

# 17 Arizona

Arizona tied for 17th in *The 2017 State Energy Efficiency Scorecard*, rising one spot from its 2016 ranking. The state earned 1 point more than it earned in 2016, totaling 22 points out of a possible 50. Arizona's electric and natural gas programs continue to rank among the top tier 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.

## UTILITIES (10.5 OUT OF 20)

The state set aggressive electricity and natural gas savings targets as part of an energy efficiency resource standard, and achieved electricity and natural gas savings above the national median in 2016. Performance incentives are in place for electric utilities. Electric utilities are not decoupled, but state regulators do allow them to recover lost revenues.

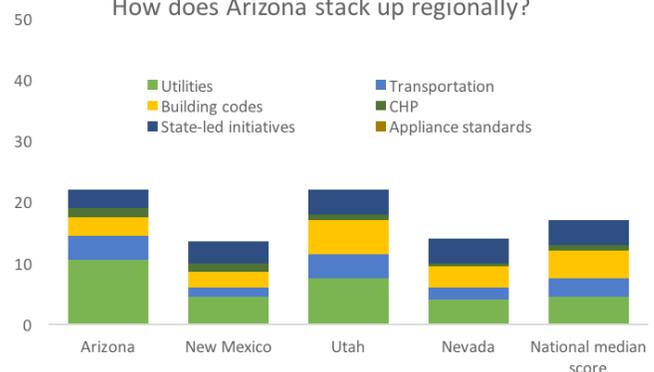
## TRANSPORTATION (4 OUT OF 10)

Arizona has seen a decrease 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 EFFICIENCY POLICIES (3 OUT OF 8)

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.

How does Arizona stack up regionally?



Opportunity remains to work with local jurisdictions to adopt the most recent iteration of building energy codes.

## COMBINED HEAT AND POWER (1.5 OUT OF 4)

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 2016.

## STATE GOVERNMENT-LED INITIATIVES (3 OUT OF 6)

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 newly constructed public buildings, and encouraging the use of energy savings performance contracts.

## APPLIANCE STANDARDS (0 OUT OF 2)

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 12 products, but all were preempted by federal standards.

## BANNER HEALTH

Banner Health has partnered with Arizona Public Service (APS) to perform energy efficiency upgrades, maximize its operating efficiency, and increase available funding for patient care. Banner Health has completed many projects, including upgrading its lighting and chillers. It has also benchmarked its buildings and improved automated monitoring to detect when systems are not operating optimally. Overall, the estimated lifetime savings of these measures is \$21,382,000; with the \$1,585,723 rebate through APS, the investments pay for themselves in just over one year. Director of facility services Sean Greer said, "With the help of the APS team, we have been able to implement projects that not only achieve significant energy savings, but also reduce unscheduled downtime and ultimately improve the environment of care for our patients."