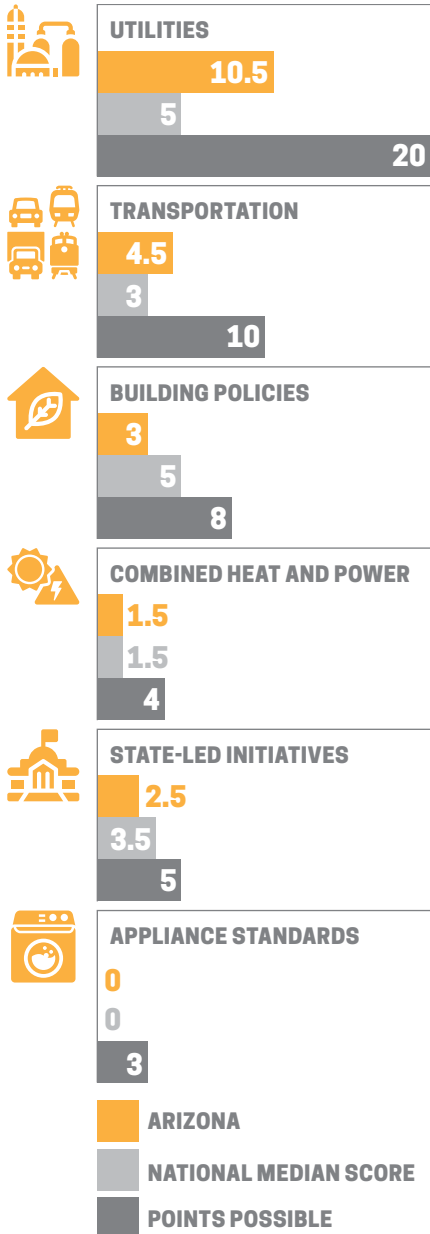




Arizona

Arizona ranked 17th in the 2018 State Energy Efficiency Scorecard, earning 22 points out of a possible 50, the same rank and score it earned in 2017.

While Arizona’s electric programs continue to report among the strongest levels of savings in the country, recent proposals to scale back programs have prompted concerns about generating the same energy savings for customers in the future. Meanwhile, opportunities remain to strengthen efficiency in other areas, including policies to encourage CHP deployment, setting an example by adopting fleet and freight efficiency policies, and working with localities to adopt and enforce more stringent building standards. These steps could allow Arizona to see even greater results.



UTILITIES

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 2017. However utilities have recently proposed significant cuts to programs. Performance incentives are in place for electric utilities. While electric utilities are not decoupled, state regulators do allow them to recover lost revenues.

TRANSPORTATION

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 funding public transportation initiatives and developing complete streets policies.

BUILDING ENERGY EFFICIENCY POLICIES

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 AND POWER

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.

STATE GOVERNMENT-LED 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 newly 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, it set standards for 12 products, but all were preempted by federal standards.