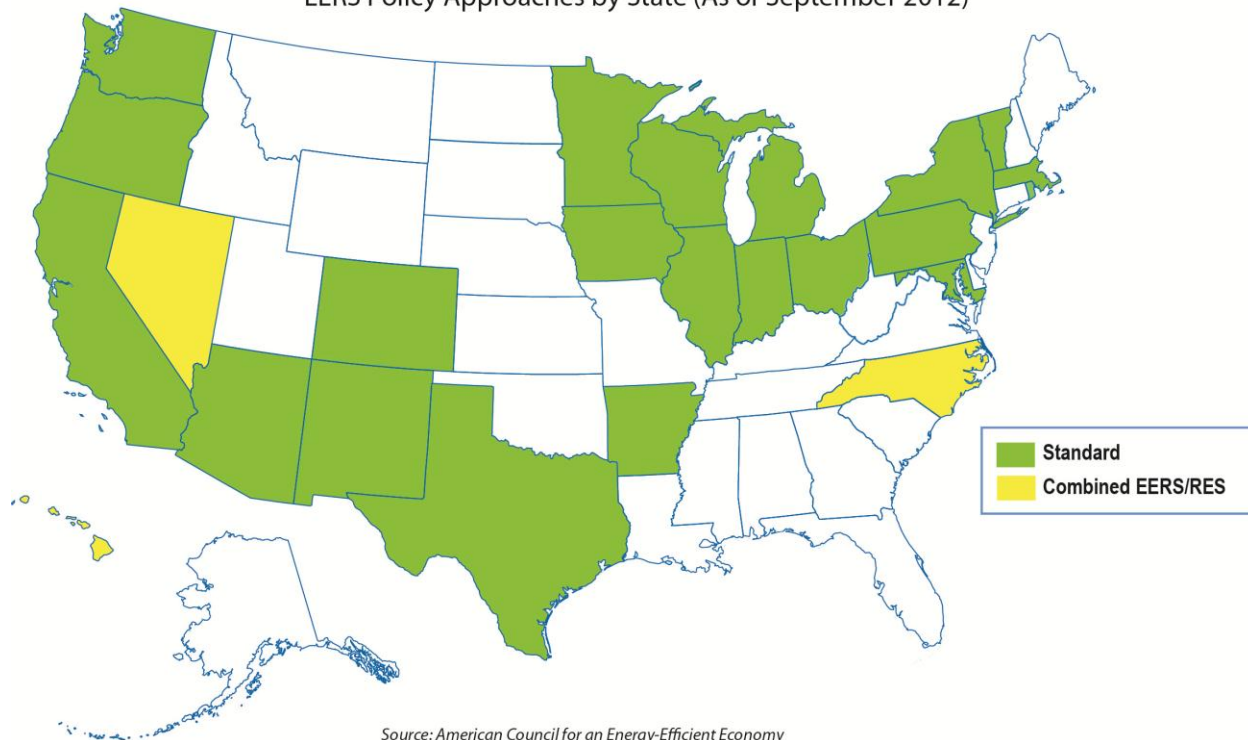


State Energy Efficiency Resource Standards (EERS)

EERS Policy Approaches by State (As of September 2012)



Twenty-four¹ states have enacted long-term (3+ years), binding energy savings targets, or Energy Efficiency Resource Standards (EERS). These twenty-four states make up 67% of electricity sales in the U.S. If each of these states maintains its current EERS target out to 2020, the overall savings would be equivalent to approximately 225,000 GWh, equivalent to almost 6.5% of 2010 sales nationwide, or the combined electricity consumption of Maryland, Washington, and Minnesota in 2010.

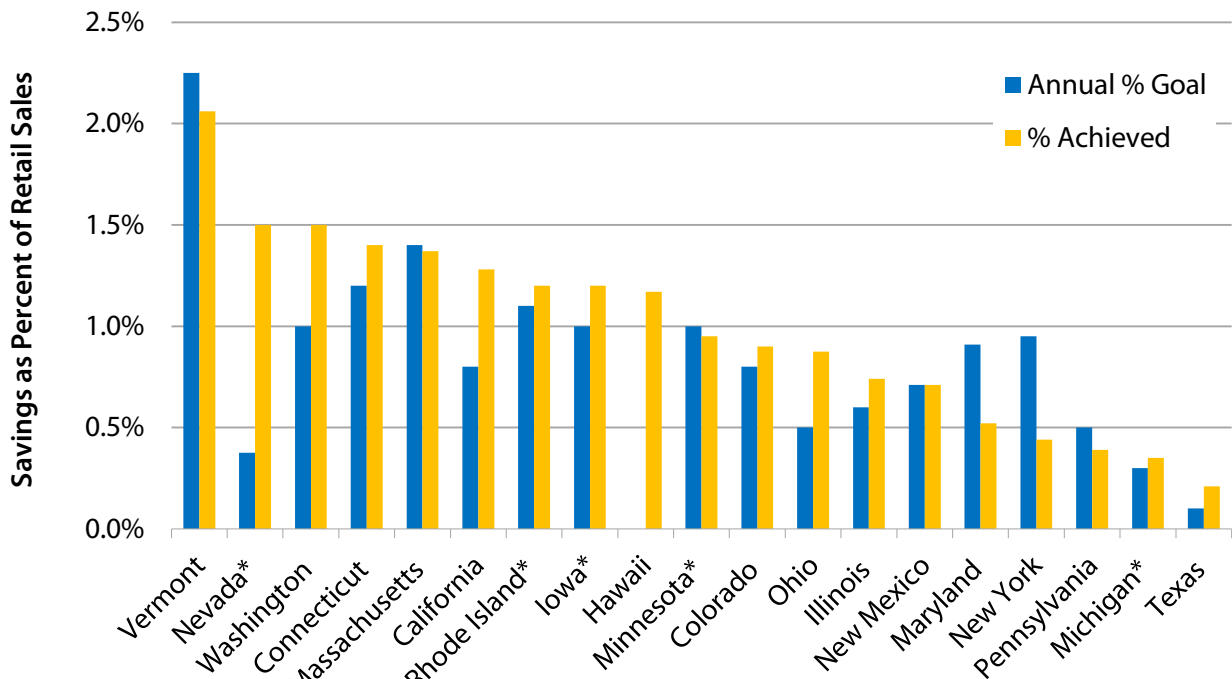
A 2011 ACEEE report, [Energy Efficiency Resource Standards: A Progress Report on State Experience](#), includes legislative and regulatory background state EERS policies and examines the progress states have made achieving their goals.

Most states are meeting or are on track to meet energy saving goals. Thirteen of the twenty states with EERS policies in place for over two years are achieving 100% or more of their goals, three states are achieving over 90% of their goals, and only three states are realizing savings below 80% of their goals.

¹ Does not include Maine (EERS budgets not allocated at sufficient level), Connecticut (EERS targets end in 2010), Delaware (EERS pending), Florida (programs funded at levels far below what is necessary to meet targets) Utah, or Virginia (voluntary standards)

In addition to the *Progress Report*, ACEEE published [Energy Efficiency Resource Standards: State and Utility Strategies for Higher Energy Savings](#), which thoroughly examines how several states are ramping up energy efficiency programs and policies to achieve aggressive EERS targets. That report focuses on twelve states and offers insight into the policy and programmatic strategies states are implementing to achieve higher savings levels. The two reports complementary address two distinct research questions: 1) Are states meeting EERS targets; and 2) How can states ramp-up to aggressive savings levels?

Figure 1: State EERS Targets vs. Achieved Savings in 2010²



*Base year for savings is 2009

² California gross savings and targets adjusted to net savings using 61% of conversion factor. California savings include partial savings from advanced codes and standards adopted in the state. California, Iowa, and Washington savings and targets based on investor-owned utilities reporting savings as of 2010 only. New York based on NYSERDA and utility program administrators only. Colorado includes only PSCo. Ohio does not include First Energy.

EERS Policy Status

State Year Enacted Electric/Natural Gas Applicability (% of sales)	Energy Efficiency Resource Standard	Reference
Arizona 2009 Electric IOUs, Co-ops (~59%)	2% annual savings beginning in 2013, 22% cumulative savings by 2020, of which 2% may come from peak demand reductions.	Docket Nos. RE-00000C-09-0427, Decision No. 71436
Arkansas 2010 Electric and Natural Gas IOUs (~61%)	Annual reduction of 0.25% of total electric kilowatt hour (kWh) sales in 2011, ramping up to 0.75% in 2013 (slightly less for natural gas).	Order No. 17, Docket No. 08-144-U ; Order No. 15, Docket No. 08-137-U
California 2004 and 2009 Electric and Natural Gas IOUs (~75%)	Electric: ~0.85% annual savings through 2020. Demand reduction of 4,541 MW through 2020. Natural Gas: 619 gross MMTh between 2012 and 2020.	CPUC Decision 04-09-060; CPUC Decision 08-07-047 ; CPUC Decision 09-09-047
Colorado 2007 Electric and Natural Gas IOUs (~57%)	Electric: PSCo and Black Hills Energy (BHE) both aim for 0.9% of sales in 2011 and increase to 1.35% (1.0% for BHE) of sales in 2015 and then 1.66% (1.2%) of sales in 2019. Natural Gas: Savings targets commensurate with spending targets (at least 0.5% of prior year's revenue).	Colorado Revised Statutes 40-3.2-101, et seq. ; COPUC Docket No. 08A-518E ; Docket 10A-554EG
Hawaii 2004 and 2009 Electric Statewide Goal (100%)	Electric: 40% reduction from 2007 baseline by 2030.	HRS §269-91, 92, 96 HI PUC Order, Docket 2010-0037
Illinois 2007 Electric and Natural Gas Utilities with over 100,000 customers, Illinois Department of Commercial and Economic Opportunity (~76%)	Electric: 0.2% annual savings in 2008, ramping up to 1% in 2012, 2% in 2015 and thereafter. Annual peak demand reduction of 0.1% through 2018. Natural Gas: 8.5% cumulative savings by 2020 (0.2% annual savings in 2011, ramping up to 1.5% in 2019). Energy efficiency measures may not exceed an established cost-cap.	S.B. 1918 Public Act 96-0033 § 220 ILCS 5/8-103

State Year Enacted Electric/Natural Gas Applicability (% of sales)	Energy Efficiency Resource Standard	Reference
Indiana 2009 Electric Jurisdictional utilities (includes IOUs, Co-ops and Muni's) (85%)	0.3% annual savings in 2010, increasing to 1.1% in 2014, and leveling at 2% in 2019.	Cause No. 42693, Phase II Order
Iowa 2009 Electric and Natural Gas Statewide Goal (100%)	Electric: Varies by utility from 1-1.5% annually by 2013. Natural Gas: Varies by utility from 0.74-1.2% annually by 2013.	Senate Bill 2386 Iowa Code § 476
Maryland³ 2008 Electric Statewide Goal (100%)	15% per-capita electricity use reduction goal by 2015 with targeted reductions of 5% by 2011 calculated against a 2007 baseline (10% by utilities, 5% achieved independently). 15% reduction in per capita peak demand by 2015, compared to 2007.	Md. Public Utility Companies Code § 7-211
Massachusetts 2009 Electric and Natural Gas IOUs, Co-ops, Muni's, Cape Light Compact (~80%)	Electric: 1.4% in 2010, 2.0% in 2011; 2.4% in 2012; 2.5% annually from 2013-2015 (proposed). Natural Gas: 0.63% in 2010, 0.83% in 2011; 1.15% in 2012; 1% annually from 2013-2015 (proposed).	Electric: D.P.U. Order 09-116 through 09-120 Natural Gas: D.P.U. Order 09- 121 through 09-128
Michigan 2008 Electric and Natural Gas Statewide Goal (100%)	Electric: 0.3% annual savings in 2009, ramping up to 1% in 2012 and thereafter. Natural Gas: 0.10% annual savings in 2009, ramping up to 0.75% in 2012 and thereafter.	M.G.L. ch. 25, § 21; Act 295 of 2008
Minnesota 2007 Electric and Natural Gas Statewide Goal (100%)	Electric: 1.5% annual savings in 2010 and thereafter. Natural Gas: 0.75% annual savings from 2010-2012; 1.5% annual savings in 2013 and thereafter.	Minn. Stat. § 216B.241

³ The 15% per-capita electricity use reduction goal translates to around 17% cumulative savings over 2007 retail sales.

State Year Enacted Electric/Natural Gas Applicability (% of sales)	Energy Efficiency Resource Standard	Reference
Nevada 2005 and 2009 Electric 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 in any given year, or 5% cumulative savings by 2015 and 6.25% by 2025.	NRS 704.7801 et seq.
New Mexico 2008 Electric IOUs (67%)	5% reduction from 2005 total retail electricity sales by 2014, and a 10% reduction by 2020. Exit ramp for utilities unable to meet targets.	N.M. Stat. § 62-17-1 et seq.
New York 2008 Electric and Natural Gas Statewide Goal (100%)	Electric: 15% Cumulative savings by 2015. Natural Gas: ~14.7% Cumulative savings by 2020.	NY PSC Order, Case 07-M-0548 NY PSC Order, Case 07-M-0748
North Carolina 2007 Electric Statewide Goal (100%)	Renewable Energy and Energy Efficiency Portfolio Standard (REPS). Investor-owned: 12.5% by 2021 and thereafter. Energy efficiency is capped at 25% of the 2012-2018 targets and at 40% of the 2021 target.	N.C. Gen. Stat. § 62-133.8 04 NCAC 11 R08-64, et seq.
Ohio 2008 Electric IOUs (~88%)	22% by 2025 (0.3% annual savings in 2009, ramping up to 1% in 2014 and 2% in 2019). EERS includes peak demand reduction targets. Exit ramp for utilities unable to meet targets.	ORC 4928.66 et seq. S.B. 221
Oregon 2010 Electric and Natural Gas Energy Trust of Oregon (100%)	Electric: Targets are equivalent to 0.8% of 2009 electric sales in 2010, ramping up to 1% in 2013 and 2014. Natural Gas: 0.2% of sales in 2010 ramping up to 0.4% in 2014.	Energy Trust of Oregon 2009 Strategic Plan

State Year Enacted Electric/Natural Gas Applicability (% of sales)	Energy Efficiency Resource Standard	Reference
Pennsylvania 2004 and 2008 Electric Utilities with over 100,000 customers (~93%)	3% cumulative savings from 2009 to 2013; ~2.4% cumulative savings from 2014-2016. Energy efficiency measures may not exceed an established cost-cap.	66 Pa C.S. § 2806.1 ; PUC Order Docket No. M-2008- 2069887 ; PUC Tentative Implementation Order Docket M-2012-2289411
Rhode Island 2006 Electric and Natural Gas IOUs, Muni's (~99%)	Electric: ~1.3% in 2010; 1.5% in 2011; Council proposed 1.7% in 2012, 2.1% in 2013, and 2.5% in 2014. EERS includes demand response targets. Natural Gas: ~0.4% of sales in 2011; Council proposed 0.75% in 2012, 1.0% in 2013, and 1.2% in 2014.	R.I.G.L § 39-1-27.7
Texas 1999 and 2007 Electric IOUs (~73%)	20% Incremental Load Growth in 2011 (equivalent to ~0.10% annual savings); 25% in 2012, 30% in 2013 onward.	Senate Bill 7 ; House Bill 3693 ; Substantive Rule § 25.181
Vermont 2000 Electric Efficiency Vermont (100%)	~6.6% cumulative savings from 2012 to 2014. EERS includes demand response targets.	30 V.S.A. § 209 ; VT PSB Docket EEU-2010-06
Washington 2006 Electric IOUs, Co-ops, Muni's (~84%)	Biennial and Ten-Year Goals vary by utility. Law requires savings targets to be based on the Northwest Power Plan, which estimates potential annual savings of about 1.5% through 2030 for Washington utilities.	Ballot Initiative I-937 WAC 480-109 WAC 194-37
Wisconsin 2011 Electric and Natural Gas Focus on Energy (100%)	~0.65% annual savings from 2011 to 2014. Energy efficiency measures may not exceed an established cost-cap.	Order, Docket 5-GF-191

For further information on Energy Efficiency Resource Standards, please visit
<http://www.aceee.org/topics/eers>

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