

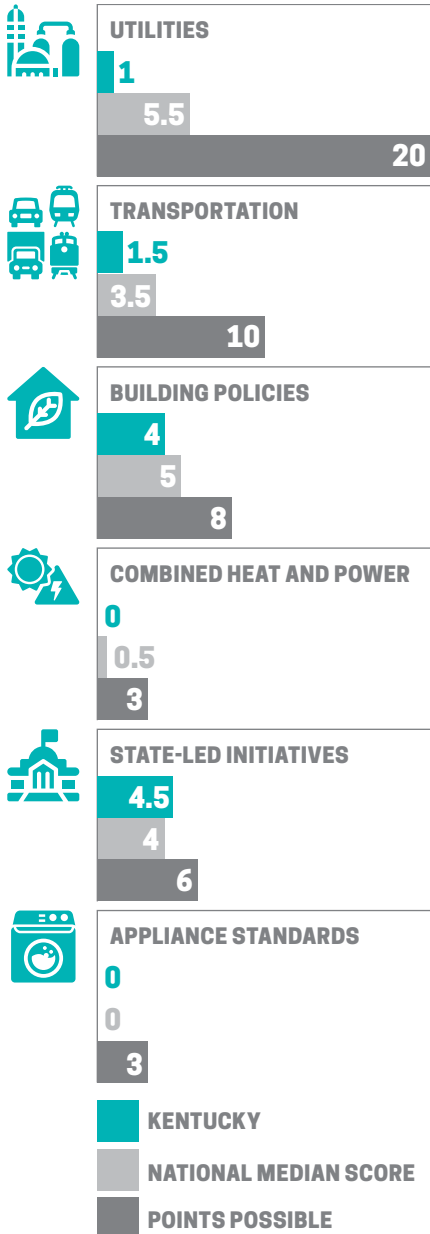
**38** ↓

2019 STATE ENERGY EFFICIENCY SCORECARD

# Kentucky

Kentucky tied for 38th in the 2019 State Energy Efficiency Scorecard, falling nine places from 2018. The state scored 11 out of a possible 50 points, 4.5 less than it earned last year.

Much of the state's tumble is due to the recent discontinuation of almost all of Kentucky Power's demand-side management programs. The state's other utilities also made substantial reductions in similar programs. Since then, statewide levels of electric savings have fallen to just a fraction of those reported in previous years and were the eighth lowest of any state. Kentucky has been proactive in other areas, for example by advancing and enforcing building energy codes, yet many opportunities are available for the state to step up its efforts and improve in the rankings. These include ramping up (not down) utility-sector energy efficiency and pursuing strategies to improve vehicle and transportation system efficiency.



### UTILITIES (1 OF 20 POINTS)

Kentucky utilities report relatively low levels of spending on electricity and natural gas efficiency programs. Energy savings have dropped precipitously since a January 2018 decision by the public service commission to slash Kentucky Power's efficiency budget. The state also allows certain customers to opt out of efficiency programs based on rate class, limiting energy savings potential. Kentucky has a lost revenue adjustment mechanism in place for electric and natural gas utilities and also offers performance incentives to utilities.

### TRANSPORTATION (1.5 OF 10 POINTS)

The state released a Fixing America's Surface Transportation (FAST) Act-compliant update to its freight plan in late 2017. The state also incentivizes the creation of low-income housing near transit facilities and considers the proximity of transit facilities when distributing federal Low-Income Housing Tax Credits to qualifying property owners. Kentucky has not pursued other policies to encourage energy-efficient transportation.

### BUILDING ENERGY EFFICIENCY POLICIES (4 OF 8 POINTS)

Residential construction must comply with the 2009 International Energy Conservation Code (IECC) with state amendments. Commercial construction projects must comply with the 2012 IECC and American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) 90.1-2010. The state partnered with the US Department of Energy and Midwest Energy Efficiency Alliance in 2014 to complete a baseline compliance study for residential building energy codes, published in 2017. Kentucky offers a training program for contractors and builders, and convenes a stakeholder advisory group.

### COMBINED HEAT AND POWER (0 OF 3 POINTS)

Kentucky offers technical assistance for combined heat and power (CHP) development, including outreach to manufacturers and feasibility studies for potential CHP sites, but few other policies that encourage the deployment of CHP systems. No new CHP systems were installed in 2018.

### STATE GOVERNMENT-LED INITIATIVES (4.5 OF 6 POINTS)

The state offers a variety of financial incentives for energy efficiency investments. State government leads by example by setting energy requirements for public buildings, benchmarking energy use, and encouraging the use of energy savings performance contracts. Development of energy efficiency technologies is fostered through the University of Louisville's Conn Center for Renewable Energy Research.

### APPLIANCE STANDARDS (0 OF 3 POINTS)

Kentucky has not set appliance standards beyond those required by the federal government.