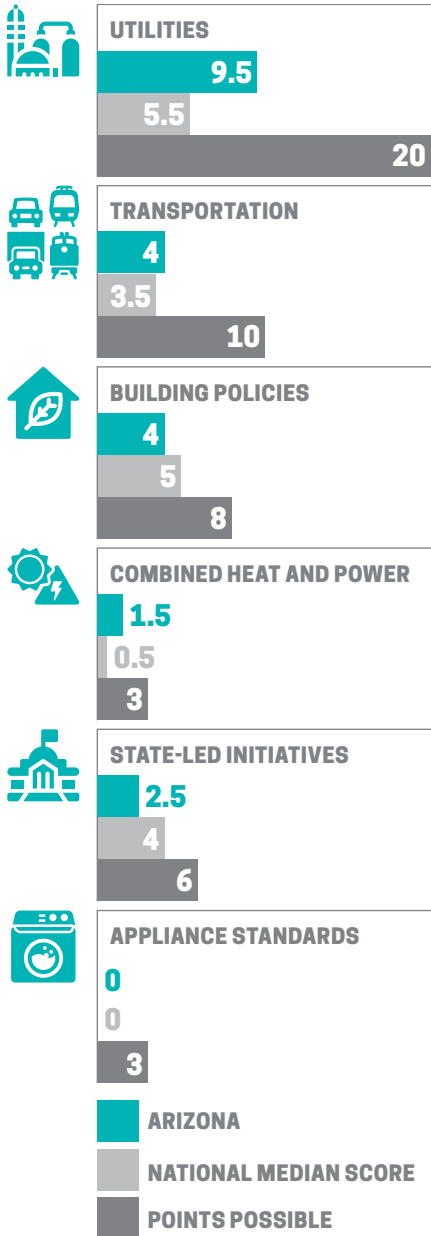




Arizona

Arizona ranked 19th in the 2019 State Energy Efficiency Scorecard, falling two spots from its 2018 rank. The state earned 21.5 points out of a possible 50, a half-point less than its score last year.

Arizona and its utilities have been regional leaders in energy efficiency, reporting some of the highest levels of savings in the nation. However with the end date of the state’s energy efficiency resource standard fast approaching, the future of savings programs is uncertain. Establishing a clear, enforceable savings target beyond 2020 will be important to ensure that reducing energy waste remains a priority. Meanwhile, opportunities remain to strengthen efficiency in other areas, including adopting fleet and freight efficiency policies and working with localities to adopt and enforce more stringent building standards.



UTILITIES (9.5 OF 20 POINTS)

The state’s aggressive energy efficiency resource standard (EERS) has consistently helped deliver electricity savings well above the national median. However, with recent utility proposals to scale back programs and the pending expiration of the state’s EERS, the future of efficiency in Arizona is still an open question. Performance incentives are in place for electric utilities. While electric utilities are not decoupled, state regulators do allow them to recover lost revenues.

TRANSPORTATION (4 OF 10 POINTS)

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. The state also considers the proximity of transit facilities when distributing federal Low-Income Housing Tax Credits to qualifying property owners.

BUILDING ENERGY EFFICIENCY POLICIES (4 OF 8 POINTS)

Arizona is a home rule state, with significant local adoption of the 2012 International Energy Conservation Code (IECC) for both residential and commercial buildings, and a small but growing number of communities moving to adopt the 2018 IECC. Utilities are involved in code compliance support activities, and the state also organizes energy code training and outreach. Opportunity remains for the state to work with local jurisdictions to adopt the most recent iteration of building energy codes.

COMBINED HEAT AND POWER (1.5 OF 3 POINTS)

Arizona includes combined heat and power (CHP) as an eligible resource in its EERS and renewable portfolio standard. The state also offers incentives for CHP deployment.

STATE GOVERNMENT-LED INITIATIVES (2.5 OF 6 POINTS)

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 use of energy savings performance contracts. Some universities conduct energy efficiency research.

APPLIANCE STANDARDS (0 OF 3 POINTS)

Although Arizona has set appliance standards in the past, no additional standards have gone into effect in recent years. The state’s most recent standards were adopted in 2012.