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*Serving the consumer interest
by seeking to improve the
quality and effectiveness
of public utility regulation
in America.*

Energy Efficiency in the United States

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Introduction

- **80% by 2050**
- **Transitioning to a low-carbon Economy**
- **Most inexpensive resource to achieve this goal**
 - **Energy Efficiency**



Overview of Energy Efficiency in the US

- Activity at the State level
 - Limited Federal Involvement
- Considerable variation among programs
 - Implementation, goals, budgets
- Electric efficiency v. Heating efficiency



Implementation of Efficiency Programs

- Efficiency Providers
 - Utility v. Third Party
- Goals
- Budgets
 - Percentage of retail sales v. set budget



Funding Energy Efficiency

- System benefits charge
- Rate Recovery for utilities
- Tax credits
- Low interest loans
- Regional Greenhouse Gas Initiative



Regional Greenhouse Gas Initiative

- 10 Northeastern US states
- Auction of CO2 allowances
- Proceeds from auctions
 - 25% minimum spending requirement
 - energy efficiency
 - renewable energy



Energy Efficiency and Transmission

- Least cost planning
 - Ensuring that the most cost-effective solution is implemented
- Coordinated system planning
 - Including efficiency in the discussion
- Geographic targeting
 - Deferring T&D upgrades



Energy Efficiency Measurements of Success

- Vermont
 - Negative load growth
 - TRB - \$112 million benefit
 - Cost of 3.7 cents per kWh
 - CO₂ reduction



Smart Grids and Energy Efficiency

- Defining success
- limited experience to date
- Potential benefits
 - appropriate price signals to shift load during peak times
 - Increased customer awareness
 - Increased efficiency?