INSTITUTIONAL ARRANGEMENTS TO DELIVER ENERGY EFFICIENCY: SEEKING MIDDLE GROUND

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April 19, 2012
MISSION
Accelerate energy efficiency in homes, buildings & industry in the Northeast - Mid-Atlantic region.

GOAL
Keep the Northeast region a national leader in accelerating energy efficiency.

NEEP 2012 STRATEGIES

Make Efficiency Visible
Speed Adoption of Efficient Products
Reduce Building Energy Use
Advance Knowledge + Best Practices

MISSION

GOAL

APPROACH: Collaboration, Education, Advocacy

Accelerating energy efficiency since 1996
THE NORTHEAST AS AN EFFICIENCY LEADER

Aggressive Savings Goals

Strong Policy Support for Efficiency Programs

Leader in High Efficiency Products & Buildings

Innovative Programs & Policies
Six Northeast States Ranked in 2011 ACEEE Scorecard Top Ten States

- Massachusetts #1
- New York #3
- Vermont #5
- Rhode Island #5
- Connecticut #8
- Maryland #10

What do these states have in common?
2012 INSTITUTIONAL ARRANGEMENTS TO DELIVER ENERGY EFFICIENCY: NORTHEAST STATES

Many Administrative Models

**Statewide Efficiency Utility**
- Efficiency Vermont
- Efficiency Maine
- DC Sustainable Energy Utility
- DE Sustainable Energy Utility

**State Agency/Authority**
- NJ Board of Public Utilities
- NY – NYSERDA, LIPA, NYPA (plus utilities)

**Gas & Electric Utilities**
- Independent Programs – New York, Rhode Island, Maryland, Pennsylvania
- Statewide Programs & Marketing – MA Saves, NH Saves, CT Energy Efficiency Fund
INSTITUTIONAL ARRANGEMENTS TO DELIVER ENERGY EFFICIENCY: KEY ELEMENTS

Committed Leadership

Market & Community Partnerships

Data Access, Tracking & Evaluation

Stable Policy Environment

Statewide Effort

Performance-Based

Build Trust, Understanding & Goodwill
INSTITUTIONAL ARRANGEMENTS TO DELIVER ENERGY EFFICIENCY: KEY ELEMENTS

Committed Leadership

- Political Leadership
  - Executive
  - Legislative
- State Government
  - Agency & Regulatory
- Corporate Leadership
  - CEO Commitment
  - Corporate philosophy

Examples

- MA Governor Patrick & Legislature Adopt Green Communities Act
- CT Governor Malloy – Creation of DEEP
- MD State Energy Office & Utilities
- VT Public Service Board
- NY NYSERDA
- National Grid & NSTAR
INSTITUTIONAL ARRANGEMENTS TO DELIVER ENERGY EFFICIENCY: KEY ELEMENTS

Stable Policy Environment

- Long-Term Supportive Policy Framework
  - Legislation
  - Regulatory Policies
  - State Energy & Climate Plans
- Multi-year Plans with Annual Updates
- Public Advisory Process with Independent Experts
- Multi-Agency Coordination

Examples

- Efficiency Vermont 12-Year Appointment
- MA Green Communities Act
- CT Energy Future Act 2011
- Empower Maryland Act 2008
- RI 3-Year Efficiency Plan
- State-level advisory panels - CT, RI, MA, NH
- ME Energy Future Act 2009
- NY 2015 EE Portfolio Standard
INSTITUTIONAL ARRANGEMENTS TO DELIVER ENERGY EFFICIENCY: KEY ELEMENTS

Statewide Effort

- Statewide goals and portfolio
- Statewide branding & coordinated marketing
- Municipal utility inclusion
- Coordinated interface with market actors & franchises
- Integrated solutions: renewables and other demand-side solutions
- Consistent tech reference manual & tracking system

Examples

- Statewide Programs
  - MA, VT, NH, CT, NJ, RI, ME
- Statewide Branding
  - Mass Saves, NH Saves
  - CT Energy Efficiency Fund
  - Efficiency Vermont
- Municipal Inclusion
  - CT, MA, VT
- Integrated solutions
  - VT, MA, NJ, NYSERDA, DC
- Statewide TRM & Tracking
  - CT, NJ, MA, VT
INSTITUTIONAL ARRANGEMENTS TO DELIVER ENERGY EFFICIENCY: KEY ELEMENTS

Performance Based

- Financial incentives (penalties) to achieve goals with established baselines
- Program and budget FLEXIBILITY to meet goals
- Continuous improvement: monitoring, tracking, process evaluation and adjusting
- Independent oversight of impact evaluation

Examples

- Performance contract(s)
  - VT, DC, DE
- Performance incentives
  - MA, CT, NH, RI, MD
- Flexibility to innovate & modify
  - Lots – VT, DC
  - Some – MA, CT, NH, NJ,
- Evaluation Oversight
  - VT, MA, CT, RI, NJ, NY*, MD, DE, NH
INSTITUTIONAL ARRANGEMENTS TO DELIVER ENERGY EFFICIENCY: KEY ELEMENTS

Data Access, Tracking & Evaluation

- **Access to Customer Data**
  - Energy usage history
  - Efficiency program history

- **Statewide Evaluation**
  - Multi-year EM&V Plan
  - Common technical reference manual
  - Statewide (regional) baselines & evaluation studies
  - Statewide tracking, reporting database

*Examples*

- **Customer Database**
  - Efficiency Vermont
  - Efficiency Maine *(new!)*

- **Statewide Evaluation**
  - MA, CT, NH, RI, MD, VT

- **Statewide TRM & Baselines**
  - NY, MD, MA, CT, VT, DE, NJ, PA, ME, DC

- **Statewide Tracking Database**
  - VT, NJ + *new!* MA, NY, ME

- **Regional EM&V Forum Support**
  - Common Protocols & Regional EE Database
INSTITUTIONAL ARRANGEMENTS TO DELIVER ENERGY EFFICIENCY: KEY ELEMENTS

Market & Community Partnerships

- Partnerships with Retailers, Manufacturers, Distributors
- Alliances with Financial Service Providers
- Service Provider Partnerships (ESCos, engineers, energy platform providers)
- Municipal Partnerships
- NGO Partnerships

Examples

- PACE Program Alliances – VT, NY, ME, PA
- NYSERDA Energy Smart Communities
- Efficiency Vermont Partners
- CT Performance Contracting
- CT Statewide Alliance with TopTen USA
INSTITUTIONAL ARRANGEMENTS TO DELIVER ENERGY EFFICIENCY: STATEWIDE HYBRID

Possible Middle Ground?

Public Utility Commission

State Energy Office

Advisory Council
- stakeholders
- state agencies

Tracking & Evaluation Oversight

Statewide EE Initiative
- utilities and/or
- contractor(s)

Contractors & Service Providers
THANK YOU

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