 4443 National Grid's 2018-2020 Energy Efficiency and System Reliability Procurement Plan
24	Texas 1999 and 2007 Legislative IOUs (74%)	20% incremental load growth in 2011 (equivalent to ~0.10% annual savings); 25% in 2012, 30% in 2013 onward. Peak demand reduction targets of 0.4% compared to previous year. Energy efficiency measures may not exceed an established cost cap.	Senate Bill 7 ; House Bill 3693 ; Substantive Rule § 25.181 Senate Bill 1125
25	Vermont 2000 Legislative Efficiency Vermont, Burlington Electric (98%)	Annual incremental savings totaling 357,400 MWh over 2018-2020, or approximately 2.4% of annual sales. EERS includes demand response targets. Energy efficiency utilities must set budgets at a level that would realize all cost-effective energy efficiency.	30 V.S.A. § 209 ; Efficiency Vermont Triennial Plan 2018-2020
26	Washington 2006 Legislative IOUs, Co-ops, Muni's (83%)	Biennial and Ten-Year Goals vary by utility. Law requires savings targets to be based on the Northwest Power Plan, which targets acquiring 1,400 average MW by 2021, 3,000 aMW by 2026, and 4,300 aMW by 2035. Biennial utility targets for 2019-2020 average 0.9% of sales. All cost-effective conservation requirement.	Ballot Initiative I-937 Energy Independence Act, Chapter 19.285.040 WAC 480-109-100 (EERS) WAC 194-37 (Conservation Reporting Requirements) Seventh Northwest Power Plan (adopted 2/10/16) Washington Department of Commerce 2019 Biennial Report
27	Wisconsin 2011 Legislative Statewide Goal (100%)	Four-year goal for 2019-2022 of 224,666,366 total net life cycle MMBtus (combined electric and natural gas). Minimum electric net life cycle savings target of 22,832 GWh for 2019-2022 or 1,840 GWh first-year savings across 2019-2022. This translate to roughly ~0.6-0.7% of sales per year in 2019-2022. Energy efficiency measures may not exceed an established cost-cap.	2005 Wisconsin Act 141 Order, Docket 5-FE-100: Focus on Energy Revised Goals and Renewable Loan Fund (10/15) PSCW Memorandum, Docket 5-FE-101 (5/18) PSCW Decision, Docket 5-FE-101 (6/18)

Table 2. Natural gas EERS policy status by state

	· State · Year enacted · Authority · Applicability (% sales affected)	Natural gas energy efficiency resource standard	Reference
1	Arizona 2010 Regulatory IOUs (~85%)	~0.6% incremental savings per year (for cumulative savings of 6% by 2020).	Docket No. RG-00000B-09-0428 Dec. No. 71855
2	Arkansas 2010 Regulatory IOUs (~50%)	Annual incremental reduction target of 0.50% for 2020-2022 for natural gas IOUs.	Order No. 15, Docket No. 08-137-U Order No. 1, Docket No. 13-002-U Order No. 7, Docket No. 13-002-U Order No. 31, Docket No. 13-002-U Order No. 43, Docket No. 13-002-U
3	California 2004, 2009, and 2015 Legislative IOUs (~82%)	While SB 350, signed in 2015, called on state agencies and utilities to double cumulative efficiency savings achieved by 2030, work to develop specific utility targets is ongoing. Current incremental savings targets average 0.87% from incentive and codes & standards programs for natural gas from 2020-2025. Utilities must pursue all cost-effective efficiency resources.	CPUC Decision 15-10-028 CPUC Decision 17-09-025 SB 350 (10/7/15)
4	Colorado 2007 Legislative IOUs (~75%)	Savings targets commensurate with spending targets (at least 0.5% of prior year's revenue).	Colorado Revised Statutes 40-3.2-101, et seq. Docket 10A-554EG Docket No. 13A-0686EG Dec. C14-0731
5	Connecticut 2007 and 2013 Legislative IOUs (100%)	Average incremental savings of 0.59% per year from 2019 through 2021. Utilities must pursue all cost-effective efficiency resources.	Public Act No. 13-298 2016-2018 Electric and Natural Gas Conservation and Load Management Plan 2019-2021 Electric and Natural Gas Conservation and Load Management Plan
6	Illinois 2007 Legislative Utilities with over 100,000 customers, Illinois DCEO (~90%)	8.5% cumulative savings by 2020 (0.2% incremental savings in 2012, ramping up to 1.5% in 2019).	S.B. 1918 (2009) Public Act 96-0033 § 220 ILCS 5/8-103 S.B. 2814 (2015) Public Act 99-0906 Illinois Energy Efficiency Stakeholder Advisory Group

	<ul style="list-style-type: none"> · State · Year enacted · Authority · Applicability (% sales affected) 	Natural gas energy efficiency resource standard	Reference
7	Iowa 2009 Legislative IOUs (100%)	<p>Requirements for utility submission of energy efficiency goals to the IUB are outlined in SB 2386 (2008). Incremental savings targets vary by utility and have been reduced significantly by a 2% cost cap for electric energy efficiency under SF 2311 (1.5% cap for natural gas). Current gross savings targets average 0.9% of electric sales and 0.2% for natural gas according to utility 5-year plans (2019-2023).</p> <p>SF 2386 requires municipal utilities and rural cooperatives to set energy efficiency savings goals, but their plans are not reviewed or approved by the IUB.</p>	<p>Senate Bill 2386 Docket EEP-2012-0001 SF 2311 (2018) Iowa Code chapter 1135, § 476.6 Energy Efficiency Plans, Operating Plans and Reports</p>
8	Maine 2009 Legislative Efficiency Maine (100%)	<p>Incremental savings of ~0.2% per year for 2017-2019.</p> <p>Efficiency Maine operates under an all cost-effective mandate.</p>	<p>Efficiency Maine Triennial Plan (2017-2019) H.P. 1128 – L.D. 1559</p>
9	Massachusetts 2009 Legislative IOUs, Co-ops, Muni's (100%)	<p>Savings goals of 1.25% of retail sales. Net annual savings of 95.89 MMBtu for 2019-2021.</p> <p>Additional goal of 261.9 million net lifetime MMBtu for 2019-2021.</p> <p>All cost-effective efficiency requirement.</p>	<p>D.P.U. 15-160 through D.P.U. 15-169 (MA Joint Statewide Three-Year Electric and Gas Energy Efficiency Plan 2016-2018) M.G.L. ch. 25, § 21; D.P.U. 18-110 through D.P.U. 18-119 (MA Joint Statewide Three-Year Energy Efficiency Plan for 2019 through 2021.)</p>
10	Michigan 2016 Legislative Statewide Goal (100%)	<p>Incremental savings of 0.75% through 2021.</p>	<p>Act 295 (2008) S.B. 438 (2016)</p>
11	Minnesota 2007 Legislative Statewide Goal (100%)	<p>0.75% incremental savings per year in 2010-2012; 1% incremental savings in 2013 and each year thereafter.</p>	<p>Minn. Stat. § 216B.241</p>

	<ul style="list-style-type: none"> · State · Year enacted · Authority · Applicability (% sales affected) 	Natural gas energy efficiency resource standard	Reference
12	New Hampshire 2016 Regulatory Statewide Goal (100%)	0.7% incremental savings in 2018; 0.75% in 2019; and 0.8% in 2020.	NH PUC Order No. 25932, Docket DE 15-137
13	New Jersey 2018 Legislative Statewide Goal (100%)	Under 2018 legislation A3723/S2314, utilities must achieve 0.75% of electric savings (as a percent of average annual usage from the prior three years) within five years.	A3723/S2314
14	New York 2008, 2016, 2018 Regulatory Companies with 14,000+ customers (~100%)	An April 2018 NYSERDA white paper called for 185 TBtu of cumulative annual site energy savings under the 2025 energy-use forecast, as well as an electric site savings subtarget of 3% of IOU sales in 2025. No specific natural gas goal has been established but savings will count toward the overall 185 TBtu goal.	NY PSC Order Authorizing the Clean Energy Fund Framework Energy Efficiency Metrics and Target Options Report (November 2016) New Efficiency: New York (2018) NY PSC Case 18-M-0084
15	Oregon 2010 Regulatory Energy Trust of Oregon (~87%)	Incremental savings of 0.3% of sales annually for the period 2015-2019.	Energy Trust of Oregon 2015-2019 Strategic Plan Grant Agreement between Energy Trust of Oregon and OR PUC
16	Rhode Island 2006 Legislative IOUs, Muni's (100%)	Average incremental savings of 0.97% for 2018-2020. Utilities must acquire all cost-effective energy efficiency.	R.I.G.L § 39-1-27.7 Docket No. 4443 National Grid's 2018-2020 Energy Efficiency and System Reliability Procurement Plan
17	Vermont 2000 Legislative IOUs (100%)	Three-year annual incremental savings of 192,599 Mcf spanning 2018-2020 or 0.5% of sales.	30 V.S.A. § 209; Order, Docket 7676 (4/20/2015); Order Re: Quantifiable Performance indicator Targets for Vermont Gas Systems (12/23/2015) EEU-2016-03: PUC Order on 10/12/17 re: Performance Targets

	<ul style="list-style-type: none"> · State · Year enacted · Authority · Applicability (% sales affected) 	Natural gas energy efficiency resource standard	Reference
18	Wisconsin 2011 Legislative Statewide Goal (100%)	Focus on Energy targets minimum net life cycle natural gas savings goal of 1,243 MMTherms for measures implemented in 2019-2022, or 95.9 MMTherms of first-year savings, equating to approximately 0.6% savings as a percent of sales on a net basis. Energy efficiency measures may not exceed an established cost-cap.	Order, Docket 5-FE-100: Focus on Energy Revised Goals and Renewable Loan Fund (10/15) Program Administrator Contract, Docket 9501-FE-120, Amendment 2 (3/16) 2005 Wisconsin Act 141 PSCW Memorandum, Docket 5-FE-101 (5/18) PSCW Decision, Docket 5-FE-101 (6/18)

For more information on energy efficiency resource standards, please visit <http://aceee.org/topics/energy-efficiency-resource-standard-eers>

ACEEE Contacts:

Weston Berg
wberg@aceee.org
(202) 507-4293

Annie Gilleo
agilleo@aceee.org
(202) 507-4002

Maggie Molina
mmolina@aceee.org
(202) 507-4004