A National Review of Natural Gas Energy Efficiency Programs

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EXECUTIVE SUMMARY

Programs designed to help natural gas customers reduce their energy use and costs through increased energy efficiency have existed for over 30 years in some states. Early programs tended to focus on residential customers, especially low-income households. Natural gas programs provided by natural gas utilities and related organizations have grown to serve all types of natural gas customers in a majority of states. The programs are funded by customers through natural gas rates or special purpose fees (generally "public benefits fees") on customer bills. There are opportunities for improved energy efficiency across the spectrum of customers and technologies using natural gas. Programs may target specific technologies that use natural gas, such as furnaces, water heaters, boilers, and cooking equipment, or they may target the systems and entire facilities that are served by natural gas technologies.

Despite the growth and expansion of natural gas energy efficiency programs, until the late 2000s, there has not been consistent, comprehensive, and regular tracking of these programs. The Consortium for Energy Efficiency (CEE) and the American Gas Association (AGA) began collecting and reporting data on natural gas energy efficiency programs in 2006. To complement this data reporting, ACEEE completed a comprehensive review of state policies and programs addressing natural gas energy efficiency as funded through rates or public benefits fees. The purpose of this report is to examine and summarize these policies and programs to capture a complete national picture of natural gas efficiency programs and to track recent trends in funding, savings, and objectives. We surveyed contacts in each state and the District of Columbia to gather relevant data. We also used annual data gathered by CEE and AGA.

We found that most states have natural gas energy efficiency programs. Utilities or related organizations in 41 states[1] provide some level of ratepayer-funded natural gas energy efficiency programs, either required or offered voluntarily. Thirty-two states require programs by legislation, regulation, or both. Utilities in nine states offer programs voluntarily. Only ten states have no programs in place (this includes states with little or no natural gas service). Of the 40 jurisdictions with programs that responded to the survey, 23 provide utility-sector natural gas energy efficiency programs to all customer sectors (low-income, residential, commercial, and industrial). Eleven states have programs for all customer sectors except the industrial sector. Four states have programs that serve only low-income customers.

Natural gas energy efficiency programs in a growing number of states are seeking to achieve high energy savings in response to the enactment of energy efficiency resource standards (EERS). These standards establish specific savings targets, typically higher than historical achievements. Twelve states surveyed have specific natural gas EERS in place, and another three states have policies pending enactment.

Utilities are largely responsible for program administration and implementation. In 27 states, utilities alone administer efficiency programs, generally with some type of regulatory oversight. In seven jurisdictions, utilities and some other entity[2] administer the programs. The utilities alone implement natural gas energy efficiency programs in 13 states. In another 17 states, the utilities partner with other agencies, contractors, community action agencies, state agencies, etc. to implement the programs.

Programs are funded through utility rates. The specific mechanisms by which the money is collected, however, varies by jurisdiction, and sometimes by utility. Utilities generally either include the charges for the natural gas energy efficiency programs in their base rates or place a surcharge on the customers' utility bills to fund the programs. Sometimes the utilities employ a combination of these funding mechanisms.

[1] Includes the District of Columbia.

[2] Other entities include agencies like New York State Energy Research and Development Authority (NYSERDA), the Energy Trust of Oregon (ETO), and a state's energy office.

Total funding for programs increased rapidly over the past several years. The amount that states budgeted for utility-sector natural gas energy efficiency programs increased from $125 million in 2005 to $942 million in 2010. Energy savings grew rapidly as well. Total annual savings from programs in 2005 were about 89 million therms. In 2010, annual savings reached 529 million therms.[3]

Trends indicate continued expansion of overall funding for natural gas energy efficiency programs, driven by specific, high savings goals as established through EERS. An initial estimate for 2011 shows total budgets to be about $1.2 billion nationwide. There is clearly a strong foundation of funding support and program experience upon which to continue to provide natural gas customers—households, businesses, institutions, and industries—programs and associated services that facilitate and enable them to reduce their energy costs through improved energy efficiency. The clear trend is acceleration and expansion of these programs

[3] The Energy Information Administration report, "Trends in U.S. Residential Natural Gas Consumption," indicates that the average weather-adjusted natural gas consumption for a residential customer in 2009 was 74 Mcfs, or 761 Therms. See http://www.eia.doe.gov/pub/oil_gas/natural_gas/feature_articles/2010/ngtrendsresidcon/ngtrendsresidcon.pdf.

INTRODUCTION

Programs designed to help natural gas customers reduce their energy use and costs through increased energy efficiency have existed for over 30 years in some states. Many of the first customer energy efficiency programs specifically targeted reducing natural gas use through improved efficiency. These were early residential energy efficiency programs, which typically worked to increase insulation levels and reduce air leaks in homes along with installation of high efficiency natural gas furnaces. Many of these early programs specifically addressed the needs of low-income customers who faced difficulties trying to keep up with increasing winter heating costs at times when there were large, rapid increases in natural gas prices. Making energy affordable was a primary objective of many of these early programs.

While the roots of natural gas efficiency programs lie within residential markets, there are now programs serving multiple types of natural gas customers—from homeowners to large industries. There are opportunities for improved energy efficiency across the spectrum of customers and technologies using natural gas. Programs may target specific technologies that use natural gas, such as furnaces, water heaters, boilers and cooking equipment, or they may target the systems and facilities that are served by natural gas technologies. Improving the thermal envelope of buildings is one example of programs that address whole buildings. Reducing the heating demand in a home or business reduces natural gas use and costs for the participating customer.

This report is ACEEE's first comprehensive review of natural gas energy efficiency programs offered by utilities and related non-utility organizations like the New York State Energy Research and Development Authority (NYSERDA). It provides a comprehensive look at these programs on both the state and national levels. The primary purpose of this report is to summarize state by state efforts regarding utility-sector natural gas energy efficiency programs. It complements annual reports initiated in 2006 by the Consortium for Energy Efficiency (CEE) and the American Gas Association (AGA) that present state and national data on both electric and natural gas energy efficiency programs based on annual surveys of program administrators across North American (Canadian utilities are included).

The objective of this report is to provide state summaries of natural gas energy efficiency programs and policies, particularly focused on program structures, regulations, legislation and funding. The report includes programs funded through utility rates or separate fees paid by utility customers as part of their regular bills. Programs that are funded through state tax revenues or the federal government are excluded from the analysis.

EXISTING RESEARCH AND DATA ON NATURAL GAS ENERGY EFFICIENCY PROGRAMS

A review of energy efficiency programs research indicates that far less attention has been placed on utility-sector natural gas programs compared to the numerous Web sites[4] and national summaries[5] that have been written describing the country's electric energy efficiency activity. This is largely due to the rapid growth and implementation of electric "demand-side management" (DSM) by electric utilities in the 1980s into the 1990s. ACEEE research shows that electric DSM program expenditures had reached nearly $2 billion by the early 1990s. While natural gas utility energy efficiency programs grew in parallel with electric programs, such growth was much smaller and there were no national efforts to compile and track such data as there were for electric programs, principally through the Energy Information Administration. Although the majority of the existing utility-sector energy efficiency summaries have focused on electric

[4] For example, the Energy Information Administration Form EIA-861 Database at http://www.eia.doe.gov/cneaf/electricity/page/eia861.html, the DSIRE (Database of State Incentives for Renewables & Efficiency) funded by the Department of Energy at http://www.dsireusa.org/, and ACEEE's State Energy Efficiency Policy Database at http://www.aceee.org/sector/state-policy.

[5] For example, Harrington and Murray (2003), Geller and Schlegel (2008), and Eldridge et al. (2008).

programs, there have been some noteworthy compilations prepared for natural gas programs, which we summarize below.

In January 2006, Suzanne Tegen and Howard Geller of the Southwest Energy Efficiency Project presented the results of an energy efficiency program survey of ten major natural gas utilities in a report *Natural Gas Demand-Side Management Programs: A National Survey*. This report presented an overview of the 2004 natural gas energy efficiency program activity of ten utilities with comprehensive natural gas portfolios. The report itemized and summarized the companies' program spending, spending as a percentage of retail revenues, natural gas energy savings, energy savings as a percentage of natural gas sales, a general description of the types of programs offered, and the cost-effectiveness of the programs. The report concluded that, as of 2004, the leading utilities were spending at least 0.7% of revenues on these programs and were saving 0.5 to 1.0% of their gas sales.

The authors determined that, in most cases, state regulators had either decoupled the utility's gas sales from its revenues or provided an incentive mechanism for program performance. All of the utility program portfolios were reported as cost-effective, with benefit-cost ratios ranging from 1.6 to 5.6. Although these were major utilities with large natural gas energy efficiency programs, the data in the 2006 report was limited by the number of utilities included in the study.

The American Gas Association has completed a number of summaries of natural gas utility efficiency programs (Gant 2008; AGA 2009, 2010, 2011). In 2010, the AGA worked with the Consortium for Energy Efficiency, a nonprofit association of energy efficiency program administrators, state energy offices, research organizations and environmental groups, on a fourth annual report on the natural gas efficiency market. This fourth annual study looked at the 2009 status of the natural gas efficiency market, including expenditures and savings impacts, and presented estimated budgets for 2010. The report also examined regulatory approaches to advancing the natural gas efficiency market. Study results showed that residential natural gas efficiency program participants in the U.S. saved on average nine percent of usage or about 69 therm per year, averaging $83 in cost saving on their annual energy bill. The study determined that 28 states required that utilities fund natural gas efficiency programs and that eighty-five percent of natural gas efficiency programs provided conservation or energy efficiency activities to low-income customers. AGA's 5th such annual report was published in December 2011 (AGA 2011) and confirms the trends in growth and expansion of natural gas programs across North America.[6]

CEE also produces its own annual report that summarizes budgets, expenditures, and energy savings data for ratepayer-funded natural gas and electric energy efficiency programs. Each annual report provides state by state budget and regional energy savings estimates for ratepayer-funded energy efficiency programs in the U.S. and Canada.

CEE's annual industry reports are posted on its Web site at http://www.cee1.org/ee-pe/AIRindex.php3. Historically, CEE has reported statewide program *budgets* for its members. But in its most recent annual industry reports (Nevius et al. 2010; CEE 2010), CEE provided actual program *expenditures* for 2008 and 2009 ratepayer-funded energy efficiency programs for CEE members and nonmembers.

Expenditures in the U.S. for the 2008 and 2009 natural gas programs were estimated to be $564.9 million and $802.6 million, respectively. CEE reported estimated 2008 energy savings for natural gas programs as 290 million therms and 2009 energy savings as 528.9 million therms.

An ACEEE report, *Compendium of Champions: Chronicling Exemplary Energy Efficiency Programs from Across the U.S.* (York et al. 2008) profiled outstanding natural gas (and electric)

[6] Data from this latest annual report include 2010 expenditures and 2011 budgets. These data became available too late for us to incorporate fully into our report. We cite selected data from AGA (2011).

utility-sector energy efficiency programs implemented in 2006. The 90 utility programs recognized in this review saved an estimated annual total of 125 million therms. This savings estimate does not reflect a national perspective, however, as it represents only a sample of programs in the U.S.

These sources are valuable contributions to the knowledge base on ratepayer-funded natural gas efficiency programs. This report seeks to supplement and complement these existing documents by presenting state summaries of natural gas energy efficiency programs. Specifically in this report we present:

- state data on annual expenditures and energy savings;
- information on state regulatory policies and administrative approaches; and
- individual profiles for each state summarizing its natural gas energy efficiency program activity.

The result is ACEEE's first effort to create comprehensive information on utility-sector natural gas energy efficiency efforts across the U.S. with individual state summaries and a composite national perspective.

METHODOLOGY

Questionnaires

In an effort to create an overview of national utility-sector natural gas efficiency activity, we designed a questionnaire to collect statewide program expenditures and energy savings for 2004–2009, current legislative and regulatory policies and information regarding program administration and implementation for these programs (see Appendix A). We also conducted selected follow-up in late 2010 and early 2011 to update our data.

Based on previous research and CEE data, we identified a target list of states with ratepayer-funded natural gas energy efficiency programs. (See Appendix B for a final list of states we contacted for this project.) We completed a questionnaire for each target state based on information ACEEE had on file for state energy efficiency policies and programs. We e-mailed the completed questionnaire to each state contact (generally someone at the state regulatory commission or state energy office) and asked them to update and complete the questionnaire and return it to us.

Based on the updated information provided by states, we summarized the status of the utility-sector natural gas energy efficiency programs for each state (see Appendix C).

Additional Information

We supplemented the natural gas energy efficiency program spending data that were provided by the state contacts with budget and expenditures data from CEE's annual industry reports (CEE 2007, 2008, 2010; Nevius et al. 2010). CEE's data allowed us to fill in natural gas budget and expenditures information we were missing. CEE's 2006, 2007 and 2009 annual industry reports provided estimated annual budgets for each state for each of those years. CEE's 2009 and 2010 reports (Nevius et al. 2010; CEE 2010) included actual expenditures for 2008 and 2009 and budgets for 2010. Whenever possible, ACEEE tried to use program expenditures, although generally expenditure data lags available budget data by one year due to the necessity of accounting and reconciling expenditure data at the conclusion of a program year. Actual expenditures will largely match budgeted amounts, but there also can be differences due to a wide variety of factors that affect actual program spending.

PROGRAM STATUS, STRUCTURE, AND GOVERNING POLICIES

We sent the questionnaire to the 41 states (including the District of Columbia) we had identified as having utility-sector natural gas energy efficiency programs. We did not contact ten jurisdictions (Alabama, Alaska, Delaware, Hawaii, Kansas, Louisiana, Mississippi, Nebraska, Tennessee, and West Virginia) that we had determined did not have utility-sector natural gas energy efficiency programs. We did not include these ten states in this summary.

Forty states (including DC) contacted provided information on the status of utility-sector natural gas energy efficiency programs.[7] The first segment of results presented in this report focuses on summary data we collected from the responses to our questionnaires.[8]

Legislative or Regulatory Authority

We asked our state contacts whether the utilities in their state were required to provide natural gas energy efficiency programs to their customers. If yes, we inquired whether the mandate was through legislation or regulatory authority.

Tables 1 and 2 show the breakdown of required and voluntary program activity by state. Utilities or state program administrators in 41 states provide some level of ratepayer-funded natural gas energy efficiency programs, either required or offered voluntarily. Thirty-two jurisdictions are required to provide utility-sector natural gas energy efficiency programs to their customers. Nine of the 32 jurisdictions are required to provide the programs due to legislation, ten are required by regulatory authority, and 13 are required by both legislation and regulatory authority. Nine jurisdictions provide programs to their customers voluntarily.

Table 1. Are Utility-Sector Natural Gas Energy Efficiency Programs Required by State Legislation, Regulation or Both?

State	Are Natural Gas EE Programs Required?	State Legislation, Order or Both?
AL	No, none in place; not surveyed	
AK	No, none in place; not surveyed	
AZ	Yes	Order
AR	No, programs are voluntary	
CA	Yes	Legislation and Order
CO	Yes	Legislation and Order
CT	Yes	Legislation and Order
DE	No, none in place; not surveyed	
DC	Yes	Legislation and Order
FL	Yes	Legislation
GA	Yes, Atlanta Gas Light Company only	Order
HI	No, none in place; not surveyed	
ID	Yes	Order
IL	Yes	Legislation
IN	Yes	Order
IA	Yes	Legislation

[7] North Dakota did not respond to our contacts but we know from our research that the state does have natural gas programs.

[8] Information on natural gas energy efficiency programs can also be found in ACEEE's *2011 State Energy Efficiency Scorecard* and ACEEE's State Energy Efficiency Policy Database (http://www.aceee.org/sector/state-policy).

State	Are Natural Gas EE Programs Required?	State Legislation, Order or Both?
KS	No, none in place; not surveyed	
KY	No, programs are voluntary	
LA	No, none in place; not surveyed	
ME	Yes	Legislation and Order
MD	Yes	Legislation
MA	Yes	Legislation
MI	Yes	Legislation and Order
MN	Yes	Legislation
MS	No, none in place; not surveyed	
MO	No, programs are voluntary	
MT	Yes	Legislation and Order
NE	No, none in place; not surveyed	
NV	Yes	Legislation and Order
NH	Yes	Legislation and Order
NJ	Yes	Legislation
NM	Yes	Legislation
NY	Yes	Order[9]
NC	Yes	Pending Legislation and Order
ND[10]	No response; programs are voluntary	No response
OH	Yes	Order
OK	Yes (programs initiated in 2011)	Order
OR	Yes	Legislation and Order
PA	Yes	Order
RI	Yes	Legislation and Order
SC	No, programs are voluntary	
SD	No, programs are voluntary	
TN	No, none in place; not surveyed	
TX	No, programs are voluntary	
UT	Yes	Order
VT	Yes	Legislation and Order
VA	No, programs are voluntary	
WA	Yes	Order
WV	No, none in place; not surveyed	
WI	Yes	Legislation[11]
WY	No, programs are voluntary	

[9] Although not a law, in April 2007, Governor Spitzer set a new policy goal to reduce electricity use in 2015 by 15% ("15 by 15"), relative to projected use in 2015. Shortly thereafter, the New York Public Service Commission established an Energy Portfolio Standard Proceeding to determine the best approach for meeting this target. The proceeding includes electric and natural gas programs, including setting appropriate 2015 savings targets for these programs.

[9] North Dakota officials contacted did not respond to ACEEE; other research indicates that ND has a small level of voluntary program activity.

[11] Several utilities provide natural gas energy efficiency programs that are in addition to those required. Funding decisions were made in rate case proceedings, dockets 05-UR-103, 6680-UR-116, and 6690-UR-119.

Table 2. State Summary of the Status of Natural Gas Energy Efficiency Programs

Are Natural Gas EE Programs Required?	States	Number
Yes, programs are required and in place	AZ, CA, CO, CT, DC, FL, GA[12], ID, IL, IN, IA, ME, MD, MA, MI, MN, MT, NV, NH, NJ, NM, NY, NC, OH, OK, OR, PA, RI, UT, VT, WA, WI	32
No, programs are not required, but are in place.[13]	AR, KY, MO, SC, ND,[14] SD, TX, VA, WY	9
No, programs are not required and are not in place	AL, AK, DE, HI, KS, LA, MS, NE, TN, WV	10

Energy Efficiency Resource Standards: Policies Driving Higher Savings

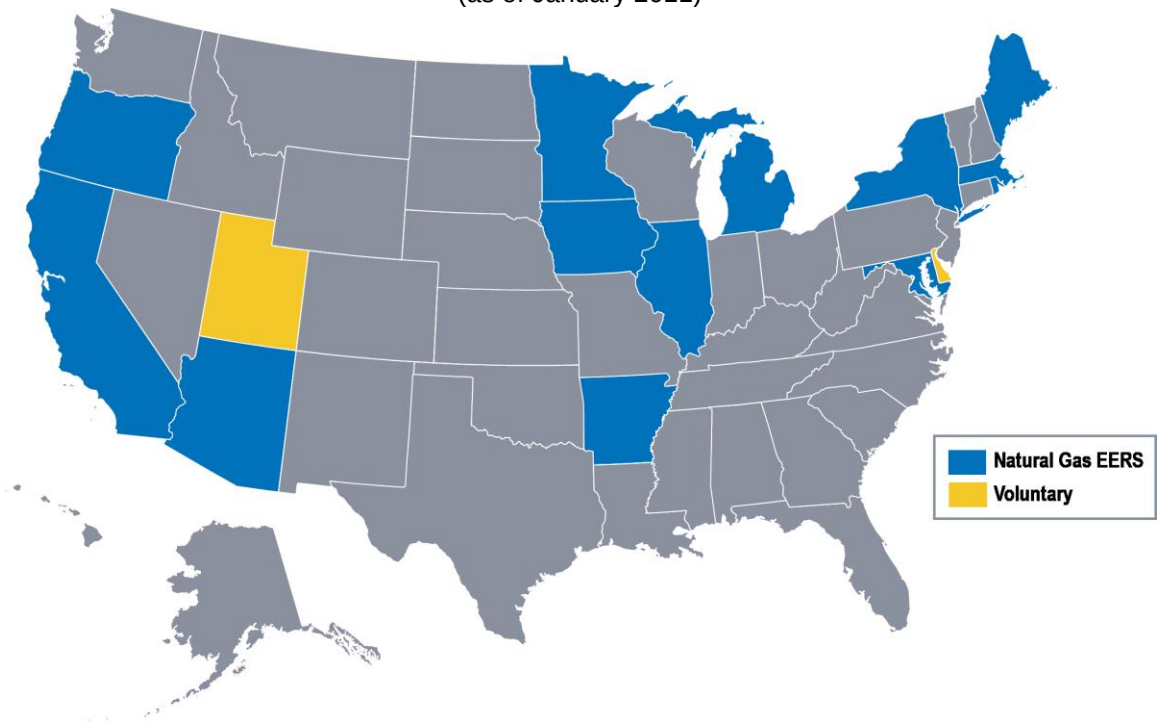
A policy innovation that has grown rapidly over the past decade is an "energy efficiency resource standard" (EERS). An EERS establishes specific savings targets (commonly expressed as a percentage of energy sales or specific energy units, such as therms of natural gas or kilowatt-hours of electricity) on a specific timetable. EERS are analogous to renewable energy standards, which are common among states across the U.S.

When an EERS is in place, programs are driven to meet established targets. Historically such goal-driven approaches have not necessarily been the norm for how programs have been developed and funded. In many cases program budgets have been a starting point and the amount of savings achieved became a function of the initial budgets, cost-effectiveness screening of measures and programs, and implementation of the programs. Savings were an outcome, not necessarily the primary driver of program development and implementation.

In 1999, Texas was the first state to establish an EERS for energy efficiency programs offered by the electric utilities. Since then, a total of 26 states have established some type of EERS for electricity. Twelve of these states have specific natural gas EERS in place, and another 3 states have policies pending enactment. Table 3 summarizes the states that have an EERS for ratepayer-funded natural gas energy efficiency programs.

[12] Atlanta Gas Light Company only.
[13] Programs are voluntary.
[14] North Dakota officials contacted did not respond to ACEEE; other research indicates that it has a small level of voluntary program activity.

Figure 1. State Energy Efficiency Resource Standard (EERS) Activity That Includes Natural Gas Energy Efficiency Programs
(as of January 2011)



The development of EERS is significant because these savings targets generally are set at levels that are pushing programs to achieve higher savings than they may have ever achieved prior to their enactment. Not only are EERS pushing the programs to achieve high savings, but they also seek to sustain such high savings levels over a span of several years. To meet and sustain these goals will require both adaptations of existing programs and the development of new programs with innovative approaches to reach and serve more customers. Programs will have to achieve more savings per participating customer as well as reach customers who have not participated in past programs. A recent report from ACEEE examines how programs are responding to EERS (Nowak et al. 2011). A related report by ACEEE shows that states with natural gas EERS in place are generally on track and meeting target levels of savings (Sciortino et al. 2011).

Table 3. Summary of Policies for States with Natural Gas EERS in Place or Pending

State EERS descriptions are listed below chronologically from when the state adopted an EERS.

State	EERS Policy	Reference
California 2004 and 2009 Electric and Natural Gas	In their 2010-2012 plan, California's investor-owned utilities (IOUs) established natural gas savings targets of 150 million metric therms.	Rulemaking 06-04-010; Application 08-07-021
Colorado 2007 Electric and Natural Gas	In April 2007, the Colorado legislature adopted a bill that called on the Colorado Public Utilities Commission (CPUC) to establish energy savings goals and provide financial incentives for electric and natural gas utilities. Natural gas utilities have individual targets in place.	HB-07-1037; CPUC Docket No. 07A-420E; Docket No. 08A-518E
Minnesota 2007 Electric and Natural Gas	Minnesota Conservation Improvement Program (CIP) of 1982 required natural gas utilities to spend .5% of gross operating revenues on CIP programs. The Next Generation Energy Act of 2007 added a 1.5% savings goal for all utilities. The MN law was modified to allow investor-owned natural gas utilities that have a market potential study that demonstrates that they cannot reach 1% energy savings can file for energy savings at the level the market potential study identifies as the economic opportunity. In 2009, the state legislature amended the Act to reduce the mandated level of savings during the first three years for natural gas utilities, establishing an interim average annual savings goal of 0.75 percent over 2010-2012 (Minnesota Session Laws 2009, Ch. 110, Sec. 32).	MN Statutes 2008 § 216B.241 MN Statues 2009 Ch. 110, Section 32
Illinois 2007 Electric and Natural Gas	In 2009, the Illinois legislature passed natural gas savings targets providing cumulative savings of 8.6% in 2020. For all programs, there is a rate impact cap of 2% of overall rates over the 3-year reporting period.	220 ILCS 5/12-103; SB 1918
New York 2008 Electric and Natural Gas	New York has natural gas targets that aim for 1.3% annual savings and are not binding.	NYSERDA Order 07-M-0548
Michigan 2008 Electric and Natural Gas	Michigan's goals start at 0.1% of natural gas sales in 2009 and ramp up to an annual natural gas savings requirement of .75% of total sales by 2012, and continue at that level each year thereafter.	SB 213
Iowa 2009 Electric and Natural Gas	In 2008, the Iowa Utilities Board issued an order asking investor-owned utilities to submit plans including a scenario to achieve a 1.5% annual electricity and natural gas savings goal. In March 2009, the IUB approved MidAmerican Energy Company's Energy Efficiency Plan which calls for 1.5% electricity savings by 2010 and 0.85% natural gas savings by 2013. Although not required by legislation, once the board approves the utility plan, the goals are binding. Also in 2008, the legislature passed a new framework for municipal and cooperative utility efficiency programs requiring these utilities to set energy savings goals, create plans to achieve those goals, and report to the IUB on progress.	Docket No. 199 IAC 35.4(1) (EEP-02-38, EEP-03-1, EEP-03-4); 2009 Iowa Code Title XI, Subtitle 5, Ch. 476

State	EERS Policy	Reference
Massachusetts 2009 Electric and Natural Gas	Massachusetts has a legislative requirement enacted in 2008 for electric and natural gas utilities to acquire all cost-effective energy efficiency that costs less than new energy supply as the first priority resource. The Department of Public Utilities also recently approved a natural gas target of 1.15% by 2012.	D.P.U. 09-116 through D.P.U. 09-128
Maine 2010 Electric and Natural Gas	The Maine Public Utilities Commission approved the triennial plan of the Efficiency Maine Trust, which develops, plans, coordinates, and implements energy efficiency programs in the state. In the plan, the Trust commits to annual energy savings goals in FY2011 of around 1%, ramping up to 1.4% in FY2013. The plan also includes savings targets for other fuels.	Docket No. 2010-116
Oregon 2010 Electric and Natural Gas	In its first long-range strategic plan, the Energy Trust of Oregon laid out energy savings goals between 2010 and 2014 of 256 average megawatts (2,242.6 GWh) of electricity and 22.5 million annual therms of natural gas. The natural gas targets ramp up from 0.2 percent of 2007 natural gas sales to 0.4 percent in 2014.	Energy Trust of Oregon 2009 Strategic Plan
Arkansas 2010 Electric and Natural Gas	In December 2010, the Arkansas PSC adopted the first statewide energy performance targets in a Southeastern state. The natural gas targets are moderate, rising from an annual reduction of 0.2% of total natural gas (MWh) sales in 2011 to 0.4% of total natural gas (MWh) sales in 2013, but require a high level of verification.	Order No. 17, Docket No. 08-144-U; Order No. 15, Docket No. 08-137-U
Wisconsin 2010 Electric and Natural Gas	In 2010, the Wisconsin Public Service Commission and a committee of the state legislature approved goals for Wisconsin Focus on Energy, the statewide energy efficiency program. The PSC approved natural gas goals of 0.5% in 2011, ramping up to 1% in 2013.	Docket 5-GF-191
Delaware Pending Electric and Natural Gas	On July 29, 2009, Governor Markell signed SB 106, which sets goals for consumption and peak demand for electricity and natural gas utilities. The goals for natural gas consumption are 10% savings by 2015. A binding EERS is currently pending, however, as regulations outlining compliance standards and procedures have yet to be approved.	SB 106
Utah Pending Electric and Natural Gas	Utah passed an EERS bill in 2009 that urges the UT PUC to set energy savings goals of at least 1% per year for regulated electric utilities and at least 0.5% per year for gas utilities. The bill does not penalize utilities that do not meet the savings goals, as long as they make good faith efforts. A docket is open that is reviewing a wide range of DSM policies including (but not limited to) the issues addressed in the resolution.	Docket No. 09-035-T08, House Joint Resolution 9
New Jersey Pending Electric and Natural Gas	New Jersey's utility efficiency goals, which are still under development, contain two main elements: (1) setting energy and demand goals for the administrators of the Clean Energy Program, and (2) requiring each electricity supplier/provider to meet efficiency goals. As of June 2007, the BPU has been authorized to adopt an electric and a gas energy efficiency portfolio standard, with goals as high as 20% savings by 2020 relative to predicted consumption in 2020. It has yet to implement any targets for utilities.	Executive Order 54; New Jersey Energy Master Plan

Sectors Served

In our surveys we asked each contact to identify the customer sectors they serve through their natural gas energy efficiency programs: residential, low-income, commercial and/or industrial. Table 4 lists the states and the various sectors for which natural gas programs are available.

Of the 40 jurisdictions with programs that responded to the survey, 23 provide utility-sector natural gas energy efficiency programs to all customer sectors. Further break-down of these data shows that low-income programs are provided in 39 states; residential programs in 35 states, commercial programs in 34 states and industrial programs in 23 states. Georgia, Maryland, Pennsylvania and Texas serve only low-income customers.

Program Administration and Implementation

ACEEE asked state contacts to identify the administrators and implementers of their utility-sector natural gas energy efficiency programs. Their responses are provided in Table 5.

In 27 states, the utilities alone *administer* the programs, generally with some type of regulatory oversight. In seven states, utilities and some other entity[15] administer the programs. In four of these cases (Arizona, Idaho, Maryland, and North Carolina), a separate entity administers the low-income programs. In the remaining three cases (Michigan, New York, and Oregon), a third party administrator either assists the utilities in administering the programs or administers some portion of the programs. In Indiana, New Jersey, Texas and Wisconsin, the programs are administered primarily by a third party. In the District of Columbia, the programs are administered by the District Department of the Environment's Energy Office.

Utilities alone *implement* the natural gas energy efficiency programs in 13 states. In 17 states, the utilities implement the programs with other entities such as implementation contractors, community action agencies, and state agencies. In California, Illinois, Indiana, Michigan, Pennsylvania, Texas and Wisconsin, the programs are primarily implemented by energy efficiency program contractors, the third party administrator and/or other entities. Maryland's program is implemented by the state weatherization office. In the District of Columbia, the programs are implemented by the District Department of the Environment's Energy Office and implementation contractors.

[15] Other entities include agencies like New York State Energy Research and Development Authority (NYSERDA), the Energy Trust of Oregon (ETO) and a state's energy office.

Table 4. Natural Gas Energy Efficiency Programs—Sectors Served by State

State	Low-Income (LI)	Res. (non LI)	Commercial	Industrial
AZ	X	x	x	x
AR	x[16]	x	x	x
CA	X	x	x	x
CO	X	x	x	
CT	X			x
DC	X	x		
FL		x	x	
GA	X			
ID	X	x	x	x
IL	X	x	x	
IN	X	x	x	
IA	X	x	x	x
KY	X	x	x	
ME	X	x	x	x
MD	X			
MA	X	x	x	x
MI	X	x	x	x
MN	X	x	x	x
MO	X	x	x	x
MT	X	x	x	
NE	X	x	x	x
NH	X	x	x	x
NJ	X	x	x	x
NM	X	x	x	x
NY	X	x	x	x
NC	X	x	x	
ND	N/A	N/A	N/A	N/A
OK	X	x	x	
OH	X	x	x	
OR	X	x	x	x
PA	X			
RI	X	x	x	x
SC	X	x	x	
SD	X	x	x	x
TX	X			
UT	X	x	x	x
VT	X	x	x	x
VA	X	x	x	
WA	X	x	x	x
WI	X	x	x	x
WY	X	x	x	
TOTAL	39	35	34	23

[16] Although not technically low-income, one Arkansas program is targeted to customers that qualify for the DOE Weatherization Assistance Program.

Table 5. Ratepayer-Funded Natural Gas Energy Efficiency Program Administration and Implementation

State	Administers NG EE Programs	Implements NG EE Programs
Arizona	Utilities and, for low-income programs, community action agencies.	Utilities, implementation contractors and community action agencies.
Arkansas	Utilities	Utilities, implementation contractors and community action agencies.
California	Utilities	Implementation contractors, local governments, and quasi-governmental agencies (such as educational institutions and regional energy groups).
Colorado	Utilities	Utilities and implementation contractors
Connecticut	Utilities under the oversight of the Energy Efficiency Board	Utilities and implementation contractors
District of Columbia	The District Department of the Environment's Energy Office (DDOE)	DDOE and implementation contractors hired by DDOE.
Florida	Utilities	Utilities
Georgia	Utility	Utility and implementation contractors
Idaho	Utility and, for low-income program, Idaho Department of Health and Welfare	Utility
Illinois	Utilities	Primarily implementation contractors
Indiana	Wisconsin Energy Conservation Corporation (WECC) (contractor)	WECC (contractor)
Iowa	Utilities	Utilities and implementation contractors
Kentucky	Utilities	Utilities and implementation contractors
Maine	Efficiency Maine under the oversight of the Efficiency Maine Trust	Efficiency Maine under the oversight of the Efficiency Maine Trust
Maryland	Utility and the state weatherization office[17]	The state weatherization office
Massachusetts	Utilities under the oversight of the Energy Efficiency Advisory Council	Utilities
Michigan	EO Plans: Utilities and the independent administrator, the Michigan Community Action Agency Administration LIEEF: Grantees, generally non-profit organizations that implement programs	EO Plans: Implementation contractors LIEEF: Grantees
Minnesota	Utilities	Utilities and implementation contractors

[17] Maryland's programs are primarily designed for low-income customers.

State	Administers NG EE Programs	Implements NG EE Programs
Missouri	Utilities	Utilities
Montana	Utilities	Utilities and implementation contractors
Nevada	Utilities	Utilities
New Hampshire	Utilities	Utilities
New Jersey	Office of Clean Energy, Board of Public Utilities and the Utilities	Utilities, implementation contractors and third parties.
New Mexico	Utility	Utility
New York	Utilities and New York State Energy Research and Development Authority (NYSERDA)	Utilities, implementation contractors and NYSERDA
North Carolina	Utility, NC State Energy Office and the Department of Health and Human Services	Utility, NC State Energy Office and the Department of Health and Human Services
North Dakota	N/A	N/A
Ohio	Utilities	Utilities and implementation contractors
Oklahoma	Utilities	Utilities
Oregon	Utilities and the Energy Trust of Oregon (ETO)	Utilities, ETO, implementation contractors and the state low-income agencies
Pennsylvania	Utilities	Implementation contractors
Rhode Island	Utility with an advisory role by the Energy Efficiency and Resource Management Council	Utility
South Carolina	Utility	Utility
South Dakota	Utilities	Utilities
Texas	Contractor	Implementation Contractor
Utah	Utility	Utility and implementation contractors
Vermont	Utility	Utility
Virginia	Utilities	Utilities
Washington	Utilities	Utilities and implementation contractors
Wisconsin	Contractor and, for low-income, the Department of Administration	Implementation contractors
Wyoming	Utility	Utility and implementation contractors

Funding Mechanisms

Although ratepayers typically fund natural gas efficiency programs, the mechanism by which money is collected varies by jurisdiction and sometimes by utility. Utilities generally either include the charges for the natural gas energy efficiency programs in their base rates or place a surcharge on the customers' utility bills to fund the programs. Sometimes the utilities employ a combination of these funding mechanisms.

In the descriptions of the natural gas energy efficiency funding mechanisms in Table 6, we listed the terminology used in each state, when available.

Table 6. Ratepayer-funded Natural Gas Energy Efficiency Funding Description of Funding Mechanism

State	Funding Mechanism
AZ	DSM adjustor mechanism. Utilities recover their DSM costs through surcharges, usually based on projected spending. Over- or under-collections are trued up at resets. Resets are done annually and require approval by the Commission.
AR	Recovery of incremental costs associated with commission-approved energy efficiency programs is accomplished through Energy Efficiency Cost Recovery riders.
CA	Funding is from both public goods (benefits) charge (PGC) and procurement resources. Both are embedded in rates.
CO	The utility may recover DSM program expenditures either through expensing or by adding DSM program expenditures to base rates as a part of, or outside of, a rate case.
CT[18]	Funding for programs comes from the natural gas distribution companies' base rates and from a conservation adjustment mechanism (CAM) on customer's bills. The CAM may be adjusted downward if funds are available from an excess gross receipts tax on the natural gas distribution companies.
DC	A charge per therm, for fiscal year 2010, is listed on customers' Washington Gas bills.
FL	Utilities can petition for energy conservation cost recovery tariff riders.
GA	Embedded in rates
ID	Funded by base rates and tariff riders
IL	Tariff rider
IN	Energy efficiency programs are funded through either base rates, tariff riders, or a combination of both.
IA	Investor-owned utility cost recovery is via tariff riders, which are not separated on utility bills.
KY	Tariff Rider
ME[19]	Assessment on natural gas revenues that can be modified by the Public Utilities Commission.
MD	Tariff Rider
MA	Energy Efficiency surcharge (EES) for each natural gas company as part of Local Distribution Adjustment Clause (LDAC) as well as a separate Residential Conservation Services/MassSave charge (RCS)[20]
MI	*EO Plans:* The funds are collected from residential customers through volumetric charges and from nonresidential customers through per meter charges on the utility bills. *LIEEF:* A portion of the cost savings resulting from electric utility securitization financing is used to support the LIEEF programs.[21]
MN	The utilities recover program costs through an adjustment or surcharge to the natural gas rates that they charge their customers.
MO	Recovered through rates
MT	Combination of tariffed rates and public benefits fund.
NV	Deferred account.
NH	Energy Efficiency adjustment part of Local Distribution Adjustment Clause (LDAC) as

[18] The Connecticut funding mechanism is described at http://www.ctsavesenergy.org/files/2011%20Gas%20Plan%20Decision%20Final%20101004-010611.doc, p. 2.

[19] The Maine funding mechanism is described at http://www.mainelegislature.org/legis/statutes/35-A/title35-Asec10111.html.

[20] The Massachusetts funding mechanism is described at http://www.ma-eeac.org/docs/DPU-filing/1-28-10%20DPU%20Order%20Gas%20PAs.pdf, p. 19 and p. 31.

[21] As defined in Public Act 141 of 2000: "If securitization savings exceed the amount needed to achieve a 5% rate reduction for all customers, then, for a period of 6 years, 100% of the excess savings, up to 2% of the electric utility's commercial and industrial revenues, shall be allocated to the low-income and energy efficiency fund administered by the commission. Detroit Edison is the only company whose securitization savings exceed this amount. In addition, revenues generated under the Detroit Edison Company's interim rate relief order issued February 20, 2004 and final rate order issued November 23, 2004 in Case No. U-13808 and Consumers Energy Company's final rate orders issued December 22, 2005 in Case No. U-14347 and November 21, 2006 in Case No. U-14547 have been devoted to the LIEEF.

State	Funding Mechanism
	part of companies' base rates.
NJ	Public Benefits Fund
NM	Utility has the option of recovering approved program costs and incentives through an approved tariff rider or in base rates, or by a combination of the two. Program costs may be deferred for future recovery through creation of a regulatory asset.
NY	System Benefits Charge
NC	Beginning in 2009, the funding is embedded in rates.
ND	N/A
OH	Embedded in rates and/or recovered in tariff riders.
OK	Embedded in rates through decoupling mechanism
OR	NW Natural—public purpose charges Cascade Natural Gas—public purpose charges Avista Utilities—deferred accounts
PA	N/A
RI	In 2010 and 2011, the company plans to level fund the gas energy efficiency programs at the full statutory-based DSM charge of $0.15 per dekatherm.
SC	Embedded in rates
SD	Tariff Rider
TX	Tariff Rider ($1 million annually) and shareholder contributions ($1 million annually).
UT	Deferred Account, amortized in rates over 12 month period.
VT	Energy Efficiency expenses, excluding payroll, are deferred between rate proceedings. In the next base rate proceeding the deferred expenses are embedded in rates and amortized over a three year period. Energy efficiency payroll expenses are embedded in rates.
VA	Tariff Rider
WA	The utilities recover the costs through rates (purchase gas adjustments).
WI	Embedded in rates for energy efficiency and a combination of embedded in rates and a public benefits fee on electric customers for low income weatherization (this fee funds both gas and electric services). Voluntary utility program funding is embedded in rates.
WY	'Lost revenue' deferred account and surcharge within rates.

Program Expenditures, Budgets and Savings

In our effort to assemble comprehensive national data on utility-sector natural gas energy efficiency programs, we asked each state to provide budgets, actual expenditures and energy savings data for 2005–2010.

We supplemented actual annual expenditures data provided by state contacts with the budget and expenditure data from CEE reports (as described in the Methodology section). Based on these data, we created tables summarizing annual energy savings and expenditures/budget data for ratepayer-funded natural gas energy efficiency programs (see Tables 7 and 8).

We did not independently verify the data reported by the states or CEE, so the reader is cautioned about making direct comparisons between states because different states often use different methods and assumptions when estimating program savings (e.g., net vs. gross savings, etc.).

Table 7 lists the total annual natural gas energy savings and budget/expenditures for states with utility-sector natural gas energy efficiency programs. States that do not offer utility-sector natural gas efficiency programs were not included in the table. In some cases, low-income data were not available. In those cases, low-income values were not included in the energy savings and expenditures/budget totals. A description of the data (the source of the energy savings and expenditure/budget figures, whether the data includes low-income programs, etc.) is included in the "notes" column in the full data tables in Appendix C.

Data on program savings are subject to a variety of limitations stemming from differences in program data definitions, conventions, reporting metrics and evaluation. We asked for program year savings (annual new energy savings achieved by programs in the given reporting year.) We did not ask for greater detail on reported savings as our experience was that such details typically are not included in summary reports and thus would require additional contacts and surveys, expanding the scope of work too far for our available time and resources. Greater detail and consistency for program reporting are areas needing improvement nation-wide.

Table 7. Utility-Sector Natural Gas Energy Efficiency Programs
Annual Energy Savings and Expenditures/Budget Data[22]

State	Year	Energy Savings[23] (million Therms)	Expenditures (E)/ Budget (B) (million $)	
Arizona[24]	2008	.15	1.2	E
	2009	.25	1.8	E
	2010	N/A[25]	2.6	B
Arkansas	2008	N/A	0.531	E
	2009	N/A	1.0	E
	2010	N/A	4.2	B
California	2005	47.0	N/A	
	2006	24.6	94.1	B
	2007	61.2	182.5	B
	2008	N/A	220.0	E
	2009	N/A	228.3	E
	2010	N/A	338.8	B
Colorado	2005	.59	N/A	
	2006	.33	2.6	B
	2007	N/A	2.6	B
	2008	N/A	2.4	E
	2009	3.4	13.0	E
	2010	N/A	18.4	B
Connecticut	2006	.17	1.4	E
	2007	.42	2.6	E
	2008	1.0	5.9	E
	2009	2.4	9.4	E
	2010	2.7	11.8	E

[22] The data in this table includes low-income programs with the exception of a few states for which low-income data was not available. A description of the data (the source of the energy savings and expenditure/budget figures, whether the data includes low-income programs, etc.) is included in the "notes" column in the full data tables in Appendix C. There were no data on the South Carolina programs at the time the survey was conducted.
Sources of CEE data:
2006 Consortium for Energy Efficiency (CEE) data taken from U.S. Energy-Efficiency Programs A $2.6 Billion Industry, 2006 Report. 2007. Boston, MA: Consortium for Energy Efficiency. Retrieved from: www.cee1.org.
2007 CEE data taken from 2007 Annual Industry Report. 2008. Boston, MA: Consortium for Energy Efficiency. Retrieved from: www.cee1.org.
2008 CEE expenditures data and 2009 CEE budget data taken from CEE, M., Eldridge, R., and J. Krouk. 2010. "The State of the Efficiency Program Industry: Budgets, Expenditures, and Impacts 2009." March. Boston MA: Consortium for Energy Efficiency. Retrieved from http://www.cee1.org/files/StateofEEIndustry2009.pdf.
2009 CEE expenditures data and 2010 CEE budget data taken from Consortium for Energy Efficiency. 2010. "State of the Efficiency Program Industry: 2009 Expenditures, Impacts & 2010 Budgets." December. Boston MA: Consortium for Energy Efficiency. Retrieved from http://www.cee1.org/files/2010%20State%20of%20the%20Efficiency%20Program%20Industry.pdf.
[23] In some cases, the original energy savings units were in Mcfs or MMbtus. We converted all units to Therms by dividing Mcfs by .0972 and multiplying MMbtus by 10.
[24] Arizona had natural gas energy efficiency programs well before 2005 but due to time constraints, the ACC only provided data for 2008 and 2009.
[25] N/A = Not Available.

State	Year	Energy Savings[23] (million Therms)	Expenditures (E)/ Budget (B) (million $)	
District of Columbia	2008	N/A	2.1	B
	2009	N/A	3.0	B
	2010	N/A	3.0	B
Florida	2005	N/A	14.9	E
	2006	N/A	14.2	E
	2007	N/A	14.2	E
	2008	N/A	11.5	E
	2009	N/A	5.9	E
	2010	N/A	6.5	B
Georgia	2006	N/A	1.0	E
	2007	N/A	1.0	E
	2008	N/A	1.0	E
	2009	N/A	1.0	E
	2010	N/A	1.0	E
Idaho	2006	N/A	0.9	B
	2007	N/A	1.0	B
	2008	.61	2.1	E
	2009	N/A	2.5	E
	2010	N/A	2.1	B
Illinois[26]	2008	N/A	0.8	E
	2009	N/A	6.3	E
	2010	N/A	17.3	B
Indiana	2007	.93	2.2	E
	2008	3.8	10.9	E
	2009	2.5	9.2	E
	2010	N/A	14.5	B
Iowa	2005	8.7	26.9	E
	2006	8.7	29.5	E
	2007	8.1	28.4	E
	2008	N/A	29.7	E
	2009	N/A	37.7	E
	2010	N/A	40.5	B
Kentucky	2005	2.6	1.6	E
	2006	2.9	1.4	E
	2007	N/A	1.5	E
	2008	N/A	1.7	B
	2009	N/A	2.4	B
	2010	N/A	1.9	B
Maine	9/05-4/06	.13[27]	0.056	E
	5/06-4/07	.25[28]	0.130	E
	11/07-10/08	3.9[29]	0.262	E
	11/08-10/09	N/A	0.442	E
	2010	N/A	0.400	B
Maryland	2006	N/A	0.8	E
	2007	N/A	0.8	E
	2008	N/A	0.9	E

[26] Illinois has a large-scale energy efficiency program pending.
[27] Lifetime therms.
[28] Lifetime therms.
[29] Lifetime therms.

State	Year	Energy Savings[23] (million Therms)	Expenditures (E)/ Budget (B) (million $)	
	2009	N/A	2.0	E
	2010	N/A	3.4	B
Massachusetts[30]	2005	8.0	N/A	
	2006	8.0	25.6	E
	2007	8.0	25.6	E
	2008	10.0	30.1	E
	2009	N/A	38.0	E
	2010	N/A	75.9	B
Michigan	2005	N/A	9.7	B
	2006	N/A	7.5	B
	2007	N/A	9.8	B
	2008	N/A	12.4	B
	2009	N/A	30.8	B
	2010	N/A	25.0	B
Minnesota	2005	26.6	15.2	E
	2006	21.3	15.3	E
	2007	19.4	15.6	E
	2008	15.6	18.1	E
	2009	18.4	22.8	E
	2010	N/A	40.1	B
Missouri	2007	N/A	0.3	B
	2008	N/A	1.0	E
	2009	N/A	3.2	E
	2010	N/A	5.3	B
Montana	2005	.69	1.445	E
	2006	1.6	2.147	E
	2007	1.1	1.613	E
	2008	N/A	N/A	
	2009	N/A	N/A	
	2010	N/A	N/A	
Nevada	2006	N/A	0.6	B
	2007	N/A	0.6	B
	2008	N/A	0.5	E
	2009	N/A	0.6	E
	2010	N/A	3.4	B
New Hampshire	2005	12.6[31]	1.8	E
	2006	14.8[32]	2.2	E
	2007	15.5[33]	2.5	E
	2008	25.7[34]	2.4	E
	2009	17.9[35]	3.3	E
	2010	N/A	10.3	B
New Jersey[36]	2005	6.2	27.1	E

[30] Does not reflect final numbers for Massachusetts. Final numbers have not been filed and should be considered estimates.
[31] Lifetime therms.
[32] Lifetime therms.
[33] Lifetime therms.
[34] Lifetime therms.
[35] Lifetime therms.
[36] The New Jersey Clean Energy Reports include energy efficiency expenditures for electric and gas programs combined. ACEEE prorated total expenditures to calculate estimated natural gas program expenditures by using a ratio of natural gas spending to total spending that was available from 2006.

State	Year	Energy Savings[23] (million Therms)	Expenditures (E)/ Budget (B) (million $)	
	2006	6.4	34.2	E
	2007	4.5	29.8	E
	2008	4.4	27.3	E
	2009	6.4	38.5	E
	2010	N/A	N/A	
New Mexico	2006	1.9[37]	1.5	E
	2007	N/A	1.6	E
	2008	4.7[38]	1.5	E
	2009	N/A	1.8	E
	2010	N/A	2.6	B
New York	2007	6.6	15.0	B
	2008	7.4	50.1	E
	2009	7.9	58.6	E
	2010	N/A	87.5	B
North Carolina	2006	N/A	0.5	E
	2007	.02	0.8	E
	2008	N/A	1.25	E
	2009	N/A	1.3	E
	2010	N/A	1.3	B
North Dakota	2008	N/A	0.1	E
	2009	N/A	0.1	E
	2010	N/A	0.1	B
Ohio	2006	N/A	0.5	B
	2007	N/A	2.9	B
	2008	N/A	12.2	E
	2009	N/A	8.5	E
	2010	N/A	11.0	B
Oklahoma	Programs initiated in 2011			
Oregon	2006	N/A	10.6	E
	2007	2.5	11.6	E
	2008	N/A	16.4	E
	2009	N/A	21.2	E
	2010	N/A	27.2	B
Pennsylvania	2005	N/A	7.8	E
	2006	N/A	7.6	E
	2007	N/A	7.5	E
	2008	N/A	5.1	E
	2009	N/A	10.3	E
	2010	N/A	12.9	B
Rhode Island	7/07-12/08	N/A	7.1	B
	2009	N/A	6.1	E
	2010	N/A	4.4	E
South Dakota	2006	.07	.025	E
	2007	.11	.017	E
	2008	.09	.033	E
	2009	1.6	.785	E
	2010	N/A	1.4	B
Texas	2008	N/A	2.0	B

[37] Lifetime therms.
[38] Lifetime therms.

State	Year	Energy Savings[23] (million Therms)	Expenditures (E)/ Budget (B) (million $)	
	2009	N/A	2.0	B
	2010	N/A	.65	E
Utah	2005	N/A	0.25	E
	2006	N/A	0.25	E
	2007	1.6	10.0	E
	2008	3.5	18.0	E
	2009	10.9	47.4	E
	2010	N/A	36.1	B
Vermont	2005	.76	1.5	E
	2006	.60	1.5	E
	2007	.81	1.5	E
	2008	1.0	1.9	E
	2009	.65	2.0	E
	2010	.85	2.0	E
Virginia	2009	N/A	2.2	E
	2010	N/A	6.2	B
Washington	2005	4.0	5.9	E
	2006	3.4	9.2	E
	2007	3.9	11.5	E
	2008	5.3	18.9	E
	2009	5.3	18.9	E
	2010	N/A	N/A	
Wisconsin	2005	9.3	10.6	E
	2006	11.3	11.0	E
	2007	14.8	10.0	E
	2008	20.9	18.2	E
	2009	N/A	35.3	E
	2010	N/A	31.4	B
Wyoming	2009	N/A	.41	E
	2010	N/A	.40	B
CEE Additional Gas 2010 Budgets[39]	2010		85.8	

[39] Total of gas budgets from respondents that did not grant CEE permission to release their data at the state level in 2010.

The level of expenditures by state varies widely. States with the highest funding levels are California, Iowa, Massachusetts, Minnesota, New Jersey and New York. States that have recently increased their spending on natural gas include Michigan, Ohio, Oregon, Utah, Washington and Wisconsin. In this report, we didn't compare and rank the individual states on natural gas efficiency spending. The ACEEE report, *The 2010 State Energy Efficiency Scorecard* (Molina et al. 2010), provides state rankings on natural gas energy efficiency budgets and a number of other efficiency variables.

Figure 2 shows the amount that state expenditures/budgets for utility-sector natural gas energy efficiency programs have increased from 2005 ($125 million) to 2010 ($970 million). Data published by AGA (2011) late in 2011 shows this upward, rapid growth continuing nationally. AGA's survey shows that total budgets for natural gas energy efficiency programs in 2011 are about $1.2 billion.

Figure 2. Expenditures/Budgets for Ratepayer-Funded Natural Gas Energy Efficiency Programs, 2005 through 2010

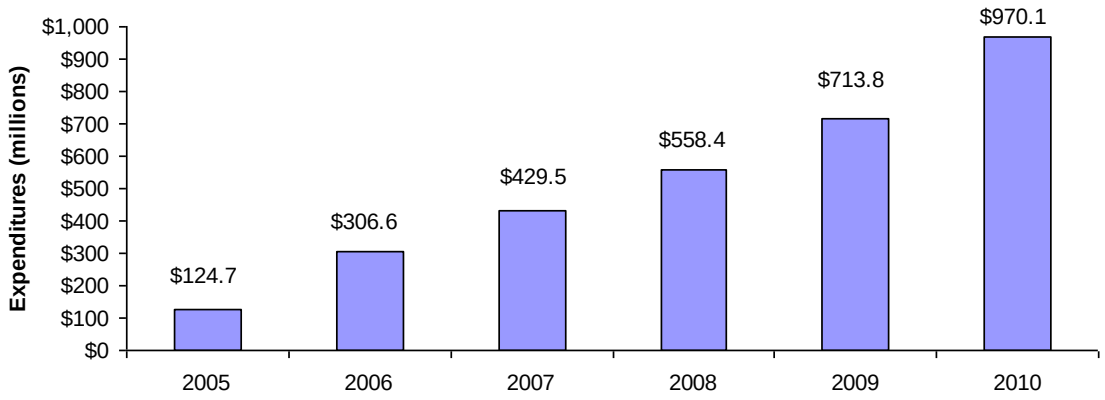
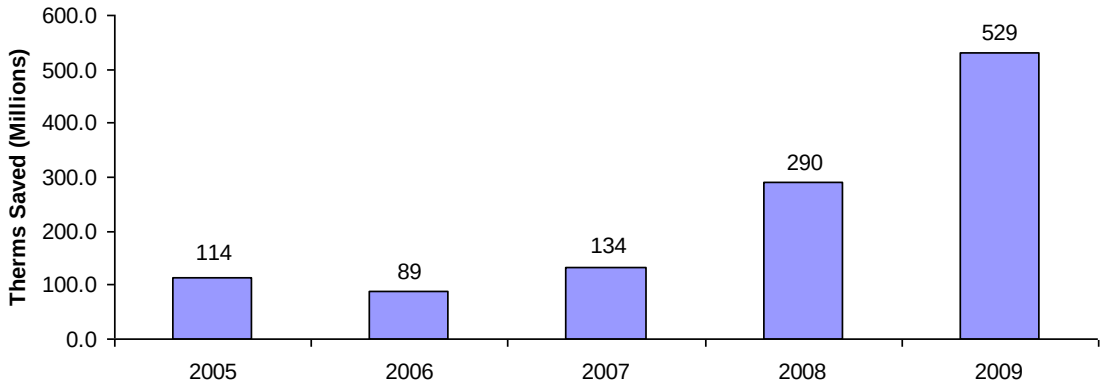


Table 7 indicates that California, Iowa, Massachusetts, Minnesota, New Jersey, New York, Washington, and Wisconsin are the states with the highest natural gas savings. This is not surprising as these are the states with the highest expenditures and most program experience. As with the spending data, in this study, we did not compare and rank individual states based on energy savings.

Figure 3 shows the energy savings attributable to the utility-sector natural gas energy efficiency programs for 2005-2009. Based on the data collected, savings from utility-sector natural gas energy efficiency programs grew from 114 million to 529 million therms annually from 20065 to 2009.

Figure 3. Energy Savings for Ratepayer-Funded Natural Gas Energy Efficiency Programs, 2005 through 2009



In Table 8, annual energy savings and expenditures/budget data are provided for low-income utility-sector natural gas energy efficiency programs for states with these programs. Figure 2 indicates increased spending on low-income programs from 2005 through 2010. These data on low-income programs generally are included in the earlier total statewide program data. A description of the data is included in the "notes" column in the full data tables in Appendix C.

Expenditures/budget data for the low-income ratepayer-funded natural gas energy efficiency programs are listed below. Due to limited energy savings data on the low-income programs, that information is not provided.

Table 8. Low-Income Utility-Sector Natural Gas Energy Efficiency Programs Annual Energy Savings and Expenditures/Budget Data[40]

State	Year	Energy Savings (million Therms)	Expenditures (E)/ Budget (B) (million $)	
Arizona	2008	.01	.58	E
	2009	.01	.76	E
	2010	N/A	0.5	B
Arkansas	2008	N/A[41]	0.3	E
	2009	N/A	N/A	
	2010	N/A	N/A	
California	2005	2.3	N/A	
	2006	2.6	40.5	B
	2007	2.2	64.4	B
	2008	N/A	72.1	E
	2009	N/A	104.3	E
	2010	N/A	151.4	B
Colorado	2005	.59	N/A	
	2006	.33	2.6	B
	2007	N/A	2.6	B
	2008	N/A	2.4	E
	2009	1.1	3.2	E
	2010	N/A	4.2	B
Connecticut	2006	.13	1.0	E
	2007	.26	1.3	E
	2008	.26	1.6	E
	2009	.82	3.0	E
	2010	.58	2.8	E
District of Columbia	2008	N/A	2.1	B
	2009	N/A	3.0	B
	2010	N/A	3.0	B

[40] A description of the data (the source of the energy savings and expenditure/budget figures, etc.) is included in the "notes" column in the full data tables in Appendix C. There was no data on the South Carolina programs at the time the survey was conducted.
Sources of CEE data:
2006 Consortium for Energy Efficiency (CEE) data taken from U.S. Energy-Efficiency Programs A $2.6 Billion Industry, 2006 Report. 2007. Boston, MA: Consortium for Energy Efficiency. Retrieved from: www.cee1.org.
2007 CEE data taken from 2007 Annual Industry Report. 2008. Boston, MA: Consortium for Energy Efficiency. Retrieved from: www.cee1.org.
2008 CEE expenditures data and 2009 CEE budget data taken from Nevius, M., Eldridge, R., and J. Krouk. 2010. "The State of the Efficiency Program Industry: Budgets, Expenditures, and Impacts 2009." March. Boston MA: Consortium for Energy Efficiency. Retrieved from http://www.cee1.org/files/StateofEEIndustry2009.pdf.
2009 CEE expenditures data and 2010 CEE budget data taken from Consortium for Energy Efficiency. 2010. "State of the Efficiency Program Industry: 2009 Expenditures, Impacts & 2010 Budgets." Boston MA: Consortium for Energy Efficiency. Retrieved from http://www.cee1.org/files/2010%20State%20of%20the%20Efficiency%20Program%20Industry.pdf.
[41] N/A = not available.

State	Year	Energy Savings (million Therms)	Expenditures (E)/ Budget (B) (million $)	
Florida		Data not available		
Georgia	2006	N/A	1.0	E
	2007	N/A	1.0	E
	2008	N/A	1.0	E
	2009	N/A	1.0	E
	2010	N/A	1.0	E
Idaho	2006	N/A	0.1	B
	2007	N/A	0.1	B
	2008	.01	0.1	E
	2009	N/A	0.1	E
	2010	N/A	0.3	B
Illinois	2008	N/A	0.1	E
	2009	N/A	0.9	E
	2010	N/A	1.7	B
Indiana	2007	N/A	0.9	E
	2008	N/A	0.7	E
	2009	N/A	0.5	E
	2010	N/A	1.3	B
Iowa	2005	.37	N/A	
	2006	.62	4.6	E
	2007	.32	4.7	B
	2008	N/A	4.3	E
	2009	N/A	4.9	E
	2010	N/A	4.9	B
Kentucky	2005	N/A	0.7	E
	2006	N/A	0.8	E
	2007	N/A	0.8	B
	2008	N/A	0.8	B
	2009	N/A	0.3	E
	2010	N/A	0.7	B
Maine	2005	.00[42]	N/A	
	2006	.00[43]	N/A	
	2007	.05[44]	N/A	
	2008	N/A	N/A	
	2009	N/A	N/A	
	2010	N/A	0.0	B
Maryland	2006	N/A	0.8	E
	2007	N/A	0.8	E
	2008	N/A	0.9	E
	2009	N/A	0.6	E
	2010	N/A	0.7	B
Massachusetts	2005	.65	N/A	
	2006	.65	5.7	B
	2007	.65	6.7	B
	2008	.65	5.2	E
	2009	N/A	7.0	E
	2010	N/A	15.8	B

[42] Lifetime therms.
[43] Lifetime therms.
[44] Lifetime therms.

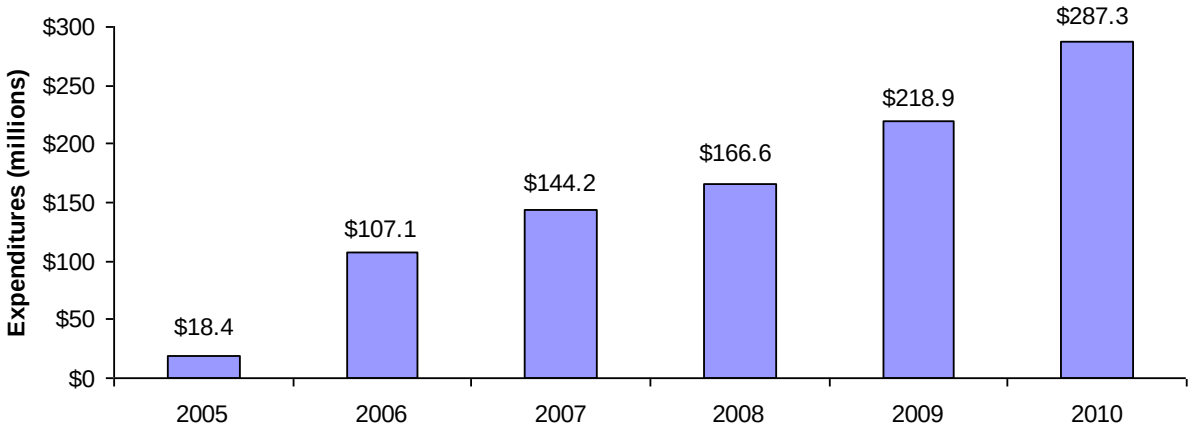
State	Year	Energy Savings (million Therms)	Expenditures (E)/ Budget (B) (million $)	
Michigan	2005	N/A	N/A	
	2006	N/A	N/A	
	2007	N/A	N/A	
	2008	N/A	N/A	
	2009	N/A	N/A	
	2010	N/A	8.7	B
Minnesota	2005	2.4	3.5	E
	2006	.71	3.2	E
	2007	.75	3.3	E
	2008	N/A	2.8	E
	2009	N/A	3.3	E
	2010	N/A	3.3	B
Missouri	2008	N/A	0.1	E
	2009	N/A	1.8	E
	2010	N/A	1.8	B
Montana	2005	.25	0.585	E
	2006	.29	0.610	E
	2007	.23	0.585	E
	2008	N/A	N/A	
	2009	N/A	N/A	
	2010	N/A	N/A	
Nevada	2006	N/A	0.4	B
	2007	N/A	0.2	B
	2008	N/A	0.2	E
	2009	N/A	0.2	E
	2010	N/A	0.4	B
New Hampshire	2005	1.7[45]	0.2	E
	2006	1.3[46]	0.4	E
	2007	1.1[47]	0.4	E
	2008	1.6[48]	0.5	E
	2009	1.6[49]	0.5	E
	2010	N/A	0.7	B
New Jersey[50]	2005	.49	4.7	E
	2006	.43	5.5	E
	2007	.48	7.9	E
	2008	.74	6.2	E
	2009	N/A	N/A	
	2010	N/A	N/A	
New Mexico	2006	1.3[51]	.62	E
	2007	N/A	.80	B
	2008	2.6[52]	.87	E
	2009	N/A	1.2	E

[45] Lifetime therms.
[46] Lifetime therms.
[47] Lifetime therms.
[48] Lifetime therms.
[49] Lifetime therms.
[50] The New Jersey Clean Energy Reports include energy efficiency expenditures for electric and gas programs combined. ACEEE prorated total expenditures to calculate estimated natural gas program expenditures by using a ratio of natural gas spending to total spending that was available from 2006
[51] Lifetime therms.
[52] Lifetime therms.

State	Year	Energy Savings (million Therms)	Expenditures (E)/ Budget (B) (million $)	
	2010	N/A	1.3	B
New York	2007	N/A	4.4	B
	2008	N/A	16.2	E
	2009	N/A	28.6	E
	2010	N/A	3.5	B
North Carolina	2006	N/A	0.3	E
	2007	.01	0.1	E
	2008	N/A	0.5	E
	2009	N/A	0.2	E
	2010	N/A	0.2	B
Ohio	2008	N/A	12.2	E
	2009	N/A	3.2	E
	2010	N/A	5.1	B
Oklahoma	Programs initiated in 2011			
Oregon	2005	N/A	0.7	E
	2006	N/A	0.7	E
	2007	.06	0.9	E
	2008	.15	2.0	E
	2009	N/A	1.5	E
	2010	N/A	2.3	B
Pennsylvania	2005	N/A	7.8	E
	2006	N/A	7.6	E
	2007	N/A	7.5	E
	2008	N/A	5.1	E
	2009	N/A	8.6	E
	2010	N/A	10.3	B
Rhode Island	7/07-12/08	N/A	1.4	B
	2009	N/A	1.3	E
	2010	N/A	0.4	E
Texas	2008	N/A	2.0	B
	2009	N/A	2.0	B
	2010	N/A	.65	E
Utah	2005	N/A	0.25	E
	2006	N/A	0.25	E
	2007	N/A	0.50	E
	2008	N/A	0.50	E
	2009	N/A	0.50	E
	2010	N/A	0.50	B
Vermont	2005	N/A	N/A	
`	2006	N/A	N/A	
	2007	N/A	N/A	
	2008	N/A	N/A	
	2009	N/A	N/A	
	2010	N/A	N/A	
Virginia	2009	N/A	0.20	E
	2010	N/A	0.40	B
Washington	2006	N/A	N/A	
	2007	N/A	N/A	
	2008	N/A	N/A	
	2009	N/A	N/A	

State	Year	Energy Savings (million Therms)	Expenditures (E)/ Budget (B) (million $)	
	2010	N/A	N/A	
Wisconsin	2006	N/A	30.4	B
	2007	N/A	34.3	B
	2008	N/A	24.4	E
	2009	N/A	36.2	E
	2010	N/A	33.4	B
Wyoming	2009	N/A	.05	E
	2010	N/A	N/A	B
CEE Additional Gas 2010 Budgets[53]	2010		26.5	

Figure 4. Low-Income Expenditures/Budgets for Ratepayer-Funded Natural Gas Energy Efficiency Programs, 2005 through 2010



SUMMARY AND CONCLUSIONS

Natural gas energy efficiency programs provided to utility customers are well established and growing both in terms of customers served and size of program budgets. Forty-one states offer such programs currently. Almost all of these states have programs available for residential and commercial customers; about 2/3 of these states also have programs available for their industrial customers. Low-income residential customers are served by all states that have any type of ratepayer funded programs for energy efficiency, which reflects a strong and long-standing commitment and priority to meet the needs of the most vulnerable customers first.

Natural gas energy efficiency programs have been established generally by legislation or regulatory action. Total spending on these programs has grown significantly over the past five years, driven by increased support for such programs and creation of specific energy savings targets in many states (via "Energy Efficiency Resource Standards—EERS"). This trend is likely to continue as states continue to push for higher energy savings through improved customer energy efficiency to meet both economic and environmental objectives, which include reducing customer energy costs, increasing green jobs and reducing greenhouse gas and other emissions.

Our review demonstrates clearly that there is a strong foundation of funding support and program experience upon which to provide natural gas customers—households, businesses, institutions and industries—programs and associated services that facilitate and enable them to reduce their energy costs

[53] Total of gas budgets from respondents that did not grant CEE permission to release their data at the state level in 2010.

through improved energy efficiency. Such programs and services are growing, both in states with long histories of programs, but also in states that have not had programs in place. The clear trend is acceleration and expansion of these programs, driven primarily by the goal of reducing energy costs. An added benefit is the environmental improvement gained by reducing emissions. We encourage continued funding and support for these programs. We also encourage improvements in data tracking and reporting on these programs serving natural gas customers.

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APPENDIX A: QUESTIONNAIRE

ACEEE Natural Gas Summary Profile

State:

Name:

Organization:

Phone number:

E-mail:

Date:

Availability of natural gas utility sector energy efficiency programs[54]: [Are programs offered by either utilities or non-utility organizations to natural gas customers? If "No"—the rest of the summary profile is not applicable.]

1. Yes ____ 2. No ____

What customer sectors are served by natural gas energy efficiency programs?

1. Residential?_____
    a. Low-income?_____
    b. Non-low-income?____
2. Commercial?_____
3. Industrial?_____

Is energy efficiency required by legislation or order? 1. Yes ____ 2. No ____

(If yes) 1. Legislation ____ 2. Order ____ 3. Both Legislation and Order _____
(Please provide specific legislation and orders/decisions below)

- Key legislation:
- Key Regulatory Orders/Decisions:

When did your utility funded natural gas energy efficiency programs begin?

Funding Mechanism(s) (for program cost recovery—i.e., embedded in rates, tariff rider, deferred account, or "public benefits fund"):

Organization(s) responsible for program administration:

[54] Energy efficiency programs include programs that offer information and economic incentives to customers to get them to implement energy efficiency measures in their homes or businesses.

Organization(s) that implement (deliver) programs:

Financial incentive mechanism for program administration and brief description (i.e., Mechanisms in place by which utilities (or in some cases, non-utility program administrators) can earn a profit, or shareholder incentives, from energy efficiency programs)**:**

"Lost revenue" recovery mechanism for reduced energy sales resulting from energy efficiency programs (decoupling or other mechanism):

Total state utility sector budgets and actual expenditures on natural gas energy efficiency programs by year:

Year	Budget (million $)	Actual Expenditures (million $)
2005		
2006		
2007		
2008		

Does this include low-income energy efficiency programs?

1. Yes ____ 2. No ____

What are the totals for your low-income programs (if applicable)?

Year	Budget (million $)	Actual Expenditures (million $)
2005		
2006		
2007		
2008		

Total natural gas energy savings:
Energy savings by program year: (program year savings—i.e., all new savings attributable to that reporting year). *Please indicate units used for natural gas savings.*

Year	Energy Savings	Units
2005		
2006		
2007		
2008		

Does this include low-income energy efficiency programs?

1. Yes ____ 2. No ____

What are the totals for your low-income programs (if applicable)?

Year	Energy Savings	Units
2005		
2006		
2007		
2008		

Are there any discussions or proceedings underway that may change the structure, administration or funding of utility-sector energy efficiency programs from the status quo? Such changes may include:

1. Yes ____ 2. No ____

- Budget/expenditure levels.
- Organizations responsible for program administration or implementation.
- Utility requirements/regulatory treatment of program costs and savings (e.g., cost recovery, decoupling, performance incentives, or explicit savings targets (such as energy efficiency resource standards).
- Related utility and environmental policies, such as global warming mitigation policies.

Please describe such changes.

Is there a Web site that program administrators and stakeholders can access for information such as annual reports, planning documents, evaluations, etc. for natural gas energy efficiency programs? [Not the customer Web sites for program information]

1. Yes ____ 2. No ____

If yes, what is that Web site address?

Have any evaluations or reports been written that calculate 'cost per therm saved' for the programs as a whole or for individual programs?

1. Yes ____ 2. No ____

If yes, are those evaluations available on a Web site?

1. Yes ____ 2. No ____

If yes, what is that Web site address?

If no, how can we obtain copies of the evaluations?

Finally, is there an annual report for the most recent year (2010) and recent years (2005–09) available that provides program information, including data on expenditures and savings?

1. Yes ____ 2. No ____

If yes, is this report available on-line?

1. Yes ____ 2. No ____

If yes, what is that Web site address?

If not, how can we obtain a copy?

Thank you very much for your time!

APPENDIX B: LIST OF STATES CONTACTED FOR THIS REPORT

At the conclusion of our work, this is the set of states our data indicated had utility-sector natural gas energy efficiency programs and that we contacted to complete the questionnaire:

Arizona
Arkansas
California
Colorado
Connecticut
District of Columbia
Florida
Georgia
Idaho
Illinois
Indiana
Iowa
Kentucky
Maine
Maryland
Massachusetts
Michigan
Minnesota
Missouri
Montana
Nevada
New Hampshire
New Jersey
New Mexico
New York
North Carolina
North Dakota—did not respond to emails or telephone calls
Ohio
Oklahoma
Oregon
Pennsylvania
Rhode Island
South Carolina
South Dakota
Texas
Utah
Vermont
Virginia
Washington
Wisconsin
Wyoming

This is the set of states that our data indicated did *not* have utility-sector natural gas energy efficiency programs in place and that we did not contact:

Alabama
Alaska
Delaware
Hawaii
Kansas
Louisiana
Mississippi
Nebraska
Tennessee
West Virginia

APPENDIX C: FULL DATA TABLES FOR NATURAL GAS ENERGY EFFICIENCY PROGRAMS

Table C-1. Are Utility-Sector Natural Gas Energy Efficiency Programs Required by State Legislation, Regulation or Both

State	Are Natural Gas EE Programs Required?	State Legislation, Order or Both?	State Legislation	Regulatory Order
Alabama	No, no programs in place			
Alaska	No, no programs in place			
Arizona	Yes	Order		Decision No. 71289 (10/7/09), Decision No. 70180 (2/27/08)
Arkansas	No, programs are voluntary	Order		Docket Nos. 06-004-R and 08-144-U
California	Yes	Legislation and Order	AB 1002	D. 07-10-032, D. 08-09-40
Colorado	Yes	Legislation and Order	HB 07-1037	Commission Rules 4750
Connecticut	Yes	Legislation and Order	PA 05-1, An Act Concerning Energy Independence, June Special Session (House Bill No. 7501), July 21, 2005. http://www.cga.ct.gov/2005/ACT/PA/2005PA-00001-R00HB-07501SS1-PA.htm	Orders set the details of the EE plans
Delaware	No, no programs in place			
District of Columbia	Yes	Legislation and Order	Clean and Affordable Energy Act of 2008 http://www.dccouncil.washington.dc.us/images/00001/20080819161530.pdf	Order sets the details of the EE plan
Florida	Yes	Legislation	Section 366.81-82, Florida Statutes	
Georgia	Yes, Atlanta Gas Light Company only			Docket No. 18638-Atlanta Gas Light Company's 2005 Rate Case—Home and Heartwarming Program, Decided June 17, 2005. (Order on Reconsideration)

State	Are Natural Gas EE Programs Required?	State Legislation, Order or Both?	State Legislation	Regulatory Order
Hawaii	No, no programs in place			
Idaho	Yes	Order		Order 22299—January 27th 1989—requires utilities to consider cost-effective EE in their portfolios
Illinois	Yes	Legislation	220 ILCS 5/8-104	
Indiana	Yes	Order		Cause Nos. 43046, 43051, and 42767
Iowa	Yes	Legislation	Iowa Code Chapter 476.1, 476.1B, 476.1C http://www.legis.state.ia.us/IACODE/2001/476/1.html http://www.legis.state.ia.us/IACODE/2001/476/1B.html http://www.legis.state.ia.us/IACODE/2001/476/1C.html Iowa Code Chapter 476.6(15) and (17) http://www.legis.state.ia.us/IACODE/2001/476/6.html	
Kansas	No, no programs in place			
Kentucky	No, programs are voluntary			
Louisiana	No, no programs in place			
Maine	Yes	Legislation and Order	35-A Maine Revised Statutes, section 10111	Nos. 2006-129 (Chapter 480 Rulemaking), 2006-728 (Programs thru 4/2010), and 2008-431
Maryland	Yes	Legislation	Late 1980s/early 1990s law	
Massachusetts	Yes	Legislation	Green Communities Act , CH 169 of the Acts of 2008	
Michigan	Yes	Legislation and Order	EO Plans: Public Act 295	EO Plans: Consumers Energy Company (U-15889), Michigan

State	Are Natural Gas EE Programs Required?	State Legislation, Order or Both?	State Legislation	Regulatory Order
			Low-Income and Energy Efficiency Fund (LIEEF): Section 10d(6) of the Customer Choice and Electricity Reliability Act, 2000 PA 141, MCL 460.10d(6)	Consolidated Gas Company (U-15890), Michigan Gas Utilities Corporation (U-15891), Northern States Power Company—Wisconsin (Xcel) (U-15892), SEMCO Energy, Inc. (U-15893), Wisconsin Public Service Corporation (U-15894)
Minnesota	Yes	Legislation	Minnesota Statutes §216B.241 Energy Conservation Improvement (The Next Generation Energy Act of 2007, Minnesota Laws Chapter 136) https://www.revisor.leg.state.mn.us/bin/getpub.php?type=law&year=2007&sn=0&num=136	
Mississippi	No, no programs in place			
Missouri	No, programs are voluntary			
Montana	Yes	Legislation and Order	§69-3-1401, et seq Montana Code Annotated	D2004.4.50
Nebraska	No, no programs in place			
Nevada	Yes	Legislation and Order	Senate Bill 437	NRS 704.992, NAC 705.535 and LCB File Nos. R095-08 and T004-08
New Hampshire	Yes	Legislation and Order	RSA 374-5	Order No. 24,109 (Docket No. DG 02-106)

State	Are Natural Gas EE Programs Required?	State Legislation, Order or Both?	State Legislation	Regulatory Order
New Jersey	Yes	Legislation	P.L. 1999, CHAPTER 23, approved February 9, 1999 Assembly, No. 16 http://www.njleg.state.nj.us/9899/Bills/al99/23_.pdf	
New Mexico	Yes	Legislation	Efficient Use of Energy Act 62-17 NMSA 1978	
New York	Yes	Order [55]		New York Public Service Commission (NYPSC) Opinion No. 96-12, Cases 94-E-0952 et al., May 20, 1996 http://www3.dps.state.ny.us/pscweb/WebFileRoom.nsf/Web/E05EBC3E5C3E79B385256DF10075624C/$File/doc886.pdf?OpenElement NYPSC Order, Case 94-E-0952, January 2
North Carolina	Yes	Pending Legislation and Order		Docket No. G-9, Sub 499 for years 2006, 2007, and 2008 Docket No. G-09, Sub 550, and Docket No. G-05, Sub 495 for years starting 2009
North Dakota				
Ohio	Yes	Order		Columbia Gas of Ohio, Case No. 08-833-GA-UNC (7/23/2008) Vectren Energy Delivery of Ohio, Case No. 07-1080-GA-AIR (9/8/2008) Dominion East Ohio, Case No. 07-829-GA-AIR (10/15/2008) Duke Energy of Ohio, Case

[55] Although not a law, in April 2007, Governor Spitzer set a new policy goal to reduce electricity use in 2015 by 15% ("15 by 15"), relative to projected use in 2015. Shortly thereafter, the New York Public Service Commission established an Energy Portfolio Standard Proceeding to determine the best approach for meeting this target. The proceeding includes electric and natural gas programs, including setting appropriate 2015 savings targets for these programs.

State	Are Natural Gas EE Programs Required?	State Legislation, Order or Both?	State Legislation	Regulatory Order
				No. 06-91-EL-UNC (7/11/07)
Oklahoma	Yes, programs initiated in 2011	Order		OAC 165:45, Subchapter 23, Demand Programs. Rules effective June 25, 2009.
Oregon	Yes	Legislation and Order	Residential Energy Conservation Act ORS 469.631 to 469.645 (1981 legislation requiring all energy utilities to offer residential weatherization assistance).	OPUC Integrated Resource Planning (IRP) Order No. 89-507, superseded by IRP Order Nos. 07-002 and 07-047; Order No. 02-634 adopted public purpose funding and a decoupling mechanism for NW Natural; Order No. 06-191 adopted public purpose funding and decoup
Pennsylvania	Yes	Order		Regulatory orders mandate companies to maintain LIURP programs
Rhode Island	Yes	Legislation and Order	The Comprehensive Energy Conservation, Efficiency and Affordability Act of 2006	RIPUC Docket #3790 RIPUC Docket #4000
South Carolina	No, programs are voluntary			
South Dakota	No, programs are voluntary			
Tennessee	No, no programs in place			
Texas	No, programs are voluntary			
Utah	Yes	Order		Utah Public Service Commission—Docket 08-057-22
Vermont	Yes	Legislation and Order	30 V.S.A. section 235(d)	Docket No. 5270, particularly Docket No. 5270 VGS-1 and VGS-2
Virginia	No, programs are voluntary			
Washington	Yes	Order		WAC 480-90-238, Integrated Resource Planning
West Virginia	No, no programs in place			

State	Are Natural Gas EE Programs Required?	State Legislation, Order or Both?	State Legislation	Regulatory Order
Wisconsin	Yes	Legislation[56]	2005 Wisconsin Act 141 http://www.legis.state.wi.us/2005/data/acts/05Act141.pdf	
Wyoming	No, programs are voluntary			

[56] Several utilities provide natural gas energy efficiency programs that are in addition to those required. Funding decisions were made in rate case proceedings, dockets 05-UR-103, 6680-UR-116, and 6690-UR-119.

Table C-2. Utility-Sector Natural Gas Energy Efficiency Programs Annual Energy Savings and Expenditures/Budget Data[57]

State	Year	Energy Savings[58] (million Therms)	Expenditures/ Budget (million $)	Notes[59]
Arizona[60]	2008	.15	1.2	From the Arizona Corporation Commission (ACC). Includes low-income programs.
	2009	.25	1.8	From ACC. Includes low-income programs.
	2010	N/A[61]	2.6	CEE budget data (CEE 2010). Includes low-income programs.
Arkansas	2008	N/A	0.531	From contact with Arkansas Public Service Commission. Does not include low-income programs. http://www.apscservices.info/ for more information.
	2009	N/A	1.0	CEE expenditures data (CEE 2010). Does not include low-income programs.
	2010	N/A	4.2	CEE budget data (CEE 2010). Does not include low-income programs.
California	2005	47.0	N/A	From contact with California Energy Commission (CEC). Includes low-income programs. Evaluations are filed at http://calmac.org. Additional data available at http://eega2006.cpuc.ca.gov/.
	2006	24.6	94.1	Energy savings from CEC. Includes low-income programs. Budget from CEE 2006 budget data (CEE 2007). Includes low-income programs.
	2007	61.2	182.5	Energy savings from CEC. Includes low-income programs. Budget from CEE 2007 budget data (CEE 2008). Includes low-income programs.

[57] 2006 Consortium for Energy Efficiency (CEE) data taken from U.S. Energy-Efficiency Programs A $2.6 Billion Industry, 2006 Report. 2007. Boston, MA: Consortium for Energy Efficiency. Retrieved from: www.cee1.org.
2007 CEE data taken from 2007 Annual Industry Report. 2008. Boston, MA: Consortium for Energy Efficiency. Retrieved from: www.cee1.org.
2008 CEE expenditures data and 2009 CEE budget data taken from CEE, M., Eldridge, R., and J. Krouk. 2010. "The State of the Efficiency Program Industry: Budgets, Expenditures, and Impacts 2009." March. Boston MA: Consortium for Energy Efficiency. Retrieved from http://www.cee1.org/files/StateofEEIndustry2009.pdf.
2009 CEE expenditures data and 2010 CEE budget data taken from and CEE, J. and M. CEE. 2010. "State of the Efficiency Program Industry: 2009 Expenditures, Impacts & 2010 Budgets." December. Boston MA: Consortium for Energy Efficiency. Retrieved from http://www.cee1.org/files/2010%20State%20of%20the%20Efficiency%20Program%20Industry.pdf.
[58] In some cases, the original energy savings units were in Mcfs or MMbtus. We converted all units to Therms by dividing Mcfs by .0972 and multiplying MMbtus by 10.
[59] "Partial data" indicates that one or more respondents in the state did not grant CEE permission to release gas data at the state level.
[60] Arizona had natural gas energy efficiency programs well before 2005 but due to time constraints, the ACC only provided data for 2008 and 2009.
[61] N/A = Not Available.

State	Year	Energy Savings[58] (million Therms)	Expenditures/ Budget (million $)	Notes[59]
	2008	N/A	220.0	CEE expenditures data (CEE 2010). Includes low-income programs.
	2009	N/A	228.3	CEE expenditures data (CEE 2010). Includes low-income programs.
	2010	N/A	338.8	CEE budget data (CEE 2010). Includes low-income programs.
Colorado	2005	.59	N/A	From the Colorado Public Utilities Commission's 2005 DSM Monitoring and Evaluation Report. All low-income programs.
	2006	.33	2.6	Energy savings from the Colorado Public Utilities Commission's 2006 DSM Monitoring and Evaluation Report. All low-income programs. CEE budget data (CEE 2007). All low-income programs.
	2007	N/A	2.6	CEE budget data (CEE 2008). All low-income programs.
	2008	N/A	2.4	CEE expenditures data (CEE 2010). Partial data. Includes low-income programs.
	2009	3..4	13.0	From the Colorado Public Utilities Commission. Includes low-income programs.
	2010	N/A	18.4	CEE budget data (CEE 2010). Partial data. Includes low-income programs. Partial data.
Connecticut	2006	.17	1.4	From the Connecticut Energy Conservation and Management Board (ECMB) Web site http://www.ctsavesenergy.org/ecmb/. Residential natural gas programs began in 2006 and C/I programs began in 2007. Includes low-income programs. 2006 energy savings from 2006 Annual Legislative Report (ECMB 2007). 2006 Expenditures from 2006 Preliminary Legislative Gas Report (ECMB 2007).
	2007	.42	2.6	From 2007 Annual Legislative Report (ECMB 2008). Includes low-income programs.
	2008	1.0	5.9	From 2008 Annual Legislative Report (ECMB 2009). Includes low-income programs.
	2009	2.4	9.4	From 2009 Annual Legislative Report (ECMB 2010). Includes low-income programs.

State	Year	Energy Savings[58] (million Therms)	Expenditures/ Budget (million $)	Notes[59]
	2010	2.7	11.8	From 2010 Annual Legislative Report (Energy Efficiency Board 2011). Includes low-income programs.
District of Columbia	2008	N/A	2.1	From the DCPSC—budget data All low-income programs.
	2009	N/A	3.0	From the DCPSC—budget data All low-income programs.
	2010	N/A	3.0	From the DCPSC—budget data All low-income programs.
Florida	2005	N/A	14.9	From contact with the Florida Public Service Commission (FPSC). Does not include low-income programs. Reports are available at http://www.psc.state.fl.us/publications/reports.aspx.
	2006	N/A	14.2	From FPSC. Does not include low-income programs.
	2007	N/A	14.2	From FPSC. Does not include low-income programs.
	2008	N/A	11.5	From FPSC. 2008 expenses are estimated. Does not include low-income programs.
	2009	N/A	5.9	CEE expenditures data (CEE 2010). Does not include low-income programs.
	2010	N/A	6.5	CEE budget data (CEE 2010). Does not include low-income programs.
Georgia	2006	N/A	1.0	From GPSC. All low-income programs.
	2007	N/A	1.0	From GPSC. All low-income programs.
	2008	N/A	1.0	From GPSC. All low-income programs.
	2009	N/A	1.0	From GPSC. All low-income programs.
	2010	N/A	1.0	From GPSC. All low-income programs.
Idaho	2006	N/A	0.9	CEE budget data (CEE 2007). Includes low-income programs.
	2007	N/A	1.0	CEE budget data (CEE 2008). Includes low-income programs.
	2008	.61	2.1	Energy savings from Idaho Public Utilities Commission. Includes low-income programs. Expenditures from Avista annual report. Includes low-income programs.
	2009	N/A	2.5	CEE expenditures data (CEE 2010). Partial data. Includes low-income programs.

State	Year	Energy Savings[58] (million Therms)	Expenditures/ Budget (million $)	Notes[59]
	2010	N/A	2.1	CEE budget data (CEE 2010). Partial data. Includes low-income programs.
Illinois[62]	2008	N/A	0.8	CEE expenditures data (CEE 2010). Partial data. Includes low-income programs.
	2009	N/A	6.3	CEE expenditures data (CEE 2010). Partial data. Includes low-income programs.
	2010	N/A	17.3	CEE budget data (CEE 2010). Partial data. Includes low-income programs.
Indiana	2007	.93	2.2	From the Indiana Utility Regulatory Commission (IURC). Includes low-income programs.
	2008	3.8	10.9	From IURC. Includes low-income programs.
	2009	2.5	9.2	From IURC. Includes low-income programs.
	2010	N/A	14.5	CEE budget data (CEE 2010). Includes low-income programs.
Iowa	2005	8.7	26.9	From Iowa Utilities Board (IUB). Includes low-income programs.
	2006	8.7	29.5	From IUB. Includes low-income programs.
	2007	8.1	28.4	From IUB. Includes low-income programs.
	2008	N/A	29.7	CEE expenditures data (CEE 2010). Includes low-income programs.
	2009	N/A	37.7	CEE expenditures data (CEE 2010). Includes low-income programs.
	2010	N/A	40.5	CEE budget data (CEE 2010). Includes low-income programs.
Kentucky	2005	2.6	1.6	From Kentucky Public Service Commission (KPSC). Includes low-income programs.
	2006	2.9	1.4	From KPSC. Includes low-income programs.
	2007	N/A	1.5	From KPSC. Includes low-income programs.
	2008	N/A	1.7	From KPSC. 2008 total is the budgeted amount rather than the actual expenses. Includes low-income programs.
	2009	N/A	2.4	CEE budget data (CEE 2010). Partial data. Includes low-income programs.

[62] Illinois has a large-scale energy efficiency program pending.

State	Year	Energy Savings[58] (million Therms)	Expenditures/ Budget (million $)	Notes[59]
	2010	N/A	1.9	CEE budget data (CEE 2010). Partial data. Includes low-income programs.
Maine	9/05-4/06	.13[63]	0.056	From Maine Public Utilities Commission (MPUC). Includes low-income programs.
	5/06-4/07	.25[64]	0.130	From MPUC. Includes low-income programs.
	11/07-10/08	3.9[65]	0.262	From MPUC. Includes low-income programs.
	11/08-10/09	N/A	0.442	From MPUC. Includes low-income programs.
	2010	N/A	0.400	CEE budget data (CEE 2010). Includes low-income programs.
Maryland	2006	N/A	0.8	From Maryland Public Service Commission (MPSC). All low-income programs.
	2007	N/A	0.8	From MPSC. All low-income programs.
	2008	N/A	0.9	From MPSC. All low-income programs.
	2009	N/A	2.0	CEE expenditures data (CEE 2010). Includes low-income programs.
	2010	N/A	3.4	CEE budget data (CEE 2010). Includes low-income programs.
Massachusetts[66]	2005	8.0	N/A	From Massachusetts Executive Office of Energy and Environmental Affairs (EEA), Department of Energy Resources (DOER). Includes low-income programs. Totals are estimated. Final reports have not been filed.
	2006	8.0	25.6	From EEA. Includes low-income programs.
	2007	8.0	25.6	From EEA. Includes low-income programs.
	2008	10.0	30.1	From EEA. Includes low-income programs.
	2009	N/A	38.0	From EEA. Includes low-income programs.
	2010	N/A	75.9	CEE budget data (CEE 2010). Includes low-income programs.
Michigan	2005	N/A	9.7	From Michigan Public Service Commission (MPSC)—Low-Income and Energy Efficiency Fund (LIEEF). Data are budgeted, not actual. Includes low-income programs.

[63] Lifetime therms.
[64] Lifetime therms.
[65] Lifetime therms.
[66] Does not reflect final numbers for Massachusetts. Final numbers have not been filed and should be considered estimates.

State	Year	Energy Savings[58] (million Therms)	Expenditures/ Budget (million $)	Notes[59]
	2006	N/A	7.5	From MPSC—LIEEF. Includes low-income programs.
	2007	N/A	9.8	From MPSC—LIEEF. Includes low-income programs.
	2008	N/A	12.4	From MPSC—LIEEF. Includes low-income programs.
	2009	N/A	30.8	From MPSC—LIEEF ($10.0 million) plus new Energy Optimization programs which started in 2009 ($20.8 million). EO data obtained from 5 investor-owned gas utilities' energy optimization plans. Proposed budgets. Includes low-income programs.
	2010	N/A	25.0	CEE budget data (CEE 2010). Partial data. Includes low-income programs.
Minnesota	2005	26.6	15.2	From Minnesota Public Utilities Commission (MPUC). Includes low-income programs.
	2006	21.4	15.3	From MPUC. Includes low-income programs.
	2007	19.4	15.6	From MPUC. Includes low-income programs.
	2008	15.6	18.1	Minnesota Office of Energy Security CIP Program Report for 2008-2009.
	2009	18.4	22.8	Minnesota Office of Energy Security CIP Program Report for 2008-2009.
	2010	N/A	40.1	CEE budget data (CEE 2010). Includes low-income programs.
Missouri	2007	N/A	0.3	CEE budget data (CEE 2008). No low-income programs in 2007.
	2008	N/A	1.0	CEE expenditures data (CEE 2010). Partial data. Includes low-income programs.
	2009	N/A	3.2	CEE expenditures data (CEE 2010). Includes low-income programs.
	2010	N/A	5.3	CEE budget data (CEE 2010). Includes low-income programs.
Montana	2005	.69	1.445	From Montana Public Service Commission (MPSC). Includes low-income programs. Reports are available at http://psc.mt.gov/eDocs/.
	2006	1.6	2.147	From MPSC. Includes low-income programs.
	2007	1.1	1.613	From MPSC. Includes low-income programs.
	2008	N/A	N/A	

State	Year	Energy Savings[58] (million Therms)	Expenditures/ Budget (million $)	Notes[59]
	2009	N/A	N/A	
	2010	N/A	N/A	
Nevada	2006	N/A	0.6	CEE budget data (CEE 2007). Includes low-income programs.
	2007	N/A	0.6	CEE budget data (CEE 2008). Includes low-income programs.
	2008	N/A	0.5	CEE expenditures data (CEE 2010). Includes low-income programs.
	2009	N/A	0.6	CEE expenditures data (CEE 2010). Includes low-income programs.
	2010	N/A	3.4	CEE budget data (CEE 2010). Includes low-income programs.
New Hampshire	2005	12.6[67]	1.8	From New Hampshire Public Utilities Commission (NHPUC). Includes low-income programs. Reports are available at http://puc.state.nh.us/Gas-Steam/energyefficiencyprograms.htm.
	2006	14.8[68]	2.2	From NHPUC. Includes low-income programs.
	2007	15.5[69]	2.5	From NHPUC reports. Includes low-income programs.
	2008	25.7[70]	2.4	From NHPUC reports. Includes low-income programs.
	2009	17.9[71]	3.3	From NHPUC reports. Includes low-income programs.
	2010	N/A	10.3	CEE budget data (CEE 2010). Includes low-income programs.
New Jersey[72]	2005	6.2	27.1	From Applied Energy Group (AEG). Includes low-income programs. Reports are available at http://njcleanenergy.com/main/public-reports-and-library/annual-reports/nj-clean-energy-program-annual-reports.
	2006	6.4	34.2	From AEG. Includes low-income programs.
	2007	4.5	29.8	From AEG. Includes low-income programs.
	2008	4.4	27.3	From AEG. Includes low-income programs.

[67] Lifetime therms.
[68] Lifetime therms.
[69] Lifetime therms.
[70] Lifetime therms.
[71] Lifetime therms.
[72] The New Jersey Clean Energy Reports include energy efficiency expenditures for electric and gas programs combined. ACEEE prorated total expenditures to calculate estimated natural gas program expenditures by using a ratio of natural gas spending to total spending that was available from 2006.

State	Year	Energy Savings[58] (million Therms)	Expenditures/ Budget (million $)	Notes[59]
	2009	6.4	38.5	From AEG. Includes low-income programs.
	2010	N/A	N/A	
New Mexico	2006	1.9[73]	1.5	From New Mexico Public Regulatory Commission (NMPRC). Includes low-income programs.
	2007	N/A	1.6	From NMPRC. Includes low-income programs.
	2008	4.7[74]	1.5	From NMPRC. Includes low-income programs.
	2009	N/A	1.8	CEE expenditures data (CEE 2010). Includes low-income programs.
	2010	N/A	2.6	CEE budget data (CEE 2010). Includes low-income programs.
New York	2007	6.6	15.0	Energy savings from New York Public Service Commission (NYPSC) Staff. Includes low-income programs. Budget from CEE budget data (CEE 2008). Includes low-income programs.
	2008	7.4	50.1	Energy savings from NYPSC Staff. Includes low-income programs. Expenditures from CEE expenditures data (CEE 2010). Partial data. Includes low-income programs.
	2009	7.9	58.6	Energy savings from NYPSC Staff. Includes low-income programs. Expenditures from CEE expenditures data (CEE 2010). Partial data. Includes low-income programs.
	2010	N/A	87.5	CEE budget data (CEE 2010). Partial data. Includes low-income programs.
North Carolina	2006	N/A	0.5	From North Carolina Utilities Commission (NCUC) Public Staff, Natural Gas Division. Includes low-income programs.
	2007	.02	0.8	From NCUC Public Staff, Natural Gas Division. Includes low-income programs.
	2008	N/A	1.25	From NCUC Public Staff, Natural Gas Division. Includes low-income programs.
	2009	N/A	1.3	CEE expenditures data (CEE 2010). Includes low-income programs.

[73] Lifetime therms.
[74] Lifetime therms.

State	Year	Energy Savings[58] (million Therms)	Expenditures/ Budget (million $)	Notes[59]
	2010	N/A	1.3	CEE budget data (CEE 2010). Includes low-income programs.
North Dakota	2008	N/A	0.1	CEE expenditures data (CEE 2010). ND does not have utility funded low-income EE programs.
	2009	N/A	0.1	CEE expenditures data (CEE 2010). ND does not have utility funded low-income EE programs.
	2010	N/A	0.1	CEE budget data (CEE 2010). ND does not have utility funded low-income EE programs.
Ohio	2006	N/A	0.5	CEE budget data (CEE 2007). No low-income programs in 2006.
	2007	N/A	2.9	CEE budget data (CEE 2008). No low-income programs in 2007.
	2008	N/A	12.2	CEE expenditures data (CEE 2010). Includes low-income programs.
	2009	N/A	8.5	CEE expenditures data (CEE 2010). Partial data. Includes low-income programs.
	2010	N/A	11.0	CEE budget data (CEE 2010). Partial data. Includes low-income programs.
Oregon	2006	N/A	10.6	From Oregon Public Utility Commission (OPUC). Includes low-income programs.
	2007	2.5	11.6	From OPUC. Includes low-income programs.
	2008	N/A	16.4	CEE expenditures data (CEE 2010). Partial data. Includes low-income programs.
	2009	N/A	21.2	CEE expenditures data (CEE 2010). Includes low-income programs.
	2010	N/A	27.2	CEE budget data (CEE 2010). Includes low-income programs.
Pennsylvania	2005	N/A	7.8	From Pennsylvania Public Utility Commission (PA PUC). All low-income programs. Reports available at http://www.puc.state.pa.us/General/publications_reports/pdf/EDC_NGDC_UniServ_Rpt2007.pdf.
	2006	N/A	7.6	From PA PUC All low-income programs.
	2007	N/A	7.5	From PA PUC All low-income programs.
	2008	N/A	5.1	CEE expenditures data (CEE 2010). Partial data. Includes low-income programs.

State	Year	Energy Savings[58] (million Therms)	Expenditures/ Budget (million $)	Notes[59]
	2009	N/A	10.3	CEE expenditures data (CEE 2010). Partial data. Includes low-income programs.
	2010	N/A	12.9	CEE budget data (CEE 2010). Partial data. Includes low-income programs.
Rhode Island	7/07-12/08	N/A	7.1	From Rhode Island Public Utilities Commission. Budget data. Includes low-income programs. Reports available at http://www.ripuc.org/.
	2009	N/A	6.1	From 2009 DSM Year-End Report for The Narragansett Electric Company d/b/a National Grid, June 1, 2010. Includes low-income programs.
	2010	N/A	4.4	From the Narragansett Electric Company, d/b/a National Grid Revised Energy Efficiency Program Plan for 2010, Docket 4116, http://www.ripuc.org/eventsactions/docket/4116-NGrid-AmendedEEPP(2-8-10).pdf. Includes low-income programs.
South Dakota	2006	.07	.025	From South Dakota Public Utilities Commission (SDPUC). Doesn't include low-income programs.
	2007	.11	.017	From SDPUC. Doesn't include low-income programs.
	2008	.09	.033	From SDPUC. Doesn't include low-income programs.
	2009	1.6	.785	From SDPUC. Doesn't include low-income programs.
	2010	N/A	1.4	CEE budget data (CEE 2010). Doesn't include low-income programs.
Texas	2008	N/A	2.0	From Railroad Commission of Texas. Budget. All low-income programs.
	2009	N/A	2.0	From Railroad Commission of Texas. Budget. All low-income programs.
	2010	N/A	.65	From Railroad Commission of Texas. Expenditures. All low-income programs.
Utah	2005	N/A	0.25	From Questar Gas. Includes low-income programs.
	2006	N/A	0.25	From Questar Gas. Includes low-income programs.
	2007	1.6	10.0	From Questar Gas. Expenses include low-income programs, but energy savings do not.

State	Year	Energy Savings[58] (million Therms)	Expenditures/ Budget (million $)	Notes[59]
	2008	3.5	18.0	From Questar Gas. Expenses include low-income programs, but energy savings do not.
	2009	10.9	47.4	Energy savings from Howard Geller at SWEEP. CEE expenditures data (CEE 2010). Includes low-income programs.
	2010	N/A	36.1	CEE budget data (CEE 2010). Includes low-income programs.
Vermont	2005	.76	1.5	From Vermont Public Service Board (PSB). Includes low-income programs.
	2006	.60	1.5	From Vermont PSB. Includes low-income programs.
	2007	.81	1.5	From Vermont PSB. Includes low-income programs.
	2008	1.0	1.9	From Vermont PSB. Includes low-income programs.
	2009	.65	2.0	Energy savings from Vermont Gas Systems 2009 DSM Annual Report. CEE expenditures data (CEE 2010). Includes low-income programs.
	2010	.85	2.0	Energy savings and expenditures from Vermont Gas Systems 2010 DSM Annual Report. Includes low-income programs.
Virginia	2009	N/A	2.2	CEE expenditures data (CEE 2010). Includes low-income programs.
	2010	N/A	6.2	CEE budget data (CEE 2010). Includes low-income programs.
Washington	2005	4.0	5.9	From Washington Utilities and Transportation Commission (WUTC). Includes low-income programs.
	2006	3.4	9.2	From WUTC. Includes low-income programs.
	2007	3.9	11.5	From WUTC. Includes low-income programs.
	2008	5.3	18.9	From WUTC. Includes low-income programs.
	2009	5.3	18.9	Data not available for 2009. Used 2008 WUTC data as an estimate. Includes low-income programs.
	2010	N/A	N/A	

State	Year	Energy Savings[58] (million Therms)	Expenditures/ Budget (million $)	Notes[59]
Wisconsin	2005	9.3	10.6	From the Public Service Commission of Wisconsin (PSCW). Focus on Energy programs only. Does not include low-income programs.[75]
	2006	11.3	11.0	From PSCW. Focus on Energy programs only. Does not include low-income programs.
	2007	14.8	10.0	From PSCW. Focus on Energy programs only. Does not include low-income programs.
	2008	20.9	18.2	From PSCW. Focus on Energy programs only. Does not include low-income programs.
	2009	N/A	35.3	CEE expenditures data (CEE 2010). Does not include low-income programs.
	2010	N/A	31.4	CEE budget data (CEE 2010). Does not include low-income programs.
Wyoming	2009	N/A	.41	From Wyoming Public Service Commission. Includes low-income programs.
	2010	N/A	.40	CEE budget data (CEE 2010). No low-income programs indicated for 2010.

[75] Expenditures for voluntary utility programs in Wisconsin are not included. These dollars are estimates for Focus on Energy based on past utility allocations between electric and natural gas expenditures. The Focus on Energy program does not budget or track expenditures by fuel.

Table C-3. Low-Income Utility-Sector Natural Gas Energy Efficiency Programs
Annual Energy Savings and Expenditures/Budget Data[76]

State	Year	Energy Savings (million Therms)	Expenditures /Budget (million $)	Notes[77]
Arizona	2008	.01	.58	From the Arizona Corporation Commission.
	2009	.01	.76	From the Arizona Corporation Commission.
	2010	N/A	0.5	CEE budget data (CEE 2010).
Arkansas	2008	N/A[78]	0.3	CEE expenditures data (CEE 2010).
	2009	N/A	N/A	
	2010	N/A	N/A	
California	2005	2.3	N/A	From California Energy Commission (CEC). Evaluations are filed at http://calmac.org.
	2006	2.6	40.5	Energy savings from CEC. Budget from CEE 2006 budget data (CEE 2007).
	2007	2.2	64.4	Energy savings from CEC. Budget from CEE 2007 budget data (CEE 2008).
	2008	N/A	72.1	CEE expenditures data (CEE 2010).
	2009	N/A	104.3	CEE expenditures data (CEE 2010).
	2010	N/A	151.4	CEE budget data (CEE 2010).
Colorado	2005	.59	N/A	From the Colorado Public Utilities Commission's 2005 DSM Monitoring and Evaluation Report.
	2006	.33	2.6	Energy savings from the Colorado Public Utilities Commission's 2006 DSM Monitoring and Evaluation Report. CEE budget data (CEE 2007).
	2007	N/A	2.6	CEE budget data (CEE 2008).
	2008	N/A	2.4	CEE expenditures data (CEE 2010). Partial data.
	2009	1.1	3.2	From the Colorado Public Utilities Commission.
	2010	N/A	4.2	CEE budget data (CEE 2010). Partial data.

[76] Low-income spending and energy savings data was not available for Florida or South Dakota. North Dakota did not have rate-payer funded low-income programs during the periods examined.
2006 Consortium for Energy Efficiency (CEE) data taken from U.S. Energy-Efficiency Programs A $2.6 Billion Industry, 2006 Report. 2007. Consortium for Energy Efficiency, Boston, MA. www.cee1.org.
2007 CEE data taken from 2007 Annual Industry Report. 2008. Consortium for Energy Efficiency, Boston, MA. www.cee1.org.
2008 and 2009 CEE data taken from CEE, M., Eldridge, R., and J. Krouk. 2010. "The State of the Efficiency Program Industry: Budgets, Expenditures, and Impacts 2009." March. Boston MA: Consortium for Energy Efficiency. Retrieved from http://www.cee1.org/eepe/2009AIR.php3.
[77] "Partial data" indicates that one or more respondents in the state did not grant CEE permission to release gas data at the state level.
[78] N/A = not available.

State	Year	Energy Savings (million Therms)	Expenditures /Budget (million $)	Notes[77]
Connecticut	2006	.13	1.0	From the Connecticut Energy Conservation and Management Board (ECMB) Web site http://www.ctsavesenergy.org/ecmb/. 2006 energy savings from 2006 Annual Legislative Report (ECMB 2007). 2006 Expenditures from 2006 Preliminary Legislative Gas Report (ECMB 2007).
	2007	.26	1.3	From 2007 Annual Legislative Report (ECMB 2008)
	2008	.26	1.6	From 2008 Annual Legislative Report (ECMB 2009)
	2009	.82	3.0	From 2009 Annual Legislative Report (ECMB 2010)
	2010	.58	2.8	From 2010 Annual Legislative Report (Energy Efficiency Board 2011).
District of Columbia	2008	N/A	2.1	From the DCPSC—budget data
	2009	N/A	3.0	From the DCPSC—budget data
	2010	N/A	3.0	From the DCPSC—budget data
Florida	2005	N/A	N/A	
	2006	N/A	N/A	
	2007	N/A	N/A	
	2008	N/A	N/A	
	2009	N/A	N/A	
	2010	N/A	N/A	
Georgia	2006	N/A	1.0	From GPSC.
	2007	N/A	1.0	From GPSC.
	2008	N/A	1.0	From GPSC.
	2009	N/A	1.0	From GPSC.
	2010	N/A	1.0	From GPSC.
Idaho	2006	N/A	0.1	CEE budget data (CEE 2007).
	2007	N/A	0.1	CEE budget data (CEE 2008).
	2008	.01	0.1	Energy savings from Idaho Public Utilities Commission. Expenditures from CEE expenditures data (CEE 2010).
	2009	N/A	0.1	CEE expenditures data (CEE 2010). Partial data.
	2010	N/A	0.3	CEE budget data (CEE 2010). Partial data.
Illinois	2008	N/A	0.1	CEE expenditures data (CEE 2010). Partial data.
	2009	N/A	0.9	CEE expenditures data (CEE 2010). Partial data.
	2010	N/A	1.7	CEE budget data (CEE 2010). Partial data.

State	Year	Energy Savings (million Therms)	Expenditures /Budget (million $)	Notes[77]
Indiana	2007	N/A	0.9	From the Indiana Utility Regulatory Commission (IURC), savings for low-income programs not available
	2008	N/A	0.7	From IURC
	2009	N/A	0.5	From IURC
	2010	N/A	1.3	CEE budget data (CEE 2010).
Iowa	2005	.37	N/A	From Iowa Utilities Board (IUB).
	2006	.62	4.6	From IUB
	2007	.32	4.7	Energy savings from IUB. Budget from CEE budget data (CEE 2008).
	2008	N/A	4.3	CEE expenditures data (CEE 2010).
	2009	N/A	4.9	CEE expenditures data (CEE 2010).
	2010	N/A	4.9	CEE budget data (CEE 2010).
Kentucky	2005	N/A	0.7	From Kentucky Public Service Commission (KPSC).
	2006	N/A	0.8	From KPSC
	2007	N/A	0.8	From KPSC. 2007 total is the budgeted amount rather than actual expenses.
	2008	N/A	0.8	From KPSC. 2008 total is the budgeted amount rather than the actual expenses.
	2009	N/A	0.3	CEE expenditures data (CEE 2010). Partial data.
	2010	N/A	0.7	CEE budget data (CEE 2010). Partial data.
Maine	2005	.00[79]	N/A	From Maine Public Utilities Commission (MPUC).
	2006	0[80]	N/A	From MPUC.
	2007	.05[81]	N/A	From MPUC.
	2008	N/A	N/A	
	2009	N/A	N/A	
	2010	N/A	0.0	CEE budget data (CEE 2010).
Maryland	2006	N/A	0.8	From Maryland Public Service Commission (MPSC).
	2007	N/A	0.8	From MPSC
	2008	N/A	0.9	From MPSC
	2009	N/A	0.6	CEE expenditures data (CEE 2010).
	2010	N/A	0.7	CEE budget data (CEE 2010).

[79] Lifetime therms.
[80] Lifetime therms.
[81] Lifetime therms.

State	Year	Energy Savings (million Therms)	Expenditures /Budget (million $)	Notes[77]
Massachusetts	2005	.65	N/A	From Massachusetts Executive Office of Energy and Environmental Affairs (EEA), Department of Energy Resources (DOER). Totals are estimated. Final reports have not been filed.
	2006	.65	5.7	Energy savings from EEA. Budget from CEE 2006 budget data (CEE 2007).
	2007	.65	6.7	Energy savings from EEA. Budget from CEE 2007 budget data (CEE 2008).
	2008	.65	5.2	Energy savings from EEA. CEE expenditures data (CEE 2010).
	2009	N/A	7.0	CEE expenditures data (CEE 2010).
	2010	N/A	15.8	CEE budget data (CEE 2010).
Michigan	2005	N/A	N/A	Cannot determine amount of low-income funding from LIEEF report.
	2006	N/A	N/A	Cannot determine amount of low-income funding from LIEEF report.
	2007	N/A	N/A	Cannot determine amount of low-income funding from LIEEF report.
	2008	N/A	N/A	Cannot determine amount of low-income funding from LIEEF report.
	2009	N/A	N/A	Cannot determine amount of low-income funding from LIEEF report or utilities' Energy Optimization plans.
	2010	N/A	8.7	CEE budget data (CEE 2010). Partial data.
Minnesota	2005	2.4	3.5	From Minnesota Public Utilities Commission (MPUC).
	2006	.71	3.2	From MPUC
	2007	.75	3.3	From MPUC
	2008	N/A	2.8	CEE expenditures data (CEE 2010). Partial data.
	2009	N/A	3.3	CEE expenditures data (CEE 2010).
	2010	N/A	3.3	CEE budget data (CEE 2010).
Missouri	2008	N/A	0.1	CEE expenditures data (CEE 2010). Partial data.
	2009	N/A	1.8	CEE expenditures data (CEE 2010).
	2010	N/A	1.8	CEE budget data (CEE 2010).

State	Year	Energy Savings (million Therms)	Expenditures /Budget (million $)	Notes[77]
Montana	2005	.25	0.585	From Montana Public Service Commission (MPSC). Reports are available at http://psc.mt.gov/eDocs/.
	2006	.29	0.610	From MPSC
	2007	.23	0.585	From MPSC
	2008	N/A	N/A	
	2009	N/A	N/A	
	2010	N/A	N/A	
Nevada	2006	N/A	0.4	CEE budget data (CEE 2007).
	2007	N/A	0.2	CEE budget data (CEE 2008).
	2008	N/A	0.2	CEE expenditures data (CEE 2010).
	2009	N/A	0.2	CEE expenditures data (CEE 2010).
	2010	N/A	0.4	CEE budget data (CEE 2010).
New Hampshire	2005	1.7[82]	0.2	From New Hampshire Public Utilities Commission (NHPUC).
	2006	1.3[83]	0.4	From NHPUC
	2007	1.1[84]	0.4	From NHPUC reports. Reports are available at http://puc.state.nh.us/Gas-Steam/energyefficiencyprograms.htm
	2008	1.6[85]	0.5	From NHPUC reports.
	2009	1.6[86]	0.5	From NHPUC reports.
	2010	N/A	0.7	CEE budget data (CEE 2010).
New Jersey[87]	2005	.49	4.7	From Applied Energy Group (AEG). Reports are available at http://njcleanenergy.com/main/public-reports-and-library/annual-reports/nj-clean-energy-program-annual-reports.
	2006	.43	5.5	From AEG
	2007	.48	7.9	From AEG
	2008	.74	6.2	From AEG
	2009	N/A	N/A	
	2010	N/A	N/A	
New Mexico	2006	1.3[88]	.62	From New Mexico Public Regulatory Commission.
	2007	N/A	.80	CEE budget data (CEE 2008).
	2008	2.6[89]	.87	From New Mexico Public Regulatory Commission.

[82] Lifetime therms.
[83] Lifetime therms.
[84] Lifetime therms.
[85] Lifetime therms.
[86] Lifetime therms.
[87] The New Jersey Clean Energy Reports include energy efficiency expenditures for electric and gas programs combined. ACEEE prorated total expenditures to calculate estimated natural gas program expenditures by using a ratio of natural gas spending to total spending that was available from 2006
[88] Lifetime therms.
[89] Lifetime therms.

State	Year	Energy Savings (million Therms)	Expenditures /Budget (million $)	Notes[77]
	2009	N/A	1.2	CEE expenditures data (CEE 2010).
	2010	N/A	1.3	CEE budget data (CEE 2010).
New York	2007	N/A	4.4	CEE budget data (CEE 2008).
	2008	N/A	16.2	CEE expenditures data (CEE 2010). Partial data.
	2009	N/A	28.6	CEE expenditures data (CEE 2010). Partial data.
	2010	N/A	3.5	CEE budget data (CEE 2010). Partial data.
North Carolina	2006	N/A	0.3	From North Carolina Utilities Commission (NCUC) Public Staff, Natural Gas Division.
	2007	.01	0.1	From NCUC
	2008	N/A	0.5	CEE expenditures data (CEE 2010).
	2009	N/A	0.2	CEE expenditures data (CEE 2010).
	2010	N/A	0.2	CEE budget data (CEE 2010).
Ohio	2008	N/A	12.2	CEE expenditures data (CEE 2010).
	2009	N/A	3.2	CEE expenditures data (CEE 2010). Partial data.
	2010	N/A	5.1	CEE budget data (CEE 2010). Partial data.
Oregon	2005	N/A	0.7	From Oregon Public Utility Commission (OPUC).
	2006	N/A	0.7	From OPUC
	2007	.64	0.9	From OPUC
	2008	.15	2.0	From OPUC
	2009	N/A	1.5	CEE expenditures data (CEE 2010).
	2010	N/A	2.3	CEE budget data (CEE 2010).
Pennsylvania	2005	N/A	7.8	From Pennsylvania Public Utility Commission (PA PUC). Reports available at http://www.puc.state.pa.us/General/publications_reports/pdf/EDC_NGDC_UniServ_Rpt2007.pdf.
	2006	N/A	7.6	From PA PUC
	2007	N/A	7.5	From PA PUC
	2008	N/A	5.1	CEE expenditures data (CEE 2010). Partial data.
	2009	N/A	8.6	CEE expenditures data (CEE 2010). Partial data.
	2010	N/A	10.3	CEE budget data (CEE 2010). Partial data.
Rhode Island	7/07-12/08	N/A	1.4	From Rhode Island Public Utilities Commission. Budget data. Reports available at http://www.ripuc.org/.

State	Year	Energy Savings (million Therms)	Expenditures /Budget (million $)	Notes[77]
	2009	N/A	1.3	From 2009 DSM Year-End Report for The Narragansett Electric Company d/b/a National Grid, June 1, 2010.
	2010	N/A	0.4	From the Narragansett Electric Company, d/b/a National Grid Revised Energy Efficiency Program Plan for 2010, Docket 4116, http://www.ripuc.org/eventsactions/docket/4116-NGrid-AmendedEEPP(2-8-10).pdf
Texas	2008	N/A	2.0	From Railroad Commission of Texas. Budget.
	2009	N/A	2.0	From Railroad Commission of Texas. Budget.
	2010	N/A	.65	From Railroad Commission of Texas. Expenditures.
Utah	2005	N/A	0.25	From Questar.
	2006	N/A	0.25	From Questar
	2007	N/A	0.50	From Questar
	2008	N/A	0.50	From Questar
	2009	N/A	0.50	CEE expenditures data (CEE 2010).
	2010	N/A	0.50	CEE budget data (CEE 2010).
Vermont	2005	N/A	N/A	
`	2006	N/A	N/A	
	2007	N/A	N/A	
	2008	N/A	N/A	
	2009	N/A	N/A	
	2010	N/A	N/A	
Virginia	2009	N/A	0.20	CEE expenditures data (CEE 2010).
	2010	N/A	0.40	CEE budget data (CEE 2010).
Washington	2006	N/A	N/A	
	2007	N/A	N/A	
	2008	N/A	N/A	
	2009	N/A	N/A	
	2010	N/A	N/A	
Wisconsin	2006	N/A	30.4	CEE budget data (CEE 2007).
	2007	N/A	34.3	CEE budget data (CEE 2008).
	2008	N/A	24.4	CEE expenditures data (CEE 2010).
	2009	N/A	36.2	CEE expenditures data (CEE 2010).
	2010	N/A	33.4	CEE budget data (CEE 2010).
Wyoming	2009	N/A	.05	From Wyoming Public Service Commission.

State	Year	Energy Savings (million Therms)	Expenditures /Budget (million $)	Notes[77]
	2010	N/A	N/A	CEE budget data (CEE 2010).
CEE Additional Gas 2010 Budgets[90]	2010		26.5	CEE budget data (CEE 2010).

Table C-4. 2009 Natural Gas Program Budgets by State

State	2009 Program Budgets (Million $)	Budgets Relative to Residential Customers ($ per customer)	Ranking	Score
Utah	$47.4	$59.6	1	3.0
Vermont	$1.8	$50.1	2	3.0
Iowa	$34.8	$39.9	3	3.0
Wisconsin	$61.3	$37.2	4	3.0
California	$378.4	$36.0	5	3.0
New Jersey	$93.1	$35.8	6	3.0
Rhode Island	$7.6	$33.9	7	2.5
Oregon	$20.8	$30.8	8	2.5
New Hampshire	$3.0	$30.7	9	2.5
Massachusetts	$38.0	$27.3	10	2.0
Maine	$0.4	$22.6	11	2.0
District of Columbia	$3.1	$21.7	12	2.0
Connecticut	$9.4	$19.3	13	1.5
Washington	$18.9	$18.0	14	1.5
Minnesota	$22.3	$15.8	15	1.5
Florida	$7.2	$10.6	16	1.0
New York	$42.9	$10.0	17	1.0
Michigan	$30.8	$9.7	18	1.0
Indiana	$14.4	$8.6	19	1.0
Colorado	$13.3	$8.3	20	1.0
Ohio	$25.5	$7.8	21	1.0
South Dakota	$0.8	$4.9	22	0.5
Idaho	$1.6	$4.8	23	0.5
Arizona	$4.0	$3.5	24	0.5
Pennsylvania	$8.7	$3.3	25	0.5
Wyoming	$0.5	$3.3	26	0.5
Kentucky	$2.4	$3.2	27	0.5
New Mexico	$1.7	$3.1	28	0.5
Arkansas	$1.2	$2.2	29	0.5
North Carolina	$1.3	$1.2	30	0.5
Missouri	$1.6	$1.2	31	0.5
Illinois	$4.1	$1.1	32	0.5
Nevada	$0.7	$0.9	33	0.0
North Dakota	$0.1	$0.8	34	0.0

[90] Total of gas budgets from respondents that did not grant CEE permission to release their data at the state level in 2010.

State	2009 Program Budgets (Million $)	Budgets Relative to Residential Customers ($ per customer)	Ranking	Score
Texas	$3.2	$0.8	35	0.0
Montana	$0.1	$0.4	36	0.0
Maryland	$0.1	$0.1	37	0.0
Alabama	$0.0	$0.0	38	0.0
Alaska	$0.0	$0.0	38	0.0
Delaware	$0.0	$0.0	38	0.0
Georgia	$0.0	$0.0	38	0.0
Hawaii	$0.0	$0.0	38	0.0
Kansas	$0.0	$0.0	38	0.0
Louisiana	$0.0	$0.0	38	0.0
Mississippi	$0.0	$0.0	38	0.0
Nebraska	$0.0	$0.0	38	0.0
Oklahoma	$0.0	$0.0	38	0.0
South Carolina	$0.0	$0.0	38	0.0
Tennessee	$0.0	$0.0	38	0.0
Virginia	$0.0	$0.0	38	0.0
West Virginia	$0.0	$0.0	38	0.0
U.S. Total	$907	$13.9		

Table C-5. 2010 Natural Gas Program Budgets by State

Rank	State	2010 Program Budgets (Million $)[1]	Budgets Relative to Residential Customers ($ per customer)	Score
1	New Hampshire[2]	$6.2	$64.0	3.0
2	Massachusetts[3]	$83.8	$61.2	3.0
3	Vermont	$2.1	$56.4	3.0
4	Iowa	$40.5	$46.2	3.0
5	Utah	$36.1	$44.5	3.0
6	Wisconsin	$64.8	$39.1	3.0
7	Oregon[4]	$22.8	$33.7	2.5
8	California	$338.8	$32.2	2.5
9	New Jersey[5]	$83.0	$31.5	2.5
10	Minnesota	$40.1	$28.2	2.5
11	Connecticut	$11.5	$23.5	2.0
12	Rhode Island[6]	$4.8	$21.3	2.5
13	Maine	$0.4	$19.2	1.5
14	Colorado	$18.4	$11.3	1.0
15	New York[7]	$48.0	$11.1	1.0
16	District of Columbia	$1.5	$10.5	1.0
17	Florida	$6.5	$9.6	1.0
18	Indiana	$14.5	$8.7	1.0

Rank	State	2010 Program Budgets (Million $)[1]	Budgets Relative to Residential Customers ($ per customer)	Score
19	Washington	$9.1	$8.6	1.0
20	South Dakota[8]	$1.4	$8.3	1.0
21	Delaware[9]	$1.2	$8.1	1.0
22	Michigan[10]	$25.0	$7.9	1.0
23	Arkansas	$4.2	$7.5	1.0
24	Idaho	$2.1	$6.1	0.5
25	Virginia	$6.2	$5.5	0.5
26	Missouri[11]	$7.1	$5.3	0.5
27	Kentucky[12]	$3.8	$5.1	0.5
28	Pennsylvania	$12.9	$4.9	0.5
29	New Mexico	$2.6	$4.6	0.5
30	Illinois	$17.3	$4.5	0.5
31	Nevada	$3.4	$4.5	0.5
32	Ohio	$11.0	$3.4	0.5
33	Maryland	$3.4	$3.2	0.5
34	Wyoming	$0.4	$2.6	0.5
35	Arizona	$2.6	$2.3	0.5
36	North Carolina	$1.3	$1.2	0.5
37	North Dakota	$0.1	$0.8	0.0
38	Georgia	$1.0	$0.6	0.0
39	Montana	$0.1	$0.4	0.0
40	Texas	$1.6	$0.4	0.0
40	Alabama	$0.0	$0.0	0.0
40	Alaska	$0.0	$0.0	0.0
40	Hawaii[13]	$0.0	$0.0	0.0
40	Kansas	$0.0	$0.0	0.0
40	Louisiana	$0.0	$0.0	0.0
40	Mississippi	$0.0	$0.0	0.0
40	Nebraska	$0.0	$0.0	0.0
40	Oklahoma	$0.0	$0.0	0.0
40	South Carolina	$0.0	$0.0	0.0
40	Tennessee	$0.0	$0.0	0.0
40	West Virginia	$0.0	$0.0	0.0
	U.S. Total	**$941.6**	**$14.4**	

[1]Data are based on CEE (2010) unless otherwise noted; [2] NH PUC (2011); AEG (2011) [3] MA DOER (2011); [4] ETO (2011); [5]AEG 2011b; [6]RI PUC (2010c); [7]New York data based on CEE and NYSERDA (2011), [8] SD PUC (2011); [9]Delaware's Sustainable Energy Utility administers energy efficiency programs using RGGI funding and some state funding and had a budget of about $4.78 million in 2010. The budget is broken down to 75% for electricity programs and 25% to natural gas programs (DNREC 2011). [10] MI PSC (2010) [11] MO PSC (2011); [12] KY PSC (2011); [13] Hawaii does not have any natural gas providers.

APPENDIX D: NATURAL GAS ENERGY EFFICIENCY PROGRAM PROFILES

In this appendix, we provide statewide profiles of the ratepayer-funded natural gas energy efficiency programs. For each state, we depict the structure, expenditures/budget and energy savings of the programs and, if available, where to find additional information on natural gas energy efficiency data in the state. In the results sections, we primarily present the data supplied by our state contacts. Otherwise, we note when we use data from CEE or figures that we calculated based on data provided by our contacts or CEE. For consistency, we converted all energy savings to Therms.

Arizona

Summary

Arizona's ratepayer-funded natural gas energy efficiency programs are mandated by regulatory authority. Arizona utilities have natural gas programs for residential, low-income, commercial and industrial customers. In August 2010, the Arizona Corporation Commission approved natural gas energy efficiency rules requiring the utilities to achieve annual energy savings of at least 6 percent by 2020.

Structure

Arizona's utilities have natural gas energy efficiency programs for all customer sectors. The natural gas programs are required by Arizona Corporation Commission (ACC) Decision Nos. 71289 (10/7/09) and 70180 (2/27/08).

The utilities and, for low-income programs, the community action agencies administer the natural gas efficiency programs. The utilities, the community action agencies and implementation contractors implement the programs. The programs are funded through a "Demand-side management (DSM) adjustor mechanism". Utilities recover their DSM costs through surcharges, usually based on projected spending. Over- or under-collections are trued up at resets. Resets are done annually and require approval by the Commission.

In August 2010, Docket No. RG-00000B-09-0428, Decision No. 71855, the ACC approved rules to increase the use of energy efficiency programs. Natural gas utilities are required to achieve annual energy savings of at least 6 percent by 2020. The companies will be able to use both DSM and renewable energy resource technology (RET) programs to reach this goal. The ACC's Hearing Division will hold an oral proceeding to receive public comment on the Notice of Proposed Rulemaking in October.

The proposed rules indicate that the Commission will review and address financial or other disincentives, recovery of fixed costs, and recovery of net lost income revenue, including, but not limited to, implementation of a revenue decoupling mechanism if an affected utility requests such review in its rate case and provides adequate documentation supporting its request in its rate application.

Results

Arizona's utility investments in natural gas energy efficiency have been moderate to date but will increase in the future with the passage of the new rules requiring annual energy savings of at least 6 percent by 2020.

Table D-1. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year[91]	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs[92]	Res and C/I Programs[93]	Total[94]
2005	N/A[95]	N/A	N/A	N/A
2006	N/A	N/A	N/A	N/A
2007	N/A	N/A	N/A	N/A
2008	4.1[96]	0.58	0.62	1.2
2009	4.0[97]	0.76	1.04	1.8
2010	2.6[98]	N/A	N/A	N/A

Further Information

Data on Arizona's utility-sector natural gas energy efficiency programs can be found at edocket.azcc.gov. Docket Nos. G-01551A-93-0272 and G-04204A-05-0831. Select Search, then Docket Number Search, then bring up compliance items, including DSM reports.

Table D-2. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year[99]	Energy Savings			Units
	Low-Income Programs[100]	Res and C/I Programs[101]	Total[102]	
2005	N/A[103]	N/A	N/A	
2006	N/A	N/A	N/A	
2007	N/A	N/A	N/A	
2008	9,600	141,400	151,000	Therms
2009	11,500	234,500	246,000	Therms
2010	N/A	N/A	N/A	

Arkansas

Summary

Arkansas' natural gas energy efficiency programs are relatively new and are administered by utilities and their contractors. While funding data is available for 2008, energy savings data are not available at this time. The programs are funded by tariff riders. Natural gas utilities can also recover their lost revenue.

Structure

Arkansas has residential, commercial and industrial natural gas energy efficiency programs, but no low-income programs. While no legislation requires natural gas energy efficiency programs to

[91] There were programs before 2005, but due to time constraints, data was only provided for 2008 and 2009.
[92] From the Arizona Corporation Commission Staff.
[93] These figures were calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[94] From the Arizona Corporation Commission Staff.
[95] N/A = Not Available.
[96] From the Arizona Corporation Commission Staff.
[97] From the Arizona Corporation Commission Staff.
[98] CEE budget data.
[99] There were programs before 2005, but due to time constraints, data was only provided for 2008 and 2009.
[100] From the Arizona Corporation Commission Staff.
[101] These figures were calculated ("Total" Energy Savings—"Low-Income Programs" Energy Savings).
[102] From the Arizona Corporation Commission Staff.
[103] N/A = Not Available.

exist in the state, the Energy Conservation Endorsement Act of 1977, cited on ACEEE's state policies Web site, stated that "[i]t shall be considered a proper and essential function of public utilities regulated by the Arkansas Public Service Commission to engage in energy conservation programs, projects and practices which conserve, as well as distribute, electrical energy and supplies of natural gas, oil, and other fuels." This act gave the Arkansas Public Service Commission the option of directing utilities to provide energy efficiency to their customers. In 2006, the commission pursued this opportunity by creating a docket that resulted in a requirement for investor-owned utilities to develop energy efficiency programs.

These programs are funded by tariff riders. Each utility administers and implements its own programs. Utilities also hire contractors to carry out program activities. For example, the Arkansas Weatherization Program is operated by the Arkansas Weatherization Network. The Commercial-Industrial Natural Gas Energy Audit Program is being implemented by CLEAResult, an engineering firm.

Gas utilities can currently recover lost revenue through a tariff. This tariff compensates for revenue losses from a variety of sources, not just energy efficiency. Electric utilities do not have this type of tariff in place.

Results

Our contact in Arkansas reported modest spending on natural gas energy efficiency in 2008. No energy savings data are available at this time.

Table D-3. State Utility-Sector Expenditures on Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005				
2006				
2007				
2008	1.3[104]	0.3[105]	0.531[106]	0.831[107]
2009	1.2[108]	0.0[109]	1.0[110]	1.0[111]
2010	4.2[112]	N/A[113]	N/A	N/A

[104] From Arkansas Public Service Commission Staff.
[105] CEE expenditure data.
[106] From Arkansas Public Service Commission Staff.
[107] This figure was calculated ("Low-Income Programs" Actual Expenditures + "Res and C/I Programs" Actual Expenditures).
[108] CEE budget data.
[109] CEE expenditure data.
[110] CEE expenditure data.
[111] CEE expenditure data.
[112] CEE budget data.
[113] N/A = Not Available.

Table D-4. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005				
2006				
2007				
2008	N/A[114]	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

The Arkansas Public Service Commission has a Web site that provides reports on natural gas energy efficiency; the address is http://www.apscservices.info/. The commission's program-related dockets include 07-077-TF, 07-078-TF, 07-079-TF, 07-081-TF, 07-083-TF and 07-084-TF. Annual report information can be found in dockets 08-057-RP, 08-058-RP and 08-059-RP.

California

Summary

Three gas-serving investor-owned utilities administer natural gas energy efficiency programs in California: Pacific Gas & Electric (PG&E), Southern California Gas Company (SCG—Sempra), and San Diego Gas & Electric Company (SDGE—Sempra). These programs are required by both regulatory orders and state legislation.

Structure

California utilities offer natural gas energy efficiency programs to residential, low-income, commercial and industrial customers. Energy efficiency is required by both orders and legislation. Initially, AB 1890 (1996), CA's electric deregulation legislation, adopted the Public Goods (or Benefits) Charge (PGC) for mandated energy efficiency by investor-owned utilities (IOUs) and publicly-owned utilities (POUs). AB 1002 in 1999 extended the PGC to gas. The California Public Utilities Commission (CPUC) regulates the funding of and policies for the IOUs' efficiency programs. Every three years the CPUC begins a new efficiency program cycle in which they approve specific program offerings for all customer sectors (the current cycle is 2009-2011). The two policy documents that provide guidance for the 2009-2011 program cycle are the CPUC's D. 07-10-032 and the related California Energy Efficiency Strategic Plan (D. 08-09-40). (CPUC sets numerical goals at the utility level only; IOUs set their own customer sector goals. But to be approved and funded, specific IOU program proposals for each customer sector must be aligned with the CPUC's policies.)

Programs are funded from both the PGC and procurement resources (both embedded in rates) and are administered by the three gas-serving investor-owned utilities: PG&E, SCG and SDGE. The IOU programs are delivered by third parties (contractors), local governments, and quasi-governmental agencies (such as educational institutions and regional energy groups).

California IOUs have a shareholder risk/reward incentive mechanism (RRIM) in place which is administered by the CA Public Utilities Commission (CPUC). IOUs' savings verification procedures are set by the CPUC. If utilities produce verified savings beyond a set threshold, their minimum performance standard (MPS), they receive financial incentives. Utilities may also

[114] N/A = Not Available.

receive bonuses for exceeding the MPS and penalties for falling short of it. The most current RRIM is outlined in CPUC's decision, D.07-09-43 (2007).

In California, natural gas efficiency sales and revenue are decoupled.

Results

California utilities offer natural gas energy efficiency programs to residential, low-income, commercial and industrial customers. The majority of the savings come from the industrial programs.

Table D-5. State Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)[115]	Actual Expenditures (million $)		
	Total	Low-Income Programs[116]	Res and C/I Programs[117]	Total[118]
2005	N/A[119]	N/A	N/A	N/A
2006	94.1	N/A	N/A	N/A
2007	182.5	N/A	N/A	N/A
2008	N/A	72.1	147.9	220.0
2009	378.4	104.3	124.0	228.3
2010	338.8	N/A	N/A	N/A

Table D-6. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs[120]	Res and C/I Programs[121]	Total[122]	
2005	2,290,000	44,710,000	47,000,000	Therms
2006	2,568,000	22,032,000	24,600,000	Therms
2007	2,167,000	59,033,000	61,200,000	Therms
2008	N/A[123]	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

The most recent annual reports from savings and program descriptions from IOUs are from 2006. This is available at http://eega2006.cpuc.ca.gov/. Evaluations of the California energy efficiency programs can be found at http://calmac.org.

[115] CEE budget data.
[116] CEE expenditures data.
[117] CEE expenditures data.
[118] CEE expenditures data.
[119] N/A = Not Available.
[120] From the California Energy Commission Staff.
[121] This figure was calculated ("Total" Energy Savings—"Low-Income Programs" Energy Savings).
[122] From the California Energy Commission Staff.
[123] N/A = Not Available.

Colorado

Summary

Colorado's utility sector natural gas energy efficiency programs are required by both legislation and regulatory authority. The utilities offer programs to their residential, low-income and commercial natural gas customers.

Structure

Colorado's utilities have natural gas energy efficiency programs for their residential, low-income and commercial customer sectors. The natural gas programs are required by both legislation (HB 07-1037) and regulatory authority (Commission Rule 4750).

The natural gas utilities administer the programs. The utilities and third party contractors implement the programs. The programs are funded through "Gas Demand-Side Management Cost Adjustment" (G-DSMCA), a rate adjustment mechanism designed to compensate a utility for its DSM program costs. The G-DSMCA allows for prospective recovery of prudently incurred costs of DSM programs within the DSM program expenditure target approved by the Commission. The utility may recover its DSM program expenditures either through expensing or by adding DSM program expenditures to base rates as a part of, or outside of, a rate case, with an amortization period as set forth in rule 4756. Separate G-DSMCAs are calculated for residential and nonresidential customers.

Utilities may file an application for bonus, or incentive, for the cost-effective implementation of the natural gas efficiency programs. The amount of bonus earned correlates with a utility's performance relative to its approved savings target (dekatherms saved per dollar expended) and the annual units of energy saved.

Colorado does not have lost revenue or decoupling mechanisms for the natural gas energy efficiency programs.

Results

Prior to 2009, the ratepayer-funded natural gas energy efficiency programs in Colorado were low-income programs. In 2009, the programs were expanded to include nonlow-income residential and commercial customers. The monetary investment in the programs increased in 2009.

Table D-7. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005	N/A[124]	N/A	0	N/A
2006	2.6[125]	N/A	0	N/A
2007	2.6[126]	N/A	0	N/A
2008[127]	N/A	2.4	0	2.4
2009[128]	15.0	3.2	9.8[129]	13.0
2010	18.4[130]	N/A	N/A	N/A

[124] N/A = Not Available.
[125] CEE budget data.
[126] CEE budget data.
[127] CEE expenditure data. Partial data.
[128] From Colorado Public Utilities Commission Staff.
[129] This figure was calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).

Table D-8. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005[131]	590,990	0	590,990	Therms
2006[132]	334,330	0	334,330	Therms
2007	N/A[133]	N/A	N/A	
2008	N/A	N/A	N/A	
2009	1,082,680[134]	2,357,890[135]	3,440,570[136]	Therms
2010	N/A	N/A	N/A	

Further Information

There is not a specific Web site with data on Colorado's natural gas energy efficiency programs, however utility dockets are filed on the Colorado Public Utilities Commission Web site at https://www.dora.state.co.us/pls/efi/EFI_Search_UI.search.

Connecticut

Summary

In Connecticut, the natural gas energy efficiency programs are administered by the three natural gas investor-owned utilities: Connecticut Natural Gas Corporation, Southern Connecticut Gas Company and Yankee Gas Services Company. Since 2007, the utilities' natural gas programs have been overseen by Connecticut's Energy Efficiency Board (EEB) (formerly known as the Energy Conservation Management Board) which has had oversight of the electric investor-owned utilities' programs since 1998. The natural gas programs are required by state legislation.

Structure

Connecticut offers natural gas energy efficiency programs to residential, low-income, commercial and industrial customers. The natural gas companies are required to submit energy efficiency program plans to the Connecticut Department of Public Utility Control (DPUC) by PA 05-1 (HB 7501), *An Act Concerning Energy Independence*, June Special Session, passed in July 2005 (http://www.cga.ct.gov/2005/ACT/PA/2005PA-00001-R00HB-07501SS1-PA.htm).

PA 05-1 requires natural gas companies to follow the same procedures as electric companies in developing and evaluating their energy efficiency plans. All programs must be cost-effective. Each company submits its plan to the EEB for review. Once the plan is accepted by the EEB, it is submitted to the DPUC for final approval. Once the plan is approved, the DPUC issues an order which includes the company's detailed plan. The programs are administered by the utilities and implemented by the utilities and contractors.

Funding for programs comes from the natural gas distribution companies' (Connecticut Natural Gas, Southern Connecticut Gas and Yankee Gas) and Connecticut Municipal Electric Energy Cooperative's base rates and from a conservation adjustment mechanism (CAM) on customer's bills. The CAM may be adjusted downward if funds are available from an excess gross receipts tax on the natural gas distribution companies (see: http://www.ctsavesenergy.org/files/

[130] CEE budget data. Partial data.
[131] From the Colorado Public Utilities Commission's 2005 DSM Monitoring and Evaluation Report.
[132] From the Colorado Public Utilities Commission's 2006 DSM Monitoring and Evaluation Report.
[133] N/A = Not Available.
[134] From Colorado Public Utilities Commission Staff.
[135] This figure was calculated ("Total" Energy Savings—"Low-Income Programs" Energy Savings).
[136] From Colorado Public Utilities Commission Staff.

2011%20Gas%20Plan%20Decision%20Final%20101004-010611.doc, p.2). The amount collected by the excess gross receipts tax is not allowed to exceed $10 million.

Incentives are legislated in PA 88-57, Substitute House Bill 5796, *An Act Concerning Conservation and Utility Company Conversion from Oil Heating Systems to Gas or Electric Heating System*. This Act allows a utility to earn return on the rate base for multi-year conservation and load management investments at a rate of at least 1% but no more than 5% higher than a company's authorized return after taxes. The incentive is set annually and is contingent upon a company meeting its savings goals and other targets.

Connecticut utilities have been able to recover lost revenue for many years. PA 07-242, however, requires the DPUC to decouple distribution revenue recovery from sales for each electric and gas company in their next rate proceeding.

Results

Connecticut utilities offer natural gas energy efficiency programs to residential, low-income, commercial and industrial customers.

Table D-9. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)[137]		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005				
2006[138]	N/A[139]	1.0	0.4	1.4
2007	N/A	1.3	1.3	2.6
2008	6.8	1.6	4.3	5.9
2009	N/A	3.0	6.4	9.4
2010	10.8[140]	2.8	9.0	11.8

Table D-10. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs[141]	Res and C/I Programs[142]	Total[143]	
2005				
2006[144]	127,294	40,844	168,138	Therms
2007	260,391	161,914	422,305	Therms
2008	255,144	750,000	1,005,144	Therms
2009	816,337	1,557,120	2,373,457	Therms
2010	575,103	2,075,103	2,650,206	Therms

[137] From ECMB (Energy Conservation and Management Board) Annual Legislative reports.
[138] Natural gas programs began in 2006. In 2006, there were no Commercial/Industrial (C/I) programs.
[139] N/A = Not Available.
[140] CEE budget data.
[141] From ECMB (Energy Conservation and Management Board) Annual Legislative reports.
[142] These figures were calculated ("Total" Energy Savings—"Low-Income Programs" Energy Savings).
[143] From ECMB Annual Legislative reports.
[144] Natural gas programs began in 2006. In 2006, there were no Commercial/Industrial (C/I) programs.

Further Information

The EEB's Web site can be found at http://www.ctsavesenergy.org/ecmb/index.php. This Web site includes a description of the EEB, annual legislative reports, evaluations, DPUC decisions, etc.

District of Columbia

Summary

Washington Gas Light Company (Washington Gas) is budgeted to spend approximately $3 million annually on low-income and residential natural gas energy efficiency and education programs in 2009-2011. There is both a legislative and regulatory mandate for energy efficiency in the District of Columbia. The programs were first offered in January 2008.

Structure

Washington Gas is required to provide low-income natural gas energy efficiency and education programs to its customers. Natural gas energy efficiency programs were originally required by legislation (Omnibus Utility Emergency Amendment Act of 2005 which created the Natural Gas Trust Fund) and the District of Columbia Public Service Commission (DCPSC) Case No 1037, Order 14608, Item 101 issued on Oct 23 2007. In September 2008, the District Council enacted D.C. Law 17-250, the District of Columbia's Clean and Affordable Energy Act of 2008 ("CAEA," D.C. Code §8-1773.01 et seq.). The Clean and Affordable Energy Act affected the budget and administration of the District's natural gas efficiency programs.

Washington Gas began offering its customers natural gas energy efficiency programs in 2008. Historically, the District Department of the Environment's Energy Office (DDOE) has administered the programs. DDOE and energy efficiency program contractors hired by DDOE have implemented the programs. In 2008, the Clean and Affordable Energy Act established authority to contract with a private contractor to act as a Sustainable Energy Utility ("SEU" or "Contractor") to develop, coordinate, and administer sustainable energy programs in the District of Columbia. DDOE issued a Request for Proposals for a Sustainable Energy Utility Contractor in July 2010. Once selected, the SEU will operate under a contract with the DDOE.

The programs are funded by a non-bypassable charge of $0.012/therm, for fiscal year 2010, listed on customers' Washington Gas bills. The District has no utility financial incentive or decoupling mechanisms in place for utility-sector natural gas energy efficiency programs.

Results

Under the Clean and Affordable Energy Act, existing natural gas programs were funded at $3 million annually for fiscal years 2009 through 2011. No actual spending or savings data is available yet.

Table D-11. State Utility Sector Expenditures on Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total[145]	Low-Income Programs	Res and C/I Programs	Total
2005				
2006				
2007				
2008[146]	2.1	N/A[147]	N/A	N/A
2009	3.0	N/A	N/A	N/A
2010	3.0	N/A	N/A	N/A

Table D-12. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005				
2006				
2007				
2008[148]	N/A[149]	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

The DCPSC's e-file Web site has documentation on Case No 1037 (http://www.dcpsc.org/edocket/searchdockets.asp). The programs have not yet been evaluated so energy savings data is not available.

Florida

Summary

Florida has been investing in natural gas energy efficiency for years and has put legislation and regulatory orders in place to support its progress. No energy savings data were available from the Florida Public Service Commission.

Structure

Florida has residential and commercial natural gas energy efficiency programs, but no industrial or low-income programs. These programs are required by both orders and legislation. The relevant legislation is Section 366.81-82, Florida Statutes. The two relevant orders are Public Service Commission Rule 25-17.009 (Florida Administrative Code (F.A.C.), Requirements for Reporting Cost Effectiveness Data for Demand Side Management Programs of Natural Gas) and Rule 25-17.015 (Florida Administrative Code, Energy Conservation Cost Recovery).

The programs are administered by the Florida Public Service Commission and run by the individual utilities. Utilities can petition for cost recovery mechanisms to be put in place; however,

[145] From the DC Public Service Commission Staff.
[146] Natural gas energy efficiency programs began in 2008.
[147] N/A = Not Available.
[148] Natural gas energy efficiency programs began in 2008.
[149] N/A = Not Available.

it is not clear whether they have done so. The Florida legislature and Florida Public Service Commission examined the issue of allowing utilities to recover financial losses through decoupling and found that decoupling would not be necessary because cost recovery clauses were already in place.

Results

Florida has invested $10-$15 million annually in utility-sector natural gas energy efficiency programs. Energy savings data were not available.

Table D-13. State Utility Sector Expenditures on Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005[150]	N/A[151]	N/A	14.9	N/A
2006[152]	N/A	N/A	14.2	N/A
2007[153]	N/A	N/A	14.2	N/A
2008[154]	15.4	N/A	11.5[155]	N/A
2009	7.2[156]	0.0[157]	5.9[158]	5.9[159]
2010	6.5[160]	N/A	N/A	N/A

Table D-14. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005	N/A[161]	N/A	N/A	
2006	N/A	N/A	N/A	
2007	N/A	N/A	N/A	
2008	N/A	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

More information is available at http://www.psc.state.fl.us/dockets. The relevant document is the Florida Energy Efficiency and Conservation Act (FEECA) Report. Also see Docket 090004: Energy Conservation Cost Recovery for Natural Gas. Annual reports are available at http://www.psc.state.fl.us/publications/reports.aspx.

[150] From the Florida Public Service Commission Staff.
[151] N/A = Not Available.
[152] From the Florida Public Service Commission Staff.
[153] From the Florida Public Service Commission Staff.
[154] From the Florida Public Service Commission Staff.
[155] Estimated by the Florida Public Service Commission Staff.
[156] CEE budget data.
[157] CEE expenditure data.
[158] CEE expenditure data.
[159] CEE expenditure data.
[160] CEE budget data.
[161] N/A = Not Available.

Georgia

Summary

Atlanta Gas Light Company's natural gas energy efficiency program was approved in its 2005 rate case. The program was approved for five years and was designed to weatherize homes/repair or replace natural gas appliance for low-income residential customers. Program funding is embedded in rates. The program is administered by Atlanta Gas Light Company and implemented by the company's "partners". The utility cannot earn a performance incentive and there is no lost recovery mechanism.

Structure

Atlanta Gas Light Company's natural gas energy efficiency program was approved in Docket No. 18638, the company's 2005 Rate Case, on June 17, 2005. The program, the Home and Heartwarming Program, was approved for five years (July 2005 through April 2010) and was designed to weatherize homes/repair or replace natural gas appliance for low-income residential customers. The program is administered by Atlanta Gas Light Company. Atlanta Gas Light Company partnered with the Georgia Environmental Facilities Authority (GEFA), Resource Service Ministries, United Way of the Coastal Empire, and Senior Connections to implement the program. Program funding is embedded in rates.

The company cannot earn a performance incentive and there is no lost revenue recovery mechanism.

The Home and Heartwarming Program ended on April 30, 2010 although some of the partners are still spending remaining funds from the previous year. There are no current natural gas energy efficient programs offered by Atlanta Gas Light Company or Atmos Energy Corporation.

Results

Atlanta Gas Light Company was required to budget and spend $1 million a year for five years to work with low-income customers to weatherize their homes and provide equipment repair and replacement. No state funds were expended for this program. The individual per household savings are filed as Trade Secret and cannot be disclosed.

Table D-15. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year[162]

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005				
2006	1.0	1.0	0.0	1.0
2007	1.0	1.0	0.0	1.0
2008	1.0	1.0	0.0	1.0
2009	1.0	1.0	0.0	1.0
2010	1.0	1.0	0.0	1.0

[162] From the Georgia Public Service Commission Staff.

Table D-16. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005				
2006	N/A[163]	N/A	N/A	
2007	N/A	N/A	N/A	
2008	N/A	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

All of Atlanta Gas Light Company's filings for the program are filed under Docket No. 18638 on the Commission's Web site: http://www.psc.state.ga.us/ .

Idaho

Summary

Idaho has a long-standing energy efficiency program for natural gas. It is possible that this program may grow in the near future. However, limited data are available about this state's costs and energy savings. The state's low-income programs are administered separately from its other residential programs.

Structure

Idaho has a history of supporting residential, low-income, commercial and industrial programs. In 1989, Order 22299 required that utilities consider cost-effective energy efficiency measures.

Natural gas energy efficiency programs are funded by base rate adjustments and tariff riders, while low-income weatherization programs are funded by the United States Department of Energy. Avista Utilities administers and implements natural gas demand-side management programs. Low-income programs are administered by the Idaho Department of Health and Welfare. Electric utilities contribute to that fund; gas utilities may also contribute to it. No financial incentive mechanism for energy efficiency exists; rate case adjustments are used to compensate utilities for lost revenue.

A natural gas utility, Intermountain Gas, did not initiate any energy efficiency programs because of concerns about cost-effectiveness. The utility has been ordered by the commission to revisit its research on energy efficiency.

Results

While no data are available on actual expenditures in Idaho between 2005 and 2007, expenditures were twice the budgeted amount in 2008. Low-income energy savings is a small amount of Idaho's yearly total.

[163] N/A = Not Available.

Table D-17. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005	N/A[164]	N/A	N/A	N/A
2006	0.9[165]	N/A	N/A	N/A
2007	1.0[166]	N/A	N/A	N/A
2008	N/A	0.1[167]	2.0[168]	2.1[169]
2009	1.6[170]	0.1[171]	2.3[172]	2.5[173]
2010	2.1[174]	N/A	N/A	N/A

Table D-18. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005	N/A[175]	N/A	N/A	
2006	N/A	N/A	N/A	
2007	N/A	N/A	N/A	
2008[176]	9,708	N/A	610,000	Therms
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

There are no Web sites in Idaho that provide state energy efficiency data on natural gas.

Illinois

Summary

Illinois has a history of moderate utility investment in natural gas energy efficiency programs. In 2009, however, the state passed legislation requiring all natural gas utilities to design and operate cost-effective energy efficiency measures for all classes that meet specific annual energy efficiency standards. The utilities submitted the first round of their Energy Efficiency Portfolio Standard (EEPS) plans to the Commission in October 2010 and have been approved by Commission orders. The programs will begin in June 2011 and are funded through tariff riders.

[164] N/A = Not Available.
[165] CEE budget data.
[166] CEE budget data.
[167] CEE expenditures data.
[168] This figure was calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[169] From Idaho Public Utilities Commission.
[170] CEE budget data. Partial data.
[171] CEE expenditures data. Partial data.
[172] CEE expenditures data. Partial data.
[173] CEE expenditures data. Partial data.
[174] CEE budget data. Partial data.
[175] N/A = Not Available.
[176] From the Idaho Public Utilities Commission Staff.

Structure

Before the legislature passed the Natural Gas Energy Efficiency Portfolio Standard (EEPS), The Peoples Gas Light and Coke Company, North Shore Gas Company and MidAmerican ran natural gas energy efficiency programs pursuant to Illinois Corporation Commission (Commission) orders.

In Docket 06-0540, the Commission approved the merger between The Peoples Gas Light and Coke Company, North Shore Gas Company and WPS Resources Corporation. One of the conditions of the merger was the implementation of energy efficiency programs in the companies' next rate cases. The Commission approved the companies' Energy Efficiency Plan riders in Dockets 07-0241 and 07-0242. In these cases, The Peoples Gas Light and Coke Company and North Shore Gas Company had revenue decoupling through a rate adjustment mechanism.

In October 2007, the Illinois legislature passed SB 215. SB 215 amended the Public Utilities Act (220 ILCS 5/8-408) to allow any electric or gas public utility, with fewer than 200,000 customers in Illinois on January 1, 2007, that offer energy efficiency programs to its customers in a state adjacent to Illinois, to seek the approval of the Commission to offer the same or comparable energy efficiency programs to its customers in Illinois. In response, MidAmerican filed an application with the Commission to offer the same energy efficiency programs to its Illinois customers that it had offered its Iowa customers for many years. In May 2008, in Docket 08-0107, the ICC approved MidAmerican's pilot energy efficiency plan.

Illinois' natural gas EEPS was authorized through Public Act 96-003, 220 ILCS 5/8-104 (Senate Bill 1918). The Act requires natural gas utilities with more than 100,000 customers to implement cost-effective energy efficiency measures that meet at least the following natural gas savings requirements (based upon the total amount of gas delivered to retail customers during calendar year 2009 multiplied by the applicable percentage):

(1) 0.2% by May 31, 2012;

(2) an additional 0.4% by May 31, 2013, increasing total savings to .6%;

(3) an additional 0.6% by May 31, 2014, increasing total savings to 1.2%;

(4) an additional 0.8% by May 31, 2015, increasing total savings to 2.0%;

(5) an additional 1% by May 31, 2016, increasing total savings to 3.0%;

(6) an additional 1.2% by May 31, 2017, increasing total savings to 4.2%;

(7) an additional 1.4% by May 31, 2018, increasing total savings to 5.6%;

(8) an additional 1.5% by May 31, 2019, increasing total savings to 7.1%; and

(9) an additional 1.5% in each 12-month period thereafter.

The utilities were required to file plans by October 2010 and will file every three years. The programs are to serve all rate classes. Very large customers that satisfy specific criteria can be certified as exempt from paying the tariff rider. These "self-directing" customers will pay for their own energy efficiency measures.

The first round of EEPS programs will start June 1, 2011. The natural gas utilities will be responsible for overseeing the design, development, and filing of their efficiency plans with the Commission. Each utility is to utilize 75% of the available funding associated with energy efficiency programs approved by the Commission, and may outsource various aspects of program development and implementation. The remaining 25% of available funding will be used by the Department of Commerce and Economic

Opportunity (DCEO) to implement energy efficiency measures which are to be designed in conjunction with the utility and approved by the Commission.

The utilities are permitted to recover costs of the natural gas energy efficiency measures through an automatic adjustment clause tariff filed with and approved by the Commission. The tariff will be established outside the context of a general rate case.

The utilities cannot earn incentives for meeting or exceeding the energy savings goals but can be penalized for not meeting the goals. If, after 3 years, a gas utility fails to meet the efficiency standard, it must make a contribution to the Low-Income Home Energy Assistance Program.

Results

Historically, only a few Illinois utility have offered natural gas energy efficiency programs to their customers. Expenditures and energy savings will increase in 2011.

Table D-19. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005				
2006				
2007				
2008[177]	N/A[178]	0.1	0.8	0.8
2009[179]	N/A	0.9	5.4	6.3
2010[180]	17.3	N/A	N/A	N/A

Table D-20. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005				
2006				
2007				
2008	N/A[181]	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

To date, the Illinois natural gas utilities have not presented results of their energy efficiency programs in one place. Updates to the Illinois natural gas EEPS can be located on the DCEO Web site at http://www.commerce.state.il.us/dceo/Bureaus/Energy_Recycling/Energy/Energy+Efficiency/#NaturalGas.

[177] CEE expenditure data. Partial data.
[178] N/A = Not Available.
[179] CEE expenditure data. Partial data.
[180] CEE budget data. Partial data.
[181] N /A = Not Available.

Indiana

Summary

Indiana's utility sector natural gas energy efficiency programs are required by the regulatory authority of the Indiana Utility Regulatory Commission (IURC). The utilities offer programs to their residential, low-income and commercial natural gas customers.

Structure

Indiana's utilities have natural gas energy efficiency programs for their residential, low-income and commercial customer sectors. The natural gas programs are required by regulatory authority (Cause Nos. 43046, 43051, and 42767).

A third party, Wisconsin Energy Conservation Corporation (WECC), administers and implements the programs. The natural gas energy efficiency programs are funded through base rates, tariff riders, or a combination of both.

At this time utilities cannot earn a performance incentive for the natural gas efficiency programs. Indiana utilities utilize decoupling mechanisms and/or a tariff rider to recover lost revenue from reduced natural gas sales.

The IURC is evaluating energy efficiency programs for electric utilities in Cause No. 42693, which may lead to unified energy efficiency programs in the future for electric and natural gas utilities.

Results

Indiana utilities spend an average of $9-$10 million annually on ratepayer-funded natural gas energy efficiency programs.

Table D-21. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs[182]	Total
2005				
2006				
2007[183]	5.8	0.9	1.3	2.2
2008[184]	11.7	0.7	10.2	10.9
2009[185]	14.4	0.5	8.7	9.2
2010	14.5[186]	N/A	N/A	N/A

[182] These figures were calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[183] From the Indiana Utility Regulatory Commission Staff.
[184] From the Indiana Utility Regulatory Commission Staff.
[185] From the Indiana Utility Regulatory Commission Staff.
[186] CEE budget data.

Table D-22. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total[187]	
2005				
2006				
2007	N/A[188]	N/A	925,657	Therms
2008	N/A	N/A	3,843,583	Therms
2009	N/A	N/A	2,469,082	Therms
2010	N/A	N/A	N/A	

Further Information

Energy efficiency program data can be found at https://myweb.in.gov/IURC/eds/ by searching under the following Cause Nos. 43051, 43046, and 42767. Included in these cases are annual reports, evaluations, and monthly scorecards.

Iowa

Summary

The four investor-owned utilities in Iowa (Alliant-IPL, MidAmerican Energy Company, Black Hills Energy and Atmos Energy) are required to offer natural gas energy efficiency programs to their customers. The natural gas utilities in Iowa offer residential, low-income, commercial and industrial energy efficiency programs to their customers. Municipal utilities fund and implement natural gas programs on a voluntary basis.

Structure

State legislation requires investor-owned utilities to file cost-effective natural gas energy efficiency plans with the Iowa Utilities Board (Iowa Code Chapter 476.1—http://www.legis.state.ia.us/IACODE/2001/476/1.html, Iowa Code Chapter 476.1B—http://www.legis.state.ia.us/IACODE/2001/476/1B.html, Iowa Code Chapter 476.1C—http://www.legis.state.ia.us/IACODE/2001/476/1C.html and Iowa Code Chapter 476.6(15) and (17)—http://www.legis.state.ia.us/IACODE/2001/476/6.html). The Iowa administrative rules regarding energy efficiency programs are found in IAC 199, Ch. 35—http://www.legis.state.ia.us/aspx/ACODocs/DOCS/5-6-2009.199.35.pdf. The investor-owned utilities' (IOUs') plans must be approved by the Iowa Utilities Board (IUB). Municipal utilities that wish to offer their customers energy efficiency programs are required to file energy efficiency plans with the IUB. Because the IUB does not regulate the rates of municipal utilities, the IUB does not review the municipal plans for approval.

The utilities recover their energy efficiency program costs through tariff riders. The programs are administered by the utilities and delivered by the utilities and, sometimes, by third-party contractors.

The utilities cannot earn a financial incentive or claim lost revenues for the energy efficiency programs.

[187] From the Indiana Utility Regulatory Commission Staff.
[188] N/A = Not Available.

Results

Iowa utilities offer natural gas energy efficiency programs to residential, low-income, commercial and industrial customers.

Table D-23. State Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)[189]		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005[190]	N/A[191]	N/A	N/A	26.9
2006[192]	N/A	4.6	24.9[193]	29.5
2007[194]	N/A	N/A	N/A	28.4
2008[195]	N/A	4.3	25.5	29.7
2009	34.8[196]	4.9[197]	32.8[198]	37.7[199]
2010	40.5[200]	N/A	N/A	N/A

Table D-24. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings[201]			Units
	Low-Income Programs	Res and C/I Programs[202]	Total	
2005[203]	365,370	8,356,050	8,721,420	Therms
2006[204]	622,790	8,055,520	8,678,310	Therms
2007[205]	322,760	7,737,410	8,060,170	Therms
2008	N/A[206]	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

Natural gas energy efficiency spending and energy savings for Iowa utilities for 2001–2007 can be found in the January 1, 2009 Iowa Utilities Board's report to the Iowa General Assembly titled *Energy Efficiency In Iowa's Electric and Natural Gas Sectors.* This report is available electronically at http://www.state.ia.us/government/com/util/docs/misc/EE/EE_GA_Jan2009.pdf.

[189] Does not include municipal utility expenditures.
[190] From the Iowa Utilities Board Staff.
[191] N/A = Not Available
[192] From the Iowa Utilities Board Staff.
[193] This figure was calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[194] From the Iowa Utilities Board Staff.
[195] CEE expenditures data.
[196] CEE budget data.
[197] CEE expenditures data.
[198] CEE expenditures data.
[199] CEE expenditures data.
[200] CEE budget data.
[201] Does not include municipal utility energy savings.
[202] These figures were calculated ("Total" Energy Savings—"Low-Income Programs" Energy Savings).
[203] From the Iowa Utilities Board Staff.
[204] From the Iowa Utilities Board Staff.
[205] From the Iowa Utilities Board Staff.
[206] N/A = Not Available.

Kentucky

Summary

Kentucky's energy efficiency programs have a stronger emphasis on low-income weatherization than is the case in some other states. Several utilities have recently proposed additional funding for natural gas energy efficiency. Therefore, programs in this state may grow in the near future. There is no legislative or regulatory mandate for energy efficiency in Kentucky.

Structure

The Kentucky Public Service Commission has information on utility-sponsored energy efficiency programs; however, other organizations also have programs available. The state has residential, low-income and commercial programs, but not industrial programs. Natural gas energy efficiency programs are not required by any orders or legislation.

Although these programs are not required, utilities are administering them. The programs are implemented by third parties, including local community action agencies, Energy Federation, Inc., and Goodcents Solutions. The programs are funded by tariff riders and allow utilities to recover a pre-determined percentage of their calculated savings.

Changes are on the horizon in Kentucky; spending on natural gas energy efficiency programs is increasing. In 2008, Louisville Gas & Electric was authorized to increase its annual energy efficiency program spending by 40 percent. Atmos Energy is currently seeking approval to double its spending on these programs.

Results

Kentucky invests in energy efficiency moderately but consistently. Low-income programs are the source of a significant fraction of this state's expenditures.

Table D-25. State Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005[207]	1.5	0.7	0.9[208]	1.6
2006[209]	1.6	0.8	0.6[210]	1.4
2007[211]	1.7	N/A[212]	N/A	1.5
2008[213]	1.7	N/A	N/A	N/A
2009	2.4[214]	N/A	N/A	N/A
2010	1.9[215]	N/A	N/A	N/A

[207] From Kentucky Public Service Commission Staff.
[208] This figure was calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[209] From Kentucky Public Service Commission Staff.
[210] This figure was calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[211] From Kentucky Public Service Commission Staff.
[212] N/A = Not Available
[213] From Kentucky Public Service Commission Staff.
[214] CEE budget data. Partial data.
[215] CEE budget data. Partial data.

Table D-26. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total[216]	
2005	N/A[217]	N/A	2,572,016	Therms
2006	N/A	N/A	2,942,387	Therms
2007	N/A	N/A	N/A	
2008	N/A	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

No Web sites are available in Kentucky to provide data on utility-sector natural gas energy efficiency programs.

Maine

Summary

Natural gas energy efficiency programs in Maine date back to 2005. Currently the programs are administered and implemented by Efficiency Maine under the oversight of the Efficiency Maine Trust. These programs are required by legislation and orders.

Structure

Maine provides programs for residential, low-income, commercial and industrial customers. These programs began in 2005. Energy efficiency is required by both legislation and orders. The details of these requirements are stated in 35-A Maine Revised Statutes, section 10111, and Dockets 2006-129 (Chapter 480—Rulemaking), 2006-728 (Programs through 4/2010), and 2008-431.

In 2009, the Efficiency Maine Trust was established under the Efficiency Maine Trust Act (http://www.mainelegislature.org/legis/statutes/35-A/title35-Asec10111.html). The Efficiency Maine Trust determines natural gas and electric energy efficiency savings goals in a Triennial Plan. The programs are administered and implemented by Efficiency Maine under the oversight of the Efficiency Maine Trust. The programs overseen by the Trust are subject to oversight by the Maine Public Utilities Commission (PUC).

The natural gas energy efficiency programs are funded through rate surcharges. The Efficiency Maine Trust Act allows the PUC to make adjustments to the natural gas efficiency surcharge to meet new goals under the Trust's Triennial Plan. The Efficiency Maine Trust Act also requires a "reasonable percentage of funds" to go to both low-income and small business customers.

There are statutory provisions allowing decoupling and incentives, but they are not currently used.

Results

Maine has a moderate energy efficiency budget for natural gas, which tends to be much larger than its actual expenditures. The low-income program budget is relatively low. Maine reports its energy savings on a lifetime basis rather than on a yearly basis.

[216] From the Kentucky Public Service Commission Staff.
[217] N/A = Not Available.

Table D-27. State Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005-2006[218]	0.2	N/A[219]	N/A	0.056
2006-2007[220]	0.4	N/A	N/A	0.130
2007-2008[221]	0.6	N/A	N/A	0.262
2008-2009[222]	0.7	N/A	N/A	0.442
2010	0.4[223]	N/A	N/A	N/A

Table D-28. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings[224]			Units[225]
	Low-Income Programs	Res and C/I Programs[226]	Total	
2005-2006	3,018	126,350	129,368	Lifetime therms
2006-2007	0	254,855	254,855	Lifetime therms
2007-2008	49,470	3,817,056	3,866,526	Lifetime therms
2008-2009	N/A[227]	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

Preliminary results from the 2009-2010 programs are available on the Maine PUC Web site (see Case ID 2006728 at http://mpuc.informe.org/easyfile/)

Maryland

Summary

While the state Public Service Commission (PSC) requires cost-effective energy efficiency programs to be implemented, there is no natural gas savings requirement for the utilities. Programs have primarily targeted low-income customers. It appears that lack of a clear policy mandate and natural gas efficiency funding are factors in the lack of natural gas programs.

Structure

While the EmPower Maryland Act does require the PSC to establish cost-effective natural gas programs, there is no natural gas savings requirement for the utilities (see http://mlis.state.md.us/2008rs/billfile/sb0205.htm). At this point, there is also no separate natural gas energy efficiency charge for any of the gas utilities.

[218] From the Maine Public Utilities Commission Staff.
[219] N/A = Not Available.
[220] From the Maine Public Utilities Commission Staff.
[221] From the Maine Public Utilities Commission Staff.
[222] From the Maine Public Utilities Commission Staff.
[223] CEE budget data.
[224] From the Maine Public Utilities Commission Staff.
[225] Maine reports its natural gas energy savings on a lifetime basis rather than an annual basis.
[226] These figures were calculated ("Total" Energy Savings—"Low-Income Programs" Energy Savings).
[227] N/A = Not Available.

Maryland's natural gas energy efficiency programs have focused on low-income customers (with some exceptions). Baltimore Gas and Electric (BG&E) does offer some natural gas programs.

Primarily, utility or state weatherization offices administer the low-income programs and the state weatherization office implements them. The Maryland Department of Housing and Community Development (DHCD)'s Maryland Energy Efficiency and Housing Affordability Program, which is primarily funded by RGGI and ARRA, is one of the larger programs. There are also some weatherization partnerships forming between DHCD and the utilities (PHI, Washington Gas, and BGE).

Maryland has a decoupling program which allows utilities to recover lost revenue from energy efficiency programs.

Results

Maryland has made relatively low energy efficiency investments to date.

Table D-29. State Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005				
2006[228]	0.8	0.8	0.0	0.8
2007[229]	0.8	0.8	0.0	0.8
2008[230]	0.9	0.9	0.0	0.9
2009[231]	N/A[232]	0.6	1.4	2.0
2010	3.4[233]	N/A	N/A	N/A

Table D-30. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005				
2006	N/A[234]	N/A	N/A	
2007	N/A	N/A	N/A	
2008	N/A	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

Maryland does not post its energy efficiency reports online.

[228] From the Maryland Public Service Commission Staff.
[229] From the Maryland Public Service Commission Staff.
[230] From the Maryland Public Service Commission Staff.
[231] CEE expenditures data.
[232] N/A = Not Available.
[233] CEE budget data.
[234] N/A = Not Available.

Massachusetts

Summary

The natural gas distribution companies (Bay State Gas Company, New England Gas Company, National Grid (formerly Keyspan Energy Delivery New England), Berkshire Gas Company, Commonwealth Gas Company (d/b/a NSTAR Gas), Fitchburg Gas & Electric Light Company and Blackstone Gas Company) administer the natural gas energy efficiency programs in Massachusetts. Natural gas programs have been in place and continuously operating in Massachusetts since approximately 1987. The natural gas programs are required by state legislation.

Structure

Massachusetts offers natural gas energy efficiency programs to residential, low-income, commercial and industrial customers. Until 2008, natural gas energy efficiency in Massachusetts was by instituted by order only and settlement processes created 5-year plans for each of the gas utilities. Those plans operate through December 31, 2009.

Massachusetts Department of Public Utilities (DPU) Order 98-100 (http://www.mass.gov/Eoeea/docs/dpu/energy_efficiency/energy_efficiency_legislation_and_regulations/investigation_to_establish_methods_and_procedures_to_evaluate_and_approve_energy_efficiency_programs_DTE_98-100_2000.pdf), as modified by March 16, 2009 DPU Order 08-50A (http://www.mass.gov/Eoeea/docs/dpu/electric/08-50/31609dpuord.pdf), clarified the criteria that should be used to demonstrate cost-effectiveness and the process by which 3-year energy efficiency plans should be prepared and reviewed. In 2009, the gas utilities filed 3-year plans "to acquire all available cost-effective efficiency" under the Green Communities Act, CH 169 of the Acts of 2008 (http://www.mass.gov/legis/laws/seslaw08/sl080169.htm). The programs were approved in DPU Orders 09-121 to 09-128 on January 28, 2010 (http://www.env.state.ma.us/dpu/docs/gas/09-121/12810dpuord.pdf).

The natural gas distribution companies administer the programs under the oversight of the newly created 11-member Energy Efficiency Advisory Council. The natural gas distribution companies implement the programs.

On July 16, 2008 the Department issued an order adopting full decoupling for the state's electric and natural gas distribution companies in D.P.U. 07-50-A (http://www.mass.gov/Eoeea/docs/dpu/electric/07-50/71608dpuord.pdf). The order determined that existing rate and performance-based revenue plans would continue until the end of their terms. The Department expects that companies will have operational decoupling plans by year-end 2012.

Massachusetts' utility-funded natural gas energy efficiency programs are funded through an Energy Efficiency surcharge (EES) for each natural gas company as part of Local Distribution Adjustment Clause (LDAC) as well as a separate Residential Conservation Services/MassSave charge (RCS).

The natural gas companies are allowed to earn shareholder incentives. Only one company, National Grid, earned a shareholder incentive through the implementation of its 5-year energy efficiency plan programs. The utilities may propose shareholder performance incentive mechanisms in their 3-year plans. In the decoupling order, the Department determined that the principle of shareholder incentives will be maintained but may be revised.

Natural gas companies are permitted to recover incremental energy efficiency-related lost base revenue (LBR). The decoupling order determined that the gas companies could recover LBR

through the term of their initial 3–year energy efficiency plans, or until they have implemented decoupling, whichever occurs first.

Results

The natural gas distribution companies in Massachusetts offer natural gas energy efficiency programs to residential, low-income, commercial and industrial customers.

Table D-31. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total[235]	Low-Income Programs	Res and C/I Programs	Total[236]
2005				
2006	25.6	N/A[237]	N/A	25.6
2007	26.8	N/A	N/A	25.6
2008	27.5	N/A	N/A	30.1
2009	N/A	7.0[238]	31.0[239]	38.0
2010	75.9[240]	N/A	N/A	N/A

Table D-32. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings[241]			Units
	Low-Income Programs	Res and C/I Programs[242]	Total	
2005	650,000	7,350,000	8,000,000	Therms
2006	650,000	7,350,000	8,000,000	Therms
2007	650,000	7,350,000	8,000,000	Therms
2008	650,000	9,350,000	10,000,000	Therms
2009	N/A[243]	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

Information regarding the Massachusetts's Department of Public Utilities energy efficiency proceedings, legislation and guidelines can be found at http://www.mass.gov/?pageID=eoeeasubtopic&L=5&L0=Home&L1=Energy%2c+Utilities+%26+Clean+Technologies&L2=Energy+Efficiency&L3=Residential+%26+Business+Energy+Efficiency&L4=Utility+Regulatory+Energy+Efficiency&sid=Eoeea.

[235] From the Massachusetts Executive Office of Energy and Environmental Affairs (EEA), Department of Energy Resources (DOER) Staff;
[236] Preliminary numbers from the Massachusetts Executive Office of Energy and Environmental Affairs (EEA), Department of Energy Resources (DOER); expenditures have not yet been verified.
[237] N/A = Not Available.
[238] CEE expenditures data.
[239] This figure was calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[240] CEE budget data.
[241] Preliminary numbers from the Massachusetts Executive Office of Energy and Environmental Affairs (EEA), Department of Energy Resources (DOER); energy savings have not yet been verified.
[242] These figures were calculated ("Total" Energy Savings—"Low-Income Programs" Energy Savings).
[243] N/A = Not Available.

Michigan

Summary

Massive changes occurred in Michigan in 2009 as the state expanded its energy efficiency programs.

Structure

Michigan initiated many natural gas energy efficiency programs for customers in all sectors at the end of 2009. In 2008, Public Act 295, Subpart "B," required rate-regulated natural gas distribution utilities to file Energy Optimization (EO) plans with the Commission. The Michigan Public Service Commission issued six orders for natural gas companies: Consumers Energy Company (U-15889), Michigan Consolidated Gas Company (U-15890), Michigan Gas Utilities Corporation (U-15891), Northern States Power Company—Wisconsin (Xcel) (U-15892), SEMCO Energy, Inc. (U-15893), and Wisconsin Public Service Corporation (U-15894).

Low-income plans have been required since 2000 by section 10d(6) of the Customer Choice and Electricity Reliability Act. Low-income programs are funded by electric utility securitization financing. Revenues generated under the Detroit Edison Company's interim rate relief order issued February 20, 2004 and final rate order issued November 23, 2004 (U-13808) and Consumers Energy Company's final rate orders issued December 22, 2005 (U-14347) and November 21, 2006 (U-14547) have also been devoted to funding low-income programs.

The funds for the new energy optimization programs are collected from residential customers through volumetric charges and from nonresidential customers through per meter charges. Utilities may request financial incentives for exceeding their energy optimization performance standards. The total amount of these financial incentives are limited to the lesser of the following amounts: (a) 25 percent of the net cost reductions experienced by the utility's customers as a result of the energy optimization plan or (b) 15 percent of the utility's actual energy efficiency program expenditures for the year. Utilities can also make use of decoupling to recover their costs once they are investing 0.5 percent of their total natural gas retail sales revenues in energy optimization. There are no decoupling mechanisms or incentives built into the low-income programs.

Several utilities will administer their own energy optimization programs and will hire contractors to provide them, while others will work with an administrator selected by the Michigan Public Service Commission. Low-income programs are currently administered by issuing a request for proposals and selecting nonprofit organizations to implement the programs.

Results

Since Michigan initiated its larger scale programs in 2009, the budget increases considerably in that year. Currently no energy savings data is available.

Table D-33. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005	9.72[244]	N/A[245]	N/A	N/A
2006	7.50[246]	N/A	N/A	N/A
2007	9.75[247]	N/A	N/A	N/A
2008	12.38[248]	N/A	N/A	N/A
2009	30.80[249]	N/A	N/A	N/A
2010	25.0[250]	N/A	N/A	N/A

Table D-34. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005	N/A[251]	N/A	N/A	
2006	N/A	N/A	N/A	
2007	N/A	N/A	N/A	
2008	N/A	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

The current cases can be tracked by company through an electronic filing system (http://efile.mpsc.cis.state.mi.us/efile/). There are six active natural gas cases: Consumers Energy Company (U-15889), Michigan Consolidated Gas Company (U-15890), Michigan Gas Utilities Corporation (U-15891), Northern States Power Company—Wisconsin (Xcel) (U-15892), SEMCO Energy, Inc. (U-15893), and Wisconsin Public Service Corporation (U-15894).

Minnesota

Summary

Minnesota natural gas and electric utilities have been required by law to offer energy efficiency programs to their customers since 1982. The programs are generally administered and implemented by the utilities.

[244] Data obtained from the Michigan Public Service Commission, Low-Income and Energy Efficiency Fund (LIEEF) reports. Does not include payment assistance programs.
[245] N/A = Not Available.
[246] Data obtained from the Michigan Public Service Commission, Low-Income and Energy Efficiency Fund (LIEEF) reports. Does not include payment assistance programs.
[247] Data obtained from the Michigan Public Service Commission, Low-Income and Energy Efficiency Fund (LIEEF) reports. Does not include payment assistance programs.
[248] Data obtained from the Michigan Public Service Commission, Low-Income and Energy Efficiency Fund (LIEEF) reports. Does not include payment assistance programs.
[249] Data obtained from the Michigan Public Service Commission, Low-Income and Energy Efficiency Fund (LIEEF) reports plus new Energy Optimization program plans which started in 2009. Does not include payment assistance programs.
[250] CEE budget data. Partial data.
[251] N/A = Not Available.

Structure

In 1982, the Minnesota Conservation Improvement Program (CIP) was created by the Minnesota legislature. The CIP requires natural gas and electric utilities in the state to invest a portion of their revenues in energy efficiency programs. In 2007, the Minnesota legislature passed The Next Generation Energy Act of 2007 (Laws of 2007, Chapter 136) (https://www.revisor.mn.gov/bin/getpub.php?type=law&year=2007&sn=0&num=136), which added a 1.0 percent savings goal for all utilities. Previously, the law required that each natural gas utility spend 0.5 percent and each electric utility spend 1.5 percent of their gross operating revenues (GOR) on the CIP programs each year. (Since Xcel Energy owns nuclear-generating facilities, it is required to spend 2 percent of its gross revenues annually). With the passage of the new law, in addition to the spending requirements, each utility had an energy savings goal equal to 1.0 percent of its average annual retail energy sales in Minnesota (excluding sales to facilities that have been exempted from the CIP charges by the Minnesota Public Utilities Commission). Minnesota legislature modified session law, however, to allow for all of the investor-owned natural gas utilities that have a market potential study that demonstrates that they cannot reach 1.0 percent energy savings can file for energy savings at the level the market potential study identifies as the economic opportunity. So, at this time, the only investor-owned natural gas utility that has a goal of 1.0 percent is Xcel Gas.

Investor-owned utilities (Alliant, CenterPoint Energy, Great Plains Natural Gas, Greater Minnesota Gas, Minnesota Energy Resources—NMU, Minnesota Energy Resources—PNG, and Xcel Energy), cooperative utilities and municipal utilities are required to file CIP plans, covering one to three years, with the Office of Energy Security (OES). Although the cooperative and municipal utilities are required to file CIP plans, OES plays more of an advisory role for these utilities since these they are not rate-regulated.

The utilities recover their program costs through an adjustment or surcharge to the natural gas rates that they charge their customers. The programs are generally administered and implemented by the utility companies, although there is also a provision in the statute that allows for third-party-administered/delivered conservation programs. There are currently four conservation programs administered by third-parties.

In 1999 the Minnesota Public Utility Commission agreed to a performance-based incentive for utility energy efficiency programs. Utilities are rewarded with a specific percentage of net benefits (as measured by the utility cost-effectiveness test) created by their actual investments in energy conservation. The percentage of net benefits awarded increases as the percentage of energy-savings goal achieved increases. The incentive is calibrated such that at 150% of the energy-savings goal, the utility would receive about 30% of the utility's conservation expenditure budget as required by statute. Under the incentive design, utilities are also rewarded for delivering their programs more cost-effectively because more net benefits are created when actual costs are lowered. Ratepayers fund the incentive during the following year when the PUC adjusts rates.

In June 2009, the PUC issued an Order adopting Criteria and Standards to be utilized in pilot proposals for revenue decoupling (Docket No. E,G-999/CI-08-132, Issue date June 19, 2009). All utilities are to file non-binding notices of intent as to their plans for filing a decoupling pilot by June 1, 2010 with all pilot proposals filed by December 30, 2011. One utility, CenterPoint Energy, included a pilot proposal for natural gas customers, filed within its ongoing rate case in November, 2008 (Docket No. G-008/GR-08-1075). CenterPoint Energy implemented decoupling in mid-2010, along with Inverted Block Rates in January 2011, and per Commission Order submitted an Evaluation of the Decoupling on March 1, 2011. The Evaluation on the Inverted Block Rates will be submitted on May 1, 2011.

Results

Minnesota utilities offer natural gas energy efficiency programs to residential, low-income, commercial and industrial customers.

Table D-35. State Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year[252]

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005[253]	13.0	3.5	11.7[254]	15.2
2006[255]	13.1	3.2	12.1[256]	15.3
2007[257]	16.6	3.3	12.3[258]	15.6
2008	15.8[259]	2.8[260]	13.5[261]	18.1[262]
2009	16.1[263]	3.3[264]	19.1[265]	22.8[266]
2010	40.1[267]	N/A[268]	N/A	N/A

Table D-36. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year[269]

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs[270]	Total	
2005[271]	2,384,187	24,254,568	26,638,755	Therms
2006[272]	714,918	20,657,767	21,372,685	Therms
2007[273]	747,160	18,675,680	19,422,840	Therms
2008	N/A[274]	N/A	15,634,960[275]	Therms
2009	N/A	N/A	18,433,470[276]	Therms
2010	N/A	N/A	N/A	

Further Information

[252] Includes data for investor-owned utilities only.
[253] From the Minnesota Public Utilities Commission Staff.
[254] These figures were calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[255] From the Minnesota Public Utilities Commission Staff.
[256] These figures were calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[257] From the Minnesota Public Utilities Commission Staff.
[258] These figures were calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[259] From the Minnesota Public Utilities Commission Staff.
[260] CEE expenditures data. Partial data.
[261] CEE expenditures data. Partial data.
[262] Minnesota Office of Energy Security, Minnesota Conservation Improvement Program, Energy and Carbon Dioxide Savings Report for 2008-2009, March 23, 2011.
[263] CEE budget data.
[264] CEE expenditures data.
[265] CEE expenditures data.
[266] Minnesota Office of Energy Security, Minnesota Conservation Improvement Program, Energy and Carbon Dioxide Savings Report for 2008-2009, March 23, 2011.
[267] CEE budget data.
[268] N/A = Not Available.
[269] Includes data for investor-owned utilities only.
[270] These figures were calculated ("Total" Energy Savings—"Low-Income Programs" Energy Savings).
[271] From the Minnesota Public Utilities Commission Staff.
[272] From the Minnesota Public Utilities Commission Staff.
[273] From the Minnesota Public Utilities Commission Staff.
[274] N/A = Not Available.
[275] Minnesota Office of Energy Security, Minnesota Conservation Improvement Program, Energy and Carbon Dioxide Savings Report for 2008-2009, March 23, 2011
[276] Minnesota Office of Energy Security, Minnesota Conservation Improvement Program, Energy and Carbon Dioxide Savings Report for 2008-2009, March 23, 2011

2006-2007 spending and energy savings data is in a January 2009 report titled 2006-2007 Minnesota Conservation Improvement Program Energy and CO_2 Savings Report available on the Minnesota State energy Office Web site (http://www.state.mn.us/mn/externalDocs/Commerce/MN_CIP_Energy_and_CO2_Savings_Report_012109122950_CIP_CO2Report.pdf).

Missouri

Summary

Missouri's natural utilities are not required by regulatory order or legislation to provide energy efficiency programs to their customers. The utilities voluntarily offer programs to their residential, low-income, commercial and industrial natural gas customers.

Structure

Currently, Missouri's utilities voluntarily offer natural gas energy efficiency programs to their residential, low-income, commercial and industrial customers. The utilities administer and implement the natural gas energy efficiency programs. Program costs are recovered through rates. At this time utilities cannot earn a performance incentive for the natural gas efficiency programs and there are no mechanisms that allow the companies to recoup lost revenue due to the programs.

Senate Bill 376, the Missouri Energy Efficiency Investment Act, passed in 2009. The Act states in Section 393.1124.1(3) that "[i]t shall be the policy of the state to value demand-side investments equal to traditional investments in supply and delivery infrastructure..." The Missouri Public Service Commission opened a docket to investigate implementation of this legislative directive in Case No. EW-2010-0265. Draft rules are currently under review.

Results

Missouri utility natural gas programs have been funded at $1-$2 million dollars annually over the last few years. Investment in these programs will increase with the implementation of the Missouri Energy Efficiency Investment Act.

Table D-37. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total[277]	Low-Income Programs[278]	Res and C/I Programs[279]	Total[280]
2005				
2006				
2007	0.3	N/A[281]	N/A	N/A
2008	N/A	0.1	0.9	1.0
2009	1.6	1.8	1.4	3.2
2010	5.3	N/A	N/A	N/A

[277] CEE budget data.
[278] CEE expenditure data. 2008 is partial data.
[279] CEE expenditure data. 2008 is partial data.
[280] CEE expenditure data. 2008 is partial data.
[281] N/A = Not Available.

Table D-38. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005				
2006				
2007	N/A[282]	N/A	N/A	
2008	N/A	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

Missouri does not have a Web site with data regarding ratepayer-funded natural gas energy efficiency programs.

Montana

Summary

Montana utilities spend approximately $1 million to $2 million annually on natural gas energy efficiency programs. There is both a legislative and regulatory mandate for energy efficiency in Montana.

Structure

Montana has residential, low-income and commercial programs, but not industrial programs. Natural gas energy efficiency programs are required by legislation (§69-3-1401, et seq Montana Code Annotated) and Montana Public Service Commission order D2004.4.50 (MPSC).

The utilities (NorthWestern Energy, Montana-Dakota Utilities and Energy West) administer the programs with oversight by the MPSC. The programs are implemented by the utilities and third party contractors. The programs are funded by a combination of tariff riders and a public benefit fund. §69-3-701 et seq Montana Code Annotated allows utilities to earn a 2% greater return than authorized for other investments for energy efficiency investments. The Public Service Commission has approved lost revenue recovery mechanisms on a utility-by-utility, case-by-case basis.

Results

Montana invests in energy efficiency moderately but consistently. Low-income programs represent approximately one-third of this state's expenditures.

[282] N/A = Not Available.

Table D-39. State Utility Sector Expenditures on Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs[283]	Res and C/I Programs[284]	Total[285]
2005	N/A[286]	0.585	0.86	1.445
2006	N/A	0.610	1.537	2.147
2007	N/A	0.585	1.028	1.613
2008	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A
2010	N/A	N/A	N/A	N/A

Table D-40. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs[287]	Res and C/I Programs[288]	Total[289]	
2005	250,430	436,000	686,430	Therms
2006	294,870	1,276,560	1,571,430	Therms
2007	229,080	866,400	1,095,480	Therms
2008	N/A[290]	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

Individual utility company annual reports with energy efficiency expenditures and savings can be located at http://psc.mt.gov/eDocs/ (look under “Reports”).

Nevada

Summary

Southwest Gas and Sierra Pacific Power currently offer rate-payer funded energy efficiency programs to their customers. Sierra Pacific Power has historically offered a small portfolio of natural gas efficiency programs to its customers. In 2010, Southwest Gas began offering natural gas efficiency programs in response to both regulatory orders and legislation. The programs are provided to residential, low-income, commercial and industrial customers.

Structure

The utilities offer their residential, low-income, commercial and industrial customers rebate programs on natural gas-saving equipment. Energy efficiency programs are required by legislation (SB 437, NRS 704.992) and regulatory authority (NAC 703.535 and LCB File Nos. R095-08 and T004-08).

[283] From the Montana Public Service Commission Staff.
[284] These figures were calculated (“Total” Actual Expenditures—“Low-Income Programs” Actual Expenditures).
[285] From the Montana Public Service Commission Staff.
[286] N/A = Not Available.
[287] From the Montana Public Service Commission Staff.
[288] These figures were calculated (“Total” Energy Savings—“Low-Income Programs” Energy Savings).
[289] From the Montana Public Service Commission Staff.
[290] N/A = Not Available.

The natural gas energy efficiency programs are administered and implemented by the utilities. The programs are funded through a deferred account.

The utilities cannot earn a financial incentive for program performance but Southwest Gas has adopted a Nevada Public Utilities Commission-approved decoupling mechanism to eliminate the financial disincentive related to the implementation of energy-savings programs to its customers.

Results

The table below shows a budget increase in 2010 with the introduction of the Southwest Gas programs. Southwest Gas' programs are budgeted at $2.8 million annually with a $260,000 increase per year.

Table D-41. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total[291]	Low-Income Programs[292]	Res and C/I Programs[293]	Total[294]
2005				
2006	0.6	N/A[295]	N/A	N/A
2007	0.6	N/A	N/A	N/A
2008	N/A	0.2	0.2	0.5
2009	0.7	0.2	0.4	0.6
2010	3.4	N/A	N/A	N/A

Table D-42. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005				
2006	N/A[296]	N/A	N/A	
2007	N/A	N/A	N/A	
2008	N/A	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

Currently the best resource for information on Southwest Gas' energy efficiency programs is the company's Conservation and Energy Efficiency (CEE) plan: http://www.swenergy.org/news/news/documents/file/2009-03-SW_Gas_DSM_Plan.pdf. There is not a central Web site with data on Nevada's ratepayer-funded natural gas efficiency programs.

[291] CEE budget data.
[292] CEE expenditures data.
[293] CEE expenditures data.
[294] CEE expenditures data.
[295] N/A = Not Available.
[296] N/A = Not Available.

New Hampshire

Summary

There is both a legislative and regulatory mandate for energy efficiency in New Hampshire. New Hampshire utilities spend approximately $2 million annually on natural gas energy efficiency programs.

Structure

New Hampshire has residential, low-income, commercial and industrial natural gas energy efficiency programs. Natural gas energy efficiency programs are required by legislation (RSA 374-5) and New Hampshire Public Utilities Commission order (Order No. 24,109, Docket No. DG 02-106).

The New Hampshire natural gas utilities (Energy North, d/b/a/ National Grid and Northern Utilities d/b/a/ Unitil) administer and implement the energy efficiency programs that are approved by the New Hampshire Public Utilities Commission. The programs are funded by the Energy Efficiency adjustment component of the Local Distribution Adjustment Clause (LDAC) which is included in the companies' base rates.

In 2010, it was determined that the natural gas programs will be filed as part of the bi-annual CORE energy efficiency program filings. While the programs will not be the same, the new program structure is more coordinated with the electric offerings (see DTE 10-188 http://www.puc.state.nh.us/Regulatory/Docketbk/2010/10-188.htm and Jt. Settlement, http://www.puc.state.nh.us/Regulatory/CASEFILE/2010/10-188/LETTERS,%20MEMOS/10-188%202010-12-15%20JT%20CORE%20&%20GAS%20SETTLEMENT%20AGREEMENT.PDF, p. 4).

The utilities are not allowed to recover lost revenue and rates are not decoupled from profits.

Results

New Hampshire has been funding natural gas energy efficiency programs since 2003. Current investment in the programs is approximately $2 million per year. Program budgets for the gas programs are expected to increase to approximately $7.25 million in 2011 and $7.86 million in 2012 as part of Docket DTE 10-188.

Table D-43. State Utility Sector Expenditures on Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs[297]	Total
2005[298]	2.2	0.2	1.6	1.8
2006[299]	2.4	0.4	1.8	2.2
2007	2.5[300]	0.4[301]	2.1	2.5[302]
2008	2.4[303]	0.5[304]	1.9	2.4[305]
2009	N/A[306]	0.5[307]	2.8	3.3[308]
2010	10.3[309]	N/A	N/A	N/A

Table D-44. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs[310]	Total	
2005[311]	1,691,271	10,948,892	12,640,163	Lifetime Therms
2006[312]	1,324,340	13,432,300	14,756,640	Lifetime Therms
2007[313]	1,057,646	14,435,664	15,493,310	Lifetime Therms
2008[314]	1,602,922	24,066,002	25,668,924	Lifetime Therms
2009[315]	1,591,955	16,294,492	17,886,447	Lifetime Therms
2010	N/A	N/A	N/A	

Further Information

Annual results of the programs can be found at http://puc.state.nh.us/Gas-Steam/energyefficiencyprograms.htm.

New Jersey

Summary

Natural gas energy efficiency programs in New Jersey are administered by the Office of Clean Energy of the Board of Public Utilities and the utilities. These programs are required by state legislation.

[297] These figures were calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[298] From the New Hampshire Public Utilities Commission Staff.
[299] From the New Hampshire Public Utilities Commission Staff.
[300] From the New Hampshire Public Utilities Commission Staff.
[301] Calculated from utility reports available at http://puc.state.nh.us/Gas-Steam/energyefficiencyprograms.htm.
[302] Calculated from utility reports available at http://puc.state.nh.us/Gas-Steam/energyefficiencyprograms.htm.
[303] From the New Hampshire Public Utilities Commission Staff.
[304] Calculated from utility reports available at http://puc.state.nh.us/Gas-Steam/energyefficiencyprograms.htm.
[305] Calculated from utility reports available at http://puc.state.nh.us/Gas-Steam/energyefficiencyprograms.htm.
[306] N/A = Not Available.
[307] Calculated from utility reports available at http://puc.state.nh.us/Gas-Steam/energyefficiencyprograms.htm.
[308] Calculated from utility reports available at http://puc.state.nh.us/Gas-Steam/energyefficiencyprograms.htm.
[309] CEE budget data
[310] These figures were calculated ("Total" Energy Savings—"Low-Income Programs" Energy Savings).
[311] From the New Hampshire Public Utilities Commission Staff.
[312] From the New Hampshire Public Utilities Commission Staff.
[313] Calculated from utility reports available at http://puc.state.nh.us/Gas-Steam/energyefficiencyprograms.htm.
[314] Calculated from utility reports available at http://puc.state.nh.us/Gas-Steam/energyefficiencyprograms.htm.
[315] Calculated from utility reports available at http://puc.state.nh.us/Gas-Steam/energyefficiencyprograms.htm.

Structure

Energy efficiency programs in New Jersey are required by the state electric-utility restructuring legislation, P.L. 1999, Chapter 23, approved February 9, 1999 Assembly, No. 16 (http://www.njleg.state.nj.us/9899/Bills/al99/23_.pdf). This legislation initiated the collection of a societal benefits charge (SBC) from the state's investor-owned utilities and funded the New Jersey's Clean Energy Program (NJCEP), administered by the New Jersey Board of Public Utilities' (BPU's) Office of Clean Energy (OCE). Elizabethtown Gas, New Jersey Natural Gas, PSE&G and South Jersey Gas are the New Jersey natural gas investor-owned utilities that contribute to the SBC. (Note: The utilities are offering additional energy efficiency programs created through the New Jersey Economic Stimulus filings, http://nj.gov/bpu/agenda/announcements/stimulus.html. These programs are administered by the utilities).

The NJECP is comprised of electric and natural gas energy efficiency programs for New Jersey's residential, low-income, commercial and industrial customers. In 2007, New Jersey adopted a statewide energy efficiency program model. The NJCEP energy efficiency programs were initially implemented by utilities. In April 2007, the BPU turned over program implementation to two contractors, Honeywell Utility Solutions and TRC Energy Solutions. In July 2007, the BPU engaged Applied Energy Group, Inc. to coordinate the energy efficiency activities of the Office of Clean Energy, Honeywell Utility Solutions, TRC Energy Services, the NJ Department of Community Affairs, the NJ Department of Environmental Protection, the NJ Economic Development Authority and New Jersey's seven investor-owned electric and natural gas utilities. The statewide model is more uniform than the previous system was and has simplified administration and implementation for contractors, customers and marketing staff.

OCE and the contracted program managers or market managers submit annual program plans for approval by the BPU. Market managers can earn performance incentives for meeting or exceeding program goals. The utilities are not allowed to recover lost revenue.

On October 12, 2006, the New Jersey Board of Public Utilities (BPU) approved requests by New Jersey Natural Gas Co. and South Jersey Gas Co. to replace their existing weather normalization clauses (WNC) with a conservation incentive program (CIP) that would capture gross margin variations related to both weather and customer usage. (Weather normalization clauses mitigate the financial effects of weather on utilities and their customers.) The three-year pilot programs, which were initiated outside of a base rate case, apply to residential and most commercial customers. The decoupling mechanisms include new conservation programs that will be funded by the companies. (Decoupling reduces the financial disincentive for utilities to support energy efficiency by separating utilities' profits from their levels of sales.) Additional programs are expected to be added during the three-year pilot. The BPU may extend, modify or terminate the program at the end of the three-year pilot. If the program is not extended, the WNC program will be reinstated. BPU Docket Nos. GR05121019 and GR05121020.

Results

New Jersey utilities offer natural gas energy efficiency programs to residential, low-income, commercial and industrial customers. Historically, a larger percentage of energy efficiency program funding has been invested in the residential sector programs than in other programs. The 2009-2012 plans indicate that additional funding will now be spent on commercial/industrial (C/I) programs.

Table D-45. State Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)[316]		
	Total	Low-Income Programs	Res and C/I Programs[317]	Total
2005	N/A[318]	4.7	22.4	27.1
2006	N/A	5.5	28.7	34.2
2007	N/A	7.9	21.9	29.8
2008	N/A	6.2	21.1	27.3
2009	N/A	N/A	N/A	38.5
2010	N/A	N/A	N/A	N/A

Table D-46. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings[319]			Units
	Low-Income Programs	Res and C/I Programs[320]	Total	
2005	487,330	5,685,280	6,172,610	Therms
2006	425,260	5,976,530	6,401,790	Therms
2007	481,010	4,054,560	4,535,570	Therms
2008	735,350	3,640,860	4,376,210	Therms
2009	N/A[321]	N/A	6,363,430	Therms
2010	N/A	N/A	N/A	

Further Information

The NJCEP annual reports are available at http://njcleanenergy.com/main/public-reports-and-library/annual-reports/nj-clean-energy-program-annual-reports.

New Mexico

Summary

New Mexico utilities are required by legislation to offer their customers natural gas energy efficiency programs. New Mexico Gas Company is the only company actively offering programs to its customers.

Structure

Ratepayer-funded natural gas energy efficiency programs are required in New Mexico by legislation (Efficient Use of Energy Act 62-17 NMSA 1978). New Mexico Gas Company is the only gas company actively offering programs pursuant to the EUEA. The company offers its residential, low-income, commercial and industrial customers natural gas energy efficiency programs.

New Mexico Gas Company administers and implements its natural gas energy efficiency programs. New Mexico's natural gas utilities have the option of recovering approved program

[316] Original expenditure data obtained from Applied Energy Group. However, that data included energy efficiency expenditures for electric and gas programs combined. ACEEE prorated total expenditures to calculate estimated natural gas program expenditures by using a ratio of natural gas spending to total spending that was available from 2006.
[317] These figures were calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[318] N/A = Not Available.
[319] From Applied Energy Group.
[320] These figures were calculated ("Total" Energy Savings—"Low-Income Programs" Energy Savings).
[321] N/A = Not Available.

costs and incentives through an approved tariff rider or in base rates, or by a combination of the two. Program costs may be deferred for future recovery through creation of a regulatory asset.

The Efficient Use of Energy Act provides utilities an opportunity to earn a profit on cost-effective energy efficiency and load management resource development that, with satisfactory program performance, is financially more attractive to the utility than supply-side utility resources. A recent rulemaking provided a $.01 per kWh and $10 per kW disincentive/incentive adder. That rule, however, and the mechanism it contained, has been appealed by the state Attorney General, and the mechanism may be stayed. At this point, New Mexico does not have an established incentive mechanism.

Results

New Mexico Gas Company is currently funding energy efficiency programs at approximately $1.5 million annually.

Table D-47. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs[322]	Total
2005				
2006[323]	N/A[324]	0.62	0.88	1.5
2007[325]	N/A	N/A	N/A	1.6
2008[326]	1.8	0.87	0.63	1.5
2009	1.7[327]	1.20[328]	0.50[329]	1.8[330]
2010	2.6[331]	N/A	N/A	N/A

Table D-48. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings[332]			Units[333]
	Low-Income Programs	Res and C/I Programs[334]	Total	
2005				
2006	1,347,574	508,521	1,856,095	Lifetime Therms
2007	N/A[335]	N/A	N/A	
2008	2,601,705	2,094,496	4,696,201	Lifetime Therms
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

[322] These figures were calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[323] From the New Mexico Public Regulatory Commission Staff.
[324] N/A = Not Available.
[325] From the New Mexico Public Regulatory Commission Staff.
[326] From the New Mexico Public Regulatory Commission Staff.
[327] From the New Mexico Public Regulatory Commission Staff.
[328] CEE expenditures data.
[329] CEE expenditures data.
[330] CEE expenditures data.
[331] CEE budget data.
[332] From the New Mexico Public Regulatory Commission Staff.
[333] New Mexico reports its savings on a lifetime basis rather than an annual basis.
[334] These figures were calculated ("Total" Energy Savings—"Low-Income Programs" Energy Savings).
[335] N/A = Not available.

Further Information

New Mexico Gas Company maintains its own energy efficiency Web site at http://www.nmgco.com/Energy_Efficiency.aspx.

New York

Summary

Orange and Rockland Utilities, Consolidated Edison Company of New York, Inc., Corning Natural Gas Corporation, New York State Electric and Gas Corporation, Rochester Gas and Electric Corporation (RG&E), Niagara Mohawk Power Corporation d/b/a National Grid, The Brooklyn Union Gas Company d/b/a KeySpan Energy Delivery New York, KeySpan Gas East Corporation d/b/a KeySpan Energy Delivery Long Island, Central Hudson Gas and Electric Corporation, and St. Lawrence Gas Company provide natural gas and/or electric energy efficiency programs to New York customers. These programs are required by regulatory orders and are funded through a system benefits charge (SBC) that is collected as a surcharge on customers' utility bills.

Structure

Natural gas energy efficiency programs have been offered in New York since 1998. The majority of SBC energy efficiency funding in New York has been spent on electric programs.

In April 2007, the Governor set a new policy goal to reduce electricity use in 2015 by 15% (15 x 15), relative to projected use in 2015. Shortly thereafter, the NYPSC established an Energy Efficiency Portfolio Standard (EEPS) Proceeding (Case 07-M-0548) to determine the best approach for meeting this target. The proceeding includes electric and natural gas programs, including setting appropriate 2015 savings targets for these programs. The June 23, 2008 NYPSC EEPS Order provided for continued and incremental funding for both electric and gas energy efficiency programs (http://www3.dps.state.ny.us/pscweb/WebFileRoom.nsf/Web/544F8DE178C8A15285257471005D41F6/$File/201_07m0548_final.pdf?OpenElement). On April 7, 2009, the NYPSC issued an order "Approving 'Fast Track' Utility Administered Gas Energy Efficiency Programs with Modifications" (http://www.dps.state.ny.us/07M0548/ORDER_APPROVING_FAST_TRACK_UTILITY_ADMINISTERED_April-7-2009.pdf). This order established a budget for "fast track" programs that each utility could start implementing prior to the complete development of their EEPS.

Through June 2010, the NYPSC issued a series of orders approving programs by market segment and defining rules for program implementation. There are currently a total of 49 gas energy efficiency programs in NYS that receive a combined $130 million annually to implement EEPS policy. New York's ratepayer-funded natural gas energy efficiency programs are funded by the SBC. Eleven of the gas programs are administered by NYSERDA, a state government authority, and implemented by NYSERDA and contractors hired by NYSERDA. The "fast track" programs are administered by the utilities and usually implemented by contractors hired by the utilities.

Although the companies have not been able to earn incentives or recoup lost revenues in the past, the May 19, 2009 NYPSC Order establishing targets and standards for natural gas efficiency programs provided for an incentive mechanism and allowed the gas utilities to choice to participate in the incentives, or opt out.

Following an April 2007 order (Cases 03-E-0640 and 06-G-0746), electric and gas utilities filed proposals for true-up based decoupling mechanisms in ongoing and subsequent rate cases. Con Ed received approval from the Department of Public Service to continue its revenue-per-customer gas decoupling program (Case 06-G-1332, May 19, 2009).

Results

New York utilities offer natural gas energy efficiency programs to residential, low-income, commercial and industrial customers.

Table D-49. State Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures[336] (million $)		
	Total[337]	Low-Income Programs	Res and C/I Programs	Total
2005	N/A[338]	N/A	N/A	N/A
2006	N/A	N/A	N/A	N/A
2007	15.0	N/A	N/A	N/A
2008	N/A	16.2	33.9	50.1
2009	42.9	28.6	30.0	58.6
2010	87.5	N/A	N/A	N/A

Table D-50. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total[339]	
2005	N/A[340]	N/A	N/A	
2006	N/A	N/A	N/A	
2007	N/A	N/A	6,619,810	Therms
2008	N/A	N/A	7,400,240	Therms
2009	N/A	N/A	7,917,760	Therms
2010	N/A	N/A	N/A	

Further Information

Documents related to the EEPS Proceeding (Case 07-M-0548) can be found at http://www3.dps.state.ny.us/W/PSCWeb.nsf/All/06F2FEE55575BD8A852576E4006F9AF7?OpenDocument. The most recent New York Energy $mart annual reports including program descriptions and energy savings can be found at the NYSERDA Web site: http://www.nyserda.org/publications/default.asp.

North Carolina

Summary

Natural gas energy efficiency programs in North Carolina are required by regulatory order. Piedmont Natural Gas Company has provided programs since 2006. Public Service Company of North Carolina began offering programs in 2009. Over the last few years, the programs have been funded at just a little over $1 million.

[336] CEE expenditures data. 2008 and 2009 are partial data.
[337] CEE budget data. 2009 and 2010 are partial data.
[338] N/A = Not Available.
[339] From New York Public Service Commission Staff.
[340] N/A = Not Available.

Structure

North Carolina has residential, low-income and commercial natural gas energy efficiency programs. Natural gas energy efficiency programs are required by North Carolina Utilities Commission Order (Docket No. G-9, Sub 499 for years 2006, 2007, and 2008; Docket No. G-09, Sub 550, and Docket No. G-05, Sub 495 for years starting 2009).

The utilities (Piedmont Natural Gas Company and Public Service Company of North Carolina), the North Carolina State Energy Office and the Department of Health and Human Services administer and implement the energy efficiency programs. From 2006–2008, the programs were paid for with shareholder funds. Beginning in 2009, the funding was embedded in rates. The utilities cannot earn an incentive for program administration. The utilities are not allowed to recover lost revenue and rates are not decoupled from profits.

Results

North Carolina has had natural gas energy efficiency programs since 2006. Current investment in the programs is a little over $1 million per year.

Table D-51. State Utility Sector Expenditures on Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005				
2006[341]	0.50	0.3	0.2	0.5
2007[342]	1.25	0.1	0.7	0.8
2008	1.25[343]	0.5[344]	0.8[345]	1.25[346]
2009	1.30[347]	0.2[348]	1.1[349]	1.3[350]
2010	1.30[351]	N/A[352]	N/A	N/A

Table D-52. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005				
2006	N/A[353]	N/A	N/A	
2007[354]	12,575	2,913[355]	15,488	Therms
2008	N/A	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

[341] From North Carolina Utilities Commission Public Staff, Natural Gas Division.
[342] From North Carolina Utilities Commission Public Staff, Natural Gas Division.
[343] From North Carolina Utilities Commission Public Staff, Natural Gas Division.
[344] CEE expenditures data.
[345] CEE expenditures data.
[346] From North Carolina Utilities Commission Public Staff, Natural Gas Division.
[347] CEE budget data.
[348] CEE expenditures data.
[349] CEE expenditures data.
[350] CEE expenditures data.
[351] CEE budget data.
[352] N/A = Not Available.
[353] N/A = Not Available.
[354] From North Carolina Utilities Commission Public Staff, Natural Gas Division.
[355] This figure was calculated ("Total" Energy Savings—"Low-Income Programs" Energy Savings).

Further Information

Results for Piedmont Natural Gas Company's 2006 and 2007 programs is located at http://ncuc.commerce.state.nc.us/cgi-bin/webview/senddoc.pgm?dispfmt=&itype=Q&authorization=&parm2=5AAAAA29080B&parm3=000123283.

Ohio

Summary

Ratepayer-funded natural gas energy efficiency programs are established through regulatory orders. Costs for the programs are included in rates or funded through tariff riders. Currently Ohio programs are offered to low-income, residential and commercial customers.

Structure

Ohio's ratepayer-funded natural gas energy efficiency programs are approved by regulatory orders issued by the Public Utilities Commission of Ohio. Several orders, resulting from settlement agreements, have approved natural gas energy efficiency programs and cost-recovery mechanisms: Columbia Gas of Ohio Case No. 08-833-GA-UNC (7/23/2008), Vectren Energy Delivery of Ohio 07-1080-GA-AIR (9/8/2008), Dominion East Ohio 07-829-GA-AIR (10/15/2008), Duke Energy of Ohio 06-91-EL-UNC (7/11/07).

The costs for the programs are embedded in rates and/or recovered in tariff riders. The Gas Local Distribution Companies (LDCs) administer the programs. The programs are generally implemented by contractors like the Conservation Services Group, Good Cents, Wisconsin Energy Conservation Corporation and Aclara. Currently, the LDCs offer programs to low-income, residential and commercial customers.

The Commission approved a straight fixed variable rate design for all four Ohio LDCs to essentially eliminate lost revenues. The LDCs cannot earn program performance incentives.

Results

Table D-53. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total[356]	Low-Income Programs[357]	Res and C/I Programs[358]	Total[359]
2005				
2006	0.5	N/A[360]	N/A	N/A
2007	2.9	N/A	N/A	N/A
2008	N/A	12.2	0.0	12.2
2009[361]	25.5	3.2	5.3	8.5
2010[362]	11.0	N/A	N/A	N/A

[356] CEE budget data.
[357] CEE expenditures data.
[358] CEE expenditures data.
[359] CEE expenditures data.
[360] N/A = Not Available.
[361] Partial data.
[362] Partial data.

Table D-54. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005				
2006	N/A[363]	N/A	N/A	
2007	N/A	N/A	N/A	
2008	N/A	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

There is no central location where Ohio utilities maintain information on the expenditures and/or energy savings for ratepayer-funded natural gas energy efficiency programs. Check the individual utility dockets for additional information.

Oklahoma

[

Summary
Oklahoma's natural gas utilities just initiated programs in 2011. The Oklahoma Corporation Commission issued an Order in 2009 that establishes requirements for customer demand programs (OAC165:45, sub-chapter 23).

Structure
The utilities will administer and implement programs serving residential and commercial customers. Costs are recovered via a decoupling mechanism and there is a shareholder incentive in place.

Results
Programs were just initiated in 2011. Results are not yet available to report.

Oregon

Summary

The natural gas energy efficiency programs in Oregon are required by legislation and regulatory orders. For different utilities, different organizations administer and/or implement the natural gas programs.

Structure

Oregon provides programs for residential, low-income, commercial and industrial customers. Energy efficiency is required by both orders and legislation. In 1981, the Residential Energy Conservation Act ORS 469.631 to 469.645 (http://www.leg.state.or.us/ors/469.html) required all energy utilities to offer residential weatherization assistance. The Oregon Public Utility Commission (OPUC) Integrated Resource Planning (IRP) Order No. 89-507, superseded by IRP Order Nos. 07-002 (http://apps.puc.state.or.us/orders/2007ords/07-002.pdf) and 07-047 (http://apps.puc.state.or.us/orders/2007ords/07-047.pdf) established guidelines for utility resource planning. The IRP orders required the utilities to consider conservation as a resource , Order No. 02-634 (http://apps.puc.state.or.us/orders/2002ords/02-634.pdf) adopted public purpose funding

[363] N/A = Not Available.

and a decoupling mechanism for NW Natural and Order No. 06-191 (http://apps.puc.state.or.us/orders/2006ords/06-191.pdf) adopted public purpose funding and a decoupling mechanism for Cascade Natural Gas.

The NW Natural and Cascade Natural Gas energy efficiency programs are funded through public purpose charges and the Avista Utilities programs are funded through deferred accounts. NW Natural residential and commercial customers are assessed charges equal to 0.25% of the customers' monthly bills to fund low-income weatherization assistance and 0.65% of the customers' monthly bills to fund enhanced energy efficiency programs. Residential customers also contribute an additional $.25 per bill to support low-income payment assistance programs. Cascade Natural Gas collects a 0.75% public purpose funding surcharge from its residential and commercial customers.

The Energy Trust of Oregon (ETO) administers the non-low-income energy efficiency programs for NW Natural and Cascade Natural. NW Natural and Cascade Natural manage their own low-income energy efficiency programs. Avista manages all of its own energy efficiency programs. The ETO uses outside contractors to deliver its energy efficiency programs in Oregon. Avista primarily delivers its own programs and occasionally hires other entities (including the ETO) to deliver its programs.

There are no incentive mechanisms in place. NW Natural and Cascade have decoupling mechanisms. Avista recovers the lost revenue from its energy efficiency programs.

Results

Oregon's expenditures and energy savings for its natural gas energy efficiency programs can be found in Tables 1 and 2.

Table D-55. State Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total[364]
2005	N/A[365]	0.7	N/A	N/A
2006[366]	N/A	0.7	9.9	10.6
2007[367]	N/A	0.9	10.7	11.6
2008	N/A	2.0[368]	14.4	16.4[369]
2009	20.8[370]	1.5[371]	19.8[372]	21.2[373]
2010	27.2[374]	N/A	N/A	N/A

[364] These figures were calculated ("Low-Income Programs" Actual Expenditures + "Res and C/I Programs" Actual Expenditures).
[365] N/A = Not Available.
[366] From Oregon Public Utility Commission Staff.
[367] From Oregon Public Utility Commission Staff.
[368] From Oregon Public Utility Commission Staff.
[369] CEE expenditure data. Partial data.
[370] CEE budget data.
[371] CEE expenditure data.
[372] CEE expenditure data.
[373] CEE expenditure data.
[374] CEE budget data.

Table D-56. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings[375]			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005	N/A	N/A[376]	N/A	
2006	N/A	N/A	N/A	Therms
2007	64,200	2,444,100	2,508,300[377]	Therms
2008	147,200	N/A	N/A	Therms
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

The ETO has annual reports and evaluations of some of Oregon's energy efficiency programs on its Web site (http://www.energytrust.org/library/reports/db/report_list.php).

Pennsylvania

Summary

Pennsylvania utilities spend between $7 million and $8 million annually on natural gas energy efficiency programs. The programs are funded through the Low Income Usage Reduction Program (LIURP) which is a statewide, utility-sponsored, residential usage reduction program mandated by the Pennsylvania Public Utility.

Structure

Pennsylvania's natural gas energy efficiency programs are primarily aimed at the utilities' low-income customers. The programs are funded through the Low Income Usage Reduction Program (LIURP) which is required by the Pennsylvania Public Utility Commission regulations at 52 Pa. Code, Chapter 58. LIURP funds are included in each utility's rates as part of the distribution cost that is passed on to all residential customers. LIURP funding levels for the utilities are set for a period of three years in each company's universal service plan.

The utilities (Columbia, Dominion, Equitable, NFG, PECO Gas, PGW, UGI Gas, and UGI Penn Natural) administer the programs with oversight by the Pennsylvania Public Utility Commission. The programs are implemented by non-profit and for-profit third party contractors. The companies cannot earn an incentive for the programs and cannot claim lost revenue. Pennsylvania's natural gas utility sales are not decoupled from company profits.

Results

Through 2008, Pennsylvania's natural gas utilities funded energy efficiency programs for low-income customers at approximately $7.5 million per year. After 2008, some funding was provided to non-low-income residential customers.

[375] From Oregon Public Utility Commission Staff.
[376] N/A = Not Available.
[377] This figure was calculated ("Low-Income Programs" Energy Savings + "Res and C/I Programs" Energy Savings).

Table D-57. State Utility Sector Expenditures on Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005[378]	N/A[379]	7.8	0.0	7.8
2006[380]	N/A	7.6	0.0	7.6
2007[381]	N/A	7.5	0.0	7.5
2008[382]	N/A	5.1	0.0	5.1
2009	8.7[383]	8.6[384]	1.7[385]	10.3[386]
2010	12.9[387]	N/A	N/A	N/A

Table D-58. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005	N/A[388]	0	N/A	
2006	N/A	0	N/A	
2007	N/A	0	N/A	
2008	N/A	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

2006 percentage energy savings and 2007 expenditures for Pennsylvania's LIURP can be found at http://www.puc.state.pa.us/General/publications_reports/pdf/EDC_NGDC_UniServ_Rpt2007.pdf.

Rhode Island

Summary

National Grid provides rate-payer funded natural gas energy efficiency programs for its residential, commercial and industrial customers. The company began offering the natural gas programs in 2007. The 2009 budget for the programs was approximately $6 million. There is both a legislative and regulatory mandate for energy efficiency in Rhode Island.

Structure

Rhode Island has residential, low-income, commercial and industrial natural gas energy efficiency programs. Natural gas energy efficiency programs are required by legislation (the Comprehensive

[378] From Pennsylvania Public Utility Commission Staff.
[379] N/A = Not Available.
[380] From Pennsylvania Public Utility Commission Staff.
[381] From Pennsylvania Public Utility Commission Staff.
[382] CEE expenditure data. Partial data.
[383] CEE budget data. Partial data.
[384] CEE expenditure data. Partial data.
[385] CEE expenditure data. Partial data.
[386] CEE expenditure data. Partial data.
[387] CEE budget data. Partial data.
[388] N/A = Not Available.

Energy Conservation, Efficiency and Affordability Act of 2006) and regulatory orders issued by the Rhode Island Public Utilities Commission (RIPUC Docket #3790, RIPUC Docket #4000).

National Grid administers the programs with an advisory role by the Energy Efficiency and Resource Management Council. National Grid implements the programs. The programs are funded by (1) the statutory-based DSM charge of $0.15 per dekatherm; (2) interest expected to be accrued on the fund balance during the year due to timing differences for collections compared to expenditures; (3) large C&I commitments from the previous year; and (4) carryover of the previous year's fund balance, if any.

Legislation passed in 2010 requires the Public Utilities Commission to approve all cost-effective energy efficiency measures for natural gas companies (see http://www.rilin.state.ri.us/Statutes/TITLE39/39-1/39-1-27.7.HTM).

The utility incentive for natural gas energy efficiency programs is based on MMBtu savings. The proposed target incentive is equal to 4.40% of the eligible budget. The eligible budget includes all program expenses except for the commitments budget and the amount budgeted for the target shareholder incentive. The threshold performance level for energy savings by sector has been set at 60% of the annual energy savings goal for the sector. The Company must attain at least this threshold level of savings in the sector before it can earn an incentive related to achieve energy savings in the sector. The Company will have the ability to earn an incentive for each MMBTU saved, once threshold savings for the sector are achieved, up to 100% of the target savings. The threshold, calculated cap, and incentive for a particular sector will be recalculated if the assumptions used to develop savings goals change because of completed evaluation studies. Legislation is being sought in 2011 to remove the cap on the natural gas demand side management charge and create a fully-reconciling funding mechanism (see http://www.rilin.state.ri.us/billtext11/housetext11/h5281.htm).

Rhode Island does not have a decoupling mechanism for natural gas cost recovery.

Results

Rhode Island has been investing approximately $7 to $8 million annually into rate-payer funded natural gas energy efficiency programs. The 2010 and 2011 budgets, however, are running significantly less than that. A natural gas budget of $4.4 million was approved for 2010 (see http://www.ripuc.org/eventsactions/docket/4116-NGrid-AmendedEEPP(2-8-10).pdf) and $3.92 million for 2011 (see http://www.ripuc.org/eventsactions/docket/4209-NGrid-RevBudget(1-21-11).pdf).

Table D-59. State Utility Sector Expenditures on Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005	N/A[389]	N/A	N/A	N/A
2006	N/A	N/A	N/A	N/A
7/07 – 12/08	7.1[390]	N/A	N/A	N/A
2009[391]	7.6	1.3	4.9	6.2
2010	4.4[392]	N/A	N/A	N/A

[389] N/A = Not Available.
[390] From Rhode Island Public Utilities Commission Staff.
[391] From 2009 DSM Year-End Report for The Narragansett Electric Company d/b/a National Grid, June 1, 2010.
[392] From the Narragansett Electric Company, d/b/a National Grid Revised Energy Efficiency Program Plan for 2010, Docket 4116, http://www.ripuc.org/eventsactions/docket/4116-NGrid-AmendedEEPP(2-8-10).pdf.

Table D-60. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005	N/A[393]	N/A	N/A	
2006	N/A	N/A	N/A	
7/07 – 12/08	N/A	N/A	N/A	
2009[394]	125,990	1,826,010	1,952,000	Therms
2010	N/A	N/A	N/A	

Further Information

The RIPUC Web site has information on Dockets 3790 (http://www.ripuc.org/eventsactions/docket/3790page.html) and 4000 (http://www.ripuc.org/eventsactions/docket/4000page.html).

South Carolina

Summary

South Carolina's natural gas companies are not required to offer energy efficiency programs to their customers. Piedmont Natural Gas Company is the only investor-owned natural gas utility actively offering efficiency programs to its customers.

Structure

Ratepayer-funded natural gas energy efficiency programs are not required in South Carolina by legislation or regulatory authority. Piedmont Natural Gas Company is the only investor-owned gas company actively offering programs to its customers. Piedmont Natural Gas Company has energy efficiency programs for residential, low-income and commercial customers. These programs were approved by the South Carolina Public Service Commission (SCPSC) by Order dated May 27, 2010 in Docket 108861 (http://dms.psc.sc.gov/dockets/dockets.cfc?Method=DocketDetail&DocketID=108861).

Piedmont Natural Gas Company administers and implements its natural gas energy efficiency programs. Currently the utility does not have a performance incentive mechanism in place, although South Carolina's state law allows for an incentive on cost-effective EE programs.

South Carolina natural gas utilities are permitted to adjust their rates up or down to meet pre-established return and revenue targets due to the Rate Stabilization Act (General Assembly, 116th Session, 2005-2006). This rate mechanism decouples the utility's profits from its gas throughput.

Results

In 2010, Piedmont Natural Gas Company received approval from the SCPSC to spend $350,000 annually on its energy efficiency programs. Approximately half of that is budgeted for low-income programs.

[393] N/A = Not Available.
[394] From 2009 DSM Year-End Report for The Narragansett Electric Company d/b/a National Grid, June 1, 2010.

Table D-61. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005	N/A[395]	N/A	N/A	N/A
2006	N/A	N/A	N/A	N/A
2007	N/A	N/A	N/A	N/A
2008	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A
2010	N/A	N/A	N/A	N/A

Table D-62. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005	N/A[396]	N/A	N/A	N/A
2006	N/A	N/A	N/A	N/A
2007	N/A	N/A	N/A	N/A
2008	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A
2010	N/A	N/A	N/A	N/A

Further Information

At this time, the best Web site for information about the South Carolina natural gas energy efficiency programs is http://dms.psc.sc.gov/dockets/dockets.cfc?Method=DocketDetail&DocketID=108861, Piedmont Natural Gas Company's energy efficiency Docket No. 108861. South Carolina does not have a central Web site with natural gas energy efficiency data for the state.

South Dakota

Summary

Two South Dakota utilities, MidAmerican Energy and Montana-Dakota Utilities, began administering and implementing natural gas efficiency programs in 2006. The utilities voluntarily offer the programs. The programs are funded with a tariff rider.

Structure

MidAmerican Energy and Montana-Dakota Utilities voluntarily offer natural gas energy efficiency programs to residential, low-income, commercial and industrial customers in South Dakota. The programs are funded with a tariff rider.

In place of a lost revenue recovery mechanism, MidAmerican Energy and Montana-Dakota Utilities earn a straight return on the natural gas energy efficiency budget which is approved by the Commission. A utility's return is equal to that utility's last approved rate of return. The commission is currently considering a lost margins recovery mechanism for Northwestern Energy,

[395] N/A = Not Available.
[396] N/A = Not Available.

the only natural gas provider in the state not administering these programs. This change could affect the mechanism being used for the other two utilities.

Results

Two of the three investor-owned natural gas utilities in South Dakota offer ratepayer-funded energy efficiency programs to their customers. Historically the programs have operated on budgets of approximately $30,000 but increased considerably in 2009.

Table D-63. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005	N/A[397]	N/A	N/A	N/A
2006[398]	.025	N/A	.025	N/A
2007[399]	.017	N/A	.017	N/A
2008[400]	.033	N/A	.033	N/A
2009[401]	.842	N/A	.785	N/A
2010	1.4[402]	N/A	N/A	N/A

Table D-64. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year[403]

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005	N/A[404]	0	N/A	Therms
2006	N/A	66,450	N/A	Therms
2007	N/A	106,970	N/A	Therms
2008	N/A	90,000	N/A	Therms
2009	N/A	1,567,200	N/A	Therms
2010	N/A	N/A	N/A	

Further Information

Reports, evaluations, etc. are filed on the SD Public Utility Commission's (SDPUC) Web site (http://puc.sd.gov) in the each utility's docket filings.

Texas

Summary

Texas utilities are not required by legislation or regulatory authority to offer ratepayer-funded natural gas energy efficiency programs to their customers. Currently only one natural gas local distribution company, Atmos Energy, has requested and received approval for a Conservation and Energy Efficiency (CEE) Program. Atmos Energy began its programs in 2008.

[397] N/A = Not Available.
[398] From South Dakota Public Utilities Commission Staff.
[399] From South Dakota Public Utilities Commission Staff.
[400] From South Dakota Public Utilities Commission Staff.
[401] From South Dakota Public Utilities Commission Staff.
[402] CEE budget data.
[403] From South Dakota Public Utilities Commission Staff.
[404] N/A = Not Available.

Structure

Texas utilities are not required by legislation or regulatory authority to offer ratepayer-funded natural gas energy efficiency programs to their customers. Atmos Energy is the only local distribution company that has requested and received approval for a Conservation and Energy Efficiency (CEE) Program. Atmos Energy's CEE Program offers energy-saving measures and education to qualifying low-income and senior citizen customers. The CEE Program, which began in June 2008, is administered and implemented by Atmos Energy and Frontier Associates, LLC.

The CCE Program is jointly funded through a tariff rider ($1 million annually) and shareholder contributions ($1 million annually). The program does not have a provision for a utility performance incentive and does not include a mechanism for lost revenue recovery.

Results

The CCE Program is budgeted at approximately $2 million per year. Any unused funds are carried over into the next year.

Table D-65. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)[405]	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005				
2006				
2007				
2008	2.0	N/A[406]	N/A	N/A
2009	2.0	N/A	N/A	N/A
2010[407]	2.0	.65	0.0	.65

Table D-66. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005				
2006				
2007				
2008	N/A[408]	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

Copies of Atmos Energy's CEE Program annual report may be requested from the Railroad Commission of Texas by contacting Kathy Arroyo at 512-463-7121. This information is not available on the Internet.

[405] From Railroad Commission of Texas.
[406] N/A = Not available.
[407] From Railroad Commission of Texas.
[408] N/A = Not Available.

Utah

Summary

Questar Gas Company, the gas utility in Utah, began implementing natural gas efficiency programs in 2007. The programs are both administered and implemented by Questar Gas Company.

Structure

Questar Gas Company offers natural gas energy efficiency programs to residential, low-income, commercial and industrial customers in Utah. The company began to offer pilot programs to its customers in January 2007 due to the settlement stipulation approved by the Public Service Commission of Utah on October 5, 2006 in Docket No. 05-057-T01 (http://www.psc.utah.gov/utilities/gas/05docs/05057T01/Settlement%20Stipulation%209-12-06.doc). The 2009 natural gas energy efficiency programs were proposed by Questar Gas Company and approved by the Public Service Commission of Utah in Docket 08-057-22 (http://www.psc.utah.gov/utilities/gas/08orders/dec/0805722o.pdf).

Questar Gas Company's energy efficiency programs are funded through a deferred account. The account balance is amortized in rates over a 12-month period. There are currently no financial incentives for Questar Gas Company's energy efficiency programs. However, revenue decoupling is in place to remove the disincentive to offering natural gas efficiency programs.

The programs are both administered and implemented by Questar Gas Company.

Results

Questar Gas Company offers natural gas energy efficiency programs to its residential, low-income, commercial and industrial customers.

Table D-67. State Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)[409]		
	Total	Low-Income Programs	Res and C/I Programs[410]	Total
2005	N/A[411]	0.25	0.0	0.25
2006	N/A	0.25	0.0	0.25
2007	N/A	0.50	9.5	10.0
2008	N/A	0.50	17.5	18.0
2009	17.8[412]	0.50	47.0	47.4
2010	36.1[413]	N/A	N/A	N/A

[409] From Questar Gas.
[410] These figures were calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[411] N/A = Not Available.
[412] CEE budget data.
[413] CEE budget data.

Table D-68. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005	N/A[414]	0	N/A	Therms
2006	N/A	0	N/A	Therms
2007	N/A	1,630,000[415]	N/A	Therms
2008	N/A	3,490,000[416]	N/A	Therms
2009	N/A	10,862,000[417]	N/A	Therms
2010	N/A	N/A	N/A	

Further Information

The natural gas energy efficiency programs are being evaluated. Expenditures and energy savings are not currently posted on the internet, although the Questar Gas Company tracks and maintains savings data. This data is available for 2007 and 2008 in response to formal e-mail requests stating the specific information desired.

Vermont

Summary

Vermont Gas Systems, Inc. administers and implements the natural gas energy efficiency programs in Vermont. These programs are required by both regulatory orders and state legislation.

Structure

Vermont Gas Systems, Inc. offers natural gas energy efficiency programs to residential, low-income, commercial and industrial customers. Natural gas energy efficiency programs are required by both Vermont Public Service Board orders (1992 Docket No. 5270, particularly Docket No. 5270 VGS-1 and VGS-2) and legislation (30 V.S.A. section 235(d)—http://www.leg.state.vt.us/statutes/fullsection.cfm?Title=30&Chapter=005&Section=00235).

Vermont Gas Systems' energy efficiency expenses, excluding payroll, are deferred between rate proceedings. In the company's next base rate proceeding, the deferred expenses are embedded in rates and amortized over a three year period. Energy efficiency payroll expenses are embedded in rates. The natural gas programs are both administered and implemented by Vermont Gas Systems.

Vermont Gas Systems had a lost revenue recovery mechanism until April 2007. When the state implemented an alternative regulation plan, lost revenue recovery was eliminated. However, the company forecasts energy efficiency savings during each annual base rate case, thereby significantly reducing the need for lost revenue recovery.

Results

Vermont Gas Systems, Inc. provides natural gas energy efficiency programs to its residential, low-income, commercial and industrial customers.

[414] N/A = Not Available.
[415] From Questar Gas.
[416] From Questar Gas.
[417] From Howard Geller at SWEEP.

Table D-69. State Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs[418]	Res and C/I Programs	Total
2005[419]	1.2	N/A[420]	N/A	1.5
2006[421]	1.3	N/A	N/A	1.5
2007[422]	1.7	N/A	N/A	1.5
2008[423]	1.8	N/A	N/A	1.9
2009	1.8[424]	N/A	N/A	2.0[425]
2010	2.1[426]	N/A	N/A	2.0[427]

Table D-70. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005[428]	N/A[429]	N/A	763,374	Therms
2006[430]	N/A	N/A	604,877	Therms
2007[431]	N/A	N/A	809,372	Therms
2008[432]	N/A	N/A	1,007,449	Therms
2009[433]	N/A	N/A	648,601	Therms
2010[434]	N/A	N/A	845,175	Therms

Further Information

Vermont Gas Systems, Inc.'s annual demand side management reports can be found at http://www.vermontgas.com/efficiency_programs/links.html.

Virginia

Summary

Ratepayer-funded natural gas energy efficiency programs are not required by legislation or order in Virginia. The programs are funded through a tariff rider and are administered and implemented by the regulated gas distribution utilities. Utilities can earn a performance incentive for natural gas saved and a decoupling mechanism is employed to disassociate revenues from sales.

[418] Vermont Gas Systems does not maintain a separate budget for the low-income component of its programs.
[419] From Vermont Public Service Board Staff.
[420] N/A = Not Available.
[421] From Vermont Public Service Board Staff.
[422] From Vermont Public Service Board Staff.
[423] From Vermont Public Service Board Staff.
[424] CEE budget data.
[425] CEE expenditures data.
[426] CEE budget data.
[427] Vermont Gas System's 2010 Annual Demand Side Management Report at http://www.vermontgas.com/efficiency_programs/links.html.
[428] From Vermont Public Service Board Staff.
[429] N/A = Not Available.
[430] From Vermont Public Service Board Staff.
[431] From Vermont Public Service Board Staff.
[432] From Vermont Public Service Board Staff.
[433] Vermont Gas Systems, 2009 Annual Report, Demand Side Management Programs at http://www.vermontgas.com/efficiency_programs/links.html.
[434] Vermont Gas Systems, 2010 Annual Report, Demand Side Management Programs at http://www.vermontgas.com/efficiency_programs/links.html.

Structure

Although ratepayer-funded natural gas energy efficiency programs are not mandated in Virginia by legislation or order, VA Code Sections 56-600, 56-601, and 56-602 *allow* Gas Conservation and Ratemaking Efficiency (CARE) programs. Virginia Natural Gas had the first CARE Plan approved by Commission Order dated Dec. 23, 2008. Consequently, two other natural gas utilities, Columbia Gas of Virginia, Inc. and Washington Gas Light Company, have received approval for CARE plans with the Commission.

The utility CARE Plans include programs for low-income, residential and commercial customers. The programs are funded through a tariff rider and are administered and implemented by the regulated gas distribution utilities.

A performance incentive is allowed based on the amount of gas conserved. These gas savings are priced out at the weighted average cost of gas. The utility receives a percentage of these savings based using a sliding scale that is based on meeting performance targets of energy savings. A decoupling mechanism is used to disassociate revenues from sales.

Results

The CARE plan programs began in 2008. The total budget for the CARE programs has increased as additional utilities have begun to offer the programs. Energy savings data is not available.

Table D-71. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005				
2006				
2007				
2008	N/A[435]	N/A	N/A	N/A
2009[436]	N/A	0.2	2.0	2.2
2010[437]	6.2	N/A	N/A	N/A

Table D-72. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005				
2006				
2007				
2008	N/A[438]	N/A	N/A	
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

[435] N/A = Not Available.
[436] CEE expenditure data.
[437] CEE budget data.
[438] N/A = Not Available.

Further Information

A report summarizing the 2010 CARE program is located at http://leg2.state.va.us/DLS/h&sdocs.nsf/5c7ff392dd0ce64d85256ec400674ecb/c3b2cf178506983e852576810056e39f?OpenDocument.

Washington

Summary

Natural gas energy efficiency programs in Washington are administered by the four regulated natural gas utilities: Avista, Puget Sound Energy, Northwest Natural Gas and Cascade Natural Gas. These programs are required by administrative rule.

Structure

The four regulated natural gas companies in Washington offer energy efficiency programs to residential, low-income, commercial and industrial customers. Energy efficiency is required by administrative rule. Administrative Rule WAC 480-90-238 on Integrated Resource Planning (http://apps.leg.wa.gov/WAC/default.aspx?cite=480-90-238) mandates that each natural gas utility regulated by the commission (Avista, Puget Sound Energy, Northwest Natural Gas and Cascade Natural Gas) has the responsibility to meet system demand with the least-cost mix of natural gas supply and conservation.

Avista and Puget Sound Energy recover the program costs through tariff riders. Northwest Natural Gas and Cascade Natural Gas recover the program costs through rates (purchase gas adjustments). The efficiency programs are administered by the utilities and delivered by the utilities and contractors.

Since 1995, Puget Sound Energy has had a mechanism which allows for an annual return on its funding of the natural gas efficiency programs for its customers (Case No. UG 950288, http://www.utc.wa.gov/rms2.nsf/frm2005VwDSWeb!OpenForm&vw2005L1DktSh=950288-Documents&NAV999999).

Cascade and Avista are currently piloting natural gas decoupling (UG 060256, http://www.utc.wa.gov/rms2.nsf/frm2005VwDSWeb!OpenForm&vw2005L1DktSh=060256-Documents&NAV999999 and UG 060518, http://www.utc.wa.gov/rms2.nsf/frm2005VwDSWeb!OpenForm&vw2005L1DktSh=060518-Documents&NAV999999).

Results

The four regulated natural gas utilities in Washington offer natural gas energy efficiency programs to residential, low-income, commercial and industrial customers.

Table D-73. State Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total[439]	Low-Income Programs	Res and C/I Programs	Total
2005[440]	N/A[441]	N/A	N/A	5.9
2006[442]	8.2	N/A	N/A	9.2
2007[443]	10.5	N/A	N/A	11.5
2008[444]	18.4	N/A	N/A	18.9
2009	N/A	N/A	N/A	18.9[445]
2010	N/A	N/A	N/A	N/A

Table D-74. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total[446]	
2005	N/A[447]	N/A	4,005,453	Therms
2006	N/A	N/A	3,439,804	Therms
2007	N/A	N/A	3,864,435	Therms
2008	N/A	N/A	5,313,406	Therms
2009	N/A	N/A	5,313,406[448]	Therms
2010	N/A	N/A	N/A	

Further Information

More details on Washington's utility-sector energy efficiency programs are located at: http://www.utc.wa.gov/webimage.nsf/8d712cfdd4796c8888256aaa007e94b4/0b2e39343c0be04a88256a3b007449fe!OpenDocument.

Wisconsin

Summary

Natural gas energy efficiency programs in Wisconsin are required by state legislation. The low-income program is administered by the Wisconsin Department of Administration. All of the other natural gas energy efficiency programs are administered by the Wisconsin Energy Conservation Corporation (WECC).

Structure

2005 Wisconsin Act 141 (http://www.legis.state.wi.us/2005/data/acts/05Act141.pdf) requires the energy utilities in the state to collectively establish and fund statewide energy efficiency programs. Several utilities provide natural gas energy efficiency programs that are in addition to those required. These are termed voluntary energy efficiency programs. Funding decisions for

[439] CEE budget data.
[440] From Washington Utilities and Transportation Commission (WUTC) Staff.
[441] N/A = Not Available.
[442] From Washington Utilities and Transportation Commission (WUTC) Staff.
[443] From Washington Utilities and Transportation Commission (WUTC) Staff.
[444] From Washington Utilities and Transportation Commission (WUTC) Staff.
[445] Data not available for 2009. Used 2008 WUTC data as an estimate.
[446] From Washington Utilities and Transportation Commission (WUTC) Staff.
[447] N/A = Not Available.
[448] Data not available for 2009. Used 2008 WUTC data as an estimate.

these voluntary programs were made in rate case proceedings, dockets 05-UR-103, 6680-UR-116, and 6690-UR-119.

The Wisconsin Department of Administration (DOA) administers the low-income weatherization program. The Wisconsin Energy Conservation Corporation (WECC) administers the non-low-income programs. The non-low-income programs are collectively known as the "Focus on Energy" programs. Currently, Alliant Energy, City Gas Company, Madison Gas & Electric, Midwest Natural Gas Inc., St. Croix Gas, Superior Water, Light & Power, We Energies, Wisconsin Public Service Corporation and Xcel Energy offer Focus on Energy natural gas energy efficiency programs to their customers. A variety of contractors implement the programs.

Funding for the non-low-income energy efficiency programs is embedded in the natural gas utility rates. A portion of the low-income program funding is embedded in the rates. Low-income weatherization funding is collected through a public benefits fee on electric customers' bills (this fee funds both gas and electric services). Funding for the voluntary utility programs is embedded in the rates.

WECC 's contact has a performance bonus for achievement of therm savings. WECC achieved more than 110% of its therm savings goal in 2008. Both a gas and electric decoupling mechanism is in place for Wisconsin Public Service Corporation. In return Wisconsin Public Service Corporation is contributing additional gas and electric dollars to Focus on Energy to provide enhanced services in its territory. In addition, in Public Service Commission of Wisconsin Docket 05-UI-114 (http://psc.wi.gov/apps/cms_docket/content/DetlSmry.asp) the Commission is investigating utility incentives and disincentives and energy efficiency legislation based on the recommendations of the Governor's Global Warming Task Force.

Results

Wisconsin utilities offer natural gas energy efficiency programs to residential, low-income, commercial and industrial customers.

Table D-75. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)[449]		
	Total	Low-Income Programs	Res and C/I Programs[450]	Total
2005	N/A[451]	N/A	10.6	N/A
2006	N/A	N/A	11.0	N/A
2007	N/A	N/A	10.0	N/A
2008	N/A	24.4[452]	18.2	42.6[453]
2009	36.9[454]	36.2[455]	35.3[456]	71.5[457]
2010	31.4[458]	N/A	N/A	N/A

[449] Expenditures for voluntary utility programs are not included. These dollars are estimates for Focus on Energy based on past utility allocations between electric and natural gas expenditures. The Focus on Energy program does not budget or track expenditures by fuel.
[450] From the Public Service Commission of Wisconsin Staff.
[451] N/A = Not Available.
[452] CEE expenditures data.
[453] This figure was calculated ("Low-Income Programs" Actual Expenditures + "Res and C/I Programs" Actual Expenditures).
[454] CEE budget data.
[455] CEE expenditures data.
[456] CEE expenditures data.
[457] CEE expenditures data.
[458] CEE budget data.

Table D-76. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings[459]			Units
	Low-Income Programs	Res and C/I Programs[460]	Total	
2005	N/A[461]	9,300,000	N/A	Therms
2006	N/A	11,276,882	N/A	Therms
2007	N/A	14,844,661	N/A	Therms
2008	N/A	20,890,982	N/A	Therms
2009	N/A	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

The Wisconsin Focus on Energy evaluation reports are located on the Focus on Energy Web site at: http://focusonenergy.com/EvaluationReports/default.aspx. The Focus on Energy annual reports can be found at: http://focusonenergy.com/About-Us/Annual-Reports.aspx.

Wyoming

Summary

Montana-Dakota Utilities, Questar, SourceGas, Lower Valley Energy and Cheyenne Light Fuel and Power voluntarily administer and implement natural gas efficiency programs in Wyoming. The natural gas programs are funded through a surcharge that is included in the rates and a lost revenue deferred account.

Structure

Wyoming utilities are not required by state statute or regulatory authority to provide natural gas energy efficiency programs to their customers. Montana-Dakota Utilities, Questar, SourceGas, Lower Valley Energy and Cheyenne Light Fuel and Power voluntarily administer natural gas efficiency programs in Wyoming. Each company has its own programs which are generally implemented by the utility. Some companies use energy efficiency contractors to implement their programs.

The programs are funded through a surcharge that is included in the rates and a lost revenue deferred account. The lost revenue mechanism includes a weather-normalized calculation of average use per customer for the various customer classes and a 'balancing account' adjustment made to the surcharge in upcoming year. The mechanism is independent of growth of the utility. If the loss of total sales is due to loss of customers, this does not tally into the lost revenue calculation.

Results

Program investments to date have been modest. The programs have not yet been evaluated although an evaluation of Questar's programs is pending.

[459] Energy savings for voluntary utility programs are not included.
[460] From the Public Service Commission of Wisconsin Staff.
[461] N/A = Not Available.

Table D-77. State Utility Sector Expenditures on Utility Sector Natural Gas Energy Efficiency Programs by Year

Year	Budget (million $)	Actual Expenditures (million $)		
	Total	Low-Income Programs	Res and C/I Programs	Total
2005				
2006				
2007				
2008				
2009[462]	0.525	0.05	0.36[463]	0.41
2010	0.40[464]	N/A	N/A	N/A

Table D-78. State Natural Gas Energy Savings Due to Utility Sector Energy Efficiency Programs by Year

Year	Energy Savings			Units
	Low-Income Programs	Res and C/I Programs	Total	
2005				
2006				
2007				
2008				
2009	N/A[465]	N/A	N/A	
2010	N/A	N/A	N/A	

Further Information

A first year report is expected to be published soon.

[462] From Wyoming Public Service Commission Staff. Wyoming only has one operating natural gas energy efficiency program underway. Two others, SourceGas (as part of a Rate Case) and Cheyenne Light Fuel & Power are pending.
[463] This figure was calculated ("Total" Actual Expenditures—"Low-Income Programs" Actual Expenditures).
[464] CEE budget data.
[465] N/A = Not Available.