

Resolution on Second Joint Statement of the American Gas Association and the Natural Resources Defense Council in Support of Measures to Promote Increased Energy Efficiency and Reduction in Greenhouse Gas Emissions

WHEREAS, On August 2, 2006, the National Association of Regulatory Utility Commissioners (NARUC) adopted a resolution, *Resolution Supporting the National Action Plan on Energy Efficiency*, sponsored by the Executive Committee and the Committees on Consumer Affairs, Electricity, Energy Resources and the Environment, and Gas, “endorsing the principal objectives and recommendations of the National Action Plan on Energy Efficiency and commend[ing] to its member commissions a State-specific, and where appropriate, regional review of the elements and potential applicability of the energy efficiency policy recommendations outlined in the Plan, in an effort to identify potential improvements in energy efficiency policy nationwide”; *and*

WHEREAS, In adopting this resolution, NARUC commended the commitments made on July 31, 2006, by a number of State commissions and other stakeholders to take specific actions to move their States aggressively toward increased energy efficiency; *and*

WHEREAS, This Resolution also recognized the five recommendations comprising the key elements of the 2006 National Action Plan on Energy Efficiency including recommendation number five to “[m]odify policies to align utility incentives with the delivery of cost-effective energy efficiency and modify ratemaking practices to promote energy efficiency investments”; *and*

WHEREAS, On July 14, 2004, NARUC adopted a *Resolution on Gas and Electric Energy Efficiency* sponsored by the NARUC Natural Gas Task Force, Committee on Gas, Committee on Consumer Affairs, Committee on Electricity, and Committee on Energy Resources and the Environment, which “encourages State Commissions to review and consider the recommendations contained in the enclosed *Joint Statement of the American Gas Association, the Natural Resources Defense Council, and the American Council for an Energy Efficient Economy*”; *and*

WHEREAS, In May 2008, the American Gas Association (AGA) and the Natural Resources Defense Council (NRDC) issued a *Second Joint Statement*, which has been reviewed and endorsed by the Alliance to Save Energy and the American Council for Energy Efficient Economy; *and*

WHEREAS, The *Second Joint Statement*¹ supports three common objectives: 1) removing disincentives for utilities to promote energy efficiency and reduce greenhouse gas emissions, and uniting to achieve increased savings through programs and standards; 2) developing performance-based incentives for utilities to promote energy efficiency and reduced greenhouse gas emissions; and 3) recognizing the potential contributions of efficient natural gas use in promoting reduced greenhouse gas emissions; *and*

¹ <http://www.aga.org/NR/rdonlyres/CC8D9622-9E61-47F4-9154-BC46302E41DD/0/0805NRDCAGA2.pdf>

WHEREAS, These objectives are consistent with those laid out in the 2006 National Action Plan for Energy Efficiency, objectives recognized in previous NARUC resolutions, and actions taken by a number of State Commissions seeking to remove utility disincentives to promote energy efficiency and to develop mechanisms that link energy efficiency incentives to independently verified net benefits that utilities deliver to customers through either successful administration of cost-effective efficiency programs and other authorized efficiency programs that serve low-income constituencies, particularly in the green-collar job creation opportunities in manufacturing, installation, and weatherization, or contributions to enactment of cost-effective efficiency standards and tax incentives; *now, therefore, be it*

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 2008 Summer Meetings in Portland, Oregon, encourages commissions to consider the principles and recommendations set out in the *Second Joint Statement of the American Gas Association and the Natural Resources Defense Council* and encourages State Commissions and other policymakers to review and give strong consideration to favorably approving gas distribution proposals consistent with these principles and recommendations.

*Sponsored by the Committees on Gas and Energy Resources and the Environment
Adopted by the Board of Directors July 23, 2008*