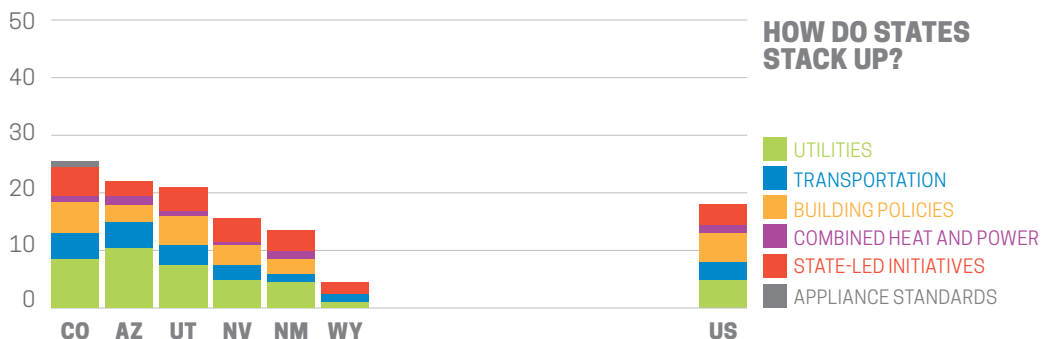


Southwest

OVERALL MEDIAN SCORE

18

 POINTS
OUT OF 50


HIGHLIGHTS AND OPPORTUNITIES

The three highest-ranking Southwest states in the *2018 State Energy Efficiency Scorecard* are Colorado (14th), Arizona (17th), and Utah (20th), all with strong utility efficiency programs. Other states in the region appear in the bottom half of the rankings with room for improvement in multiple policy areas, such as increasing investment in public transit and fuel-efficient vehicles, and promoting cost-effective CHP as an energy efficiency resource. While most states in the region have established multi-year savings targets for utilities, there remain opportunities to strengthen design and funding of programs to help increase savings to levels of those seen in the *State Scorecard's* top-tier states. As most states in the Southwest have home-rule provisions, working with local jurisdictions to continue to adopt more stringent building energy codes will be crucial in strengthening regional efficiency.

UTILITIES

Most states in the Southwest have adopted an energy efficiency standard establishing utility savings targets; however only Arizona, Colorado, and Utah report savings above the national average. While several states have approved utility performance incentives promoting efficiency, others in the region have the opportunity to more closely align utility business models with efficiency. Nevada was among the most improved states in the region this year, with NV Energy releasing a three-year efficiency plan targeting a significant increase in savings in response to 2017 state legislation raising efficiency goals.

TRANSPORTATION

Arizona and Colorado led the region in this category, both offering consumer incentives for high efficiency vehicles and passing smart growth policies to encourage use of alternative transportation options and address sprawl. Under an executive order signed in 2018, Colorado is poised to become the first southwestern state to sign on to California's low emissions vehicle standards; however regulations are still pending as of the fall.

BUILDING ENERGY EFFICIENCY POLICIES

Colorado and Utah earned the highest scores in the region for building sector efficiency, having adopted building energy codes aligned with the 2015 IECC. Most states in the region have home rule provisions leaving code adoption decisions up to local jurisdictions. Many of these jurisdictions have been proactive in adopting codes equivalent to the 2012 IECC or greater. For example, Phoenix has adopted the 2018 IECC, and many communities in Arizona have adopted the 2015 or 2012 IECC.

COMBINED HEAT AND POWER

Arizona and New Mexico led the Southwest in their support for CHP, each offering financing and tax incentive opportunities for CHP. Several states have also partnered with the Department of Energy's Southwest CHP Technical Assistance Partnership to offer no-cost recycled energy assessments.

STATE GOVERNMENT-LED INITIATIVES

Colorado, Nevada, and Utah lead the region in this category, offering a diverse mix of loan programs that support efficiency upgrades, enforcing benchmarking requirements for public buildings, and offering tools to promote energy savings performance contracting among state agencies. Both Utah and Colorado have active PACE programs.

APPLIANCE STANDARDS

Colorado led the region thanks to 2014 standards for plumbing products such as faucets, toilets, urinals, and showerheads. Other southwestern states have not set appliance standards beyond those required by the federal government.