



NEEP Regional Roundup of Energy Efficiency Policies in the Northeast and Mid-Atlantic

January 2017

All qualitative data for FY 15 are derived from NEEP's [Regional Energy Efficiency Database](#), [ACEEE's 2016 Scorecard](#), and E2's [Energy Efficiency Jobs in America](#) report.

State Policy Updates

Connecticut



In early 2016, the Connecticut Department of Energy and Environmental Protection (DEEP) began the process of updating its Comprehensive Energy Strategy (CES), with a workshop in late May. For preliminary insights into the strategy's recommendations, look toward DEEP's two technical sessions held in the lead up to its release, which examined demand reduction strategies, as well as opportunities to embrace renewable thermal technologies, such as air source heat pumps.

A draft CES expected by early spring 2017.

On a related note, the Connecticut Green Bank recently issued a first-of-its kind evaluation framework, suggesting a cost-benefit analysis that includes: (1) societal benefits measured through jobs supported and greenhouse gas emissions reduced, (2) participant benefits measured through savings to investment ratios and total cost savings, and (3) green bank benefits measured through public cost of clean energy (public dollars invested/attributable clean energy delivered). This framework will facilitate the goals of the Bank's FY17/FY18 Plan, which includes support for renewable thermal technologies and alternative vehicles.

Latest Energy Planning Documents

- [Comprehensive Energy Strategy](#) (Q1/2 2017)
- [Integrated Resource Plan](#) (2014)
- [2016-18 C&LM Plan](#) and [2017 Update](#)

Ongoing Regulatory Dockets

- [C&LM Plan](#)
- [Comprehensive Energy Strategy](#)
- [Grid Side Enhancement Demo Projects](#)

EE Stakeholder Processes

- [CT Energy Efficiency Board](#)
- [ListServ Info](#)

Connecticut At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	12,460
Annual Electric Savings (Percent Retail Sales)	1.39%
Annual Gas Savings (Percent of Retail Sales)	0.44%
Annual Electric Savings (MWh)	408,365
Electric Program Expenditures	\$179,351,330
Annual Gas Savings (Therms)	5,688,776
Gas Program Expenditures	\$40,141,292

State Policy Updates

Connecticut (Continued)



Program administrators are awaiting final approval of a [draft](#) of the 2017 update to their 2016-18 Conservation and Load Management Plans. Notable revisions to the plan include specific details on demand response pilots, as well as a peak time rebate program that will be offered by United Illuminating (Iberdrola) in 2018.

The program administrators have also been ordered to propose changes to the cost-effectiveness screening strategies by March 1; such changes may help promote fuel-switching and air source heat pumps.

DEEP also recently issued a [notice of final determination](#) regarding both [Eversource](#) and [United Illuminating's](#) grid-side enhancement projects. Notably, DEEP approved portions of each proposal related to DER hosting capacity analysis, targeting of DERs, and DER forecasting, but rejected proposals for investments in energy storage citing a lack of cost-benefit analysis.

Latest Energy Planning Documents

- [Comprehensive Energy Strategy](#) (Q1/2 2017)
- [Integrated Resource Plan](#) (2014)
- [2016-18 C&LM Plan](#) and [2017 Update](#)

Ongoing Regulatory Dockets

- [C&LM Plan](#)
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State Policy Updates

Delaware



The Delaware Energy Efficiency Advisory Council DE EEAC is continuing its progress toward initial efficiency program filings, pending finalization of proposed EM&V regulations issued in summer 2016.

Notably, in early 2017, the DE EEAC voted to approve Delmarva Power and Light's Energy Efficiency Program Portfolio. This move represents a significant step towards rollout of full-scale energy efficiency programs in the states.

The next major step for program development in Delaware will be when the cost-effectiveness screening procedures and associated programs are reviewed by the Delaware Public Service Commission in late Spring 2017.

Latest Energy Planning Documents

- [State Energy Plan \(2009\)](#)
- [Energy Savings Potential Study \(2014\)](#)
- [Delaware SEU Strategic Plan \(2015\)](#)

Ongoing Regulatory Dockets

- EERS docket at DE PSC remains pending

EE Stakeholder Processes

- [Delaware Energy Efficiency Advisory Council](#)
- [ListServ Info](#)

Delaware At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	2,334
Annual Electric Savings (Percent Retail Sales)	0.23%
Annual Gas Savings (Percent of Retail Sales)	0.01%
Annual Electric Savings (MWh)	26,459
Electric Program Expenditures	\$3,751,329
Annual Gas Savings (Therms)	30,664
Gas Program Expenditures	\$1,410,469

State Policy Updates

District of Columbia



After years of drafting, comment, and revision, the District of Columbia recently published a draft of its [Climate and Energy Plan](#).

The plan includes an extensive commitment to energy efficiency and provides concrete recommendations for increasing savings attributable to the Sustainable Energy Utility (SEU), including: (1) providing DCSEU better access to building performance and utility data access, (2) adopting a standard for verifying behavioral programs, (3) enabling the DCSEU to undertake projects that take more than a year to complete, (4) allowing the DCSEU to support energy code compliance, and (5) permitting the DCSEU to claim savings on a fuel neutral basis.

The District's Public Service Commission released its report on [Modernizing the Energy Delivery System for Increased Sustainability \(MEDSIS\)](#), recommending regulatory definition changes for "electric generators" and setting parameters for grid modernization pilot projects supported by more than \$20 million promised to the District as part of the recent Exelon-Pepco merger.

Latest Energy Planning Documents

- [Clean Energy DC](#) (2016)
- [DC SEU Annual Report](#) (2015)

Ongoing Regulatory Dockets

- [MEDSIS](#) Case No. [1130](#)

EE Stakeholder Processes

- [ListServe Info](#)

District of Columbia At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	14,681
Annual Electric Savings (Percent Retail Sales)	0.48%
Annual Gas Savings (Percent of Retail Sales)	0.29%
Annual Electric Savings (MWh)	53,724
Electric Program Expenditures	\$13,300,506
Annual Gas Savings (Therms)	920,966
Gas Program Expenditures	\$5,395,766

State Policy Updates

Maine



In mid-2016, the Maine Public Utility Commission (PUC) issued an [order](#) approving a [stipulation agreement](#) provided by the parties litigating Efficiency Maine Trust's ambitious [2017-19 Triennial Plan](#). The agreement targets electric savings between 2.1 and 2.5 percent of retail sales. Yet, a number of issues are scheduled to be resolved in subsequent dockets, including: issues relating to natural gas, low-income programs, measure bundles and LEDs, voltage optimization, large customer opportunities, and issues relative to program evaluation. ([Case 2015-00175](#); Item No. 288). We are also following a [docket](#) at the PUC investigating designation of a statewide non-transmission alternative (NTA) coordinator.

In the legislature, both houses voted overwhelmingly to [reauthorize Maine's participation in RGGI](#), once again overriding a veto by Governor LePage in a show of bi-partisan support for energy efficiency. Also, in a unique turn of events, Governor LePage signed [a bill](#) submitted to him by the legislature that authorized utilities to finance air source heat pumps on behalf of low income electric customers.

Head of the Governor's Energy Office, Patrick Woodcock, also [announced](#) in late 2016 that he would be resigning, citing the detrimental influence of special interests in energy policy.

Latest Energy Planning Documents

- [Comprehensive Energy Plan Update \(2015\)](#)
- [Efficiency Maine Trust Annual Report \(2016\)](#)
- [EMT 2017-19 Triennial Plan \(proposed\)](#)

Ongoing Regulatory Dockets

- Triennial Plan Docket No. [2015-00175](#)
- NTA Coordinator Docket No. [2016-00049](#)

EE Stakeholder Processes

- [ListServe Info](#)

Maine At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	8,843
Annual Electric Savings (Percent Retail Sales)	1.39%
Annual Gas Savings (Percent of Retail Sales)	0.14%
Annual Electric Savings (MWh)	166,500
Electric Program Expenditures	\$45,492,580
Annual Gas Savings (Therms)	148,346
Gas Program Expenditures	\$1,059,312

State Policy Updates

Maryland



After the Maryland Public Service Commission (PSC)'s landmark [Cost-Effectiveness Order](#) in July 2015, which targeted electric savings at 2.0% of retail sales and adopted the societal cost test for program screening (guidance [here](#)), the future of Maryland's programs remains unclear.

For example, a recent PSC [dissent](#) characterizes energy efficiency funding as a "government imposed cost borne by utility customers" rather than as the least-cost energy resource for Maryland ratepayers. Shortly after the dissent was authored, Governor Hogan [nominated](#) his third appointment to the five-member Public Service Commission.

The Commission also declined to adopt targets recommended by its [natural gas working group](#), while at the same time noting that it will "[L]ook forward to the review of cost-effective and appropriate proposals by natural gas companies consistent with the planning and review processes currently utilized by the EmPOWER Utilities today." Later in the year, the Commission agreed to the inclusion of non-ENERGY STAR® LEDs within residential programs until the program cycle ends in 2017.

Latest Energy Planning Documents

- [GHG Emission Reduction Plan \(2015\)](#)
- 2015-17 Plans (see dockets below)

Ongoing Regulatory Dockets (EmPOWER)

- Docket No. [9153](#) – Potomac Edison
- Docket No. [9154](#) – BG&E
- Docket No. [9155](#) – Potomac Electric
- Docket No. [9156](#) – Delmarva Power & Light
- Docket No. [9157](#) – SMECO
- Docket No. [9362](#) – Washington Gas & Light

EE Stakeholder Processes

- Semi-Annual Reports and Hearings (See above)
- [ListServe Info](#)

Maryland At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	46,724
Annual Electric Savings (Percent Retail Sales)	1.25%
Annual Gas Savings (Percent of Retail Sales)	0.17%
Annual Electric Savings (MWh)	768,613
Electric Program Expenditures	\$265,915,493
Annual Gas Savings (Therms)	1,423,145
Gas Program Expenditures	\$15,800,000

State Policy Updates

Maryland (Continued)



In early 2017, the Maryland Public Service Commission issued its [order](#) on questions that arose during October 2016's semi-annual hearing, which examined results of EmPOWER programs during Q1/Q2 of 2016. Notably, the order requires utilities to track actual energy savings alongside modeled savings for Home Performance with Energy Star (HPwES) program offerings.

The Maryland PSC is the latest to weigh in on the changing distribution system, having held [Public Conference 44](#) in December 2016 to examine transforming Maryland's Electric Distribution System. The conference covered topics of rate design, benefits and costs of distributed energy resources (DERs), advanced metering infrastructure, energy storage, interconnection, system planning, and low-income impacts.

The Maryland legislature is also poised to weigh in on energy efficiency programs during the 2017 session, with [S.B. 184](#) potentially codifying the Commission's previously prescribed savings goal of annual savings at two percent of retail sales.

Latest Energy Planning Documents

- [GHG Emission Reduction Plan \(2015\)](#)
- 2015-17 Plans (see dockets below)

Ongoing Regulatory Dockets (EmPOWER)

- Docket No. [9153](#) – Potomac Edison
- Docket No. [9154](#) – BG&E
- Docket No. [9155](#) – Potomac Electric
- Docket No. [9156](#) – Delmarva Power & Light
- Docket No. [9157](#) – SMECO
- Docket No. [9362](#) – Washington Gas & Light

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- [ListServe Info](#)

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State Policy Updates

Massachusetts



In January 2016, the Massachusetts Department of Public Utilities gave [final approval](#) to the [2016-18 statewide energy efficiency plans](#). Major issues of attention during the proceedings were performance incentives, demand response programs, and the process for mid-term modification of plans. The ambitious plan targets savings at 2.93 percent of retail electric sales, building upon the previous year's programs which [preliminary analysis shows](#) captured electric savings at 3.01 percent of retail sales.

A key focus of programs moving forward will be demand reduction. After issuance of a subcommittee [report](#) on the issue, the Energy Efficiency Advisory Council (EEAC) hosted presentations on the program administrators' [ongoing](#) and proposed ([slide 8](#)) demand response demonstration projects. A subsequent presentation to the EEAC outlining [2017 program priorities](#) also identified peak demand reduction and [commercial and industrial](#) (C&I) sector savings opportunities as areas of focus moving forward.

The Commonwealth also passed a [major piece of energy legislation](#) enabling the Department of Energy Resources to set targets for energy storage deployment, with an option to guide investments in storage with the EEAC's processes.

Latest Energy Planning Documents

- [Clean Energy & Climate Plan Update \(2015\)](#)
- [2016-18 Joint Statewide EE Plan](#)

Ongoing Regulatory Dockets (Grid Mod.)

- Eversource Grid Mod Plan, Docket [15-122](#)
- National Grid Grid Mod Plan, Docket [15-120](#)
- Until Grid Mod Plan, Docket [15-121](#)

EE Stakeholder Processes

- [Energy Efficiency Advisory Council](#)
- [ListServe Info](#)

Massachusetts At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	82,848
Annual Electric Savings (Percent Retail Sales)	2.61%
Annual Gas Savings (Percent of Retail Sales)	0.97%
Annual Electric Savings (MWh)	1,401,090
Electric Program Expenditures	\$559,284,143
Annual Gas Savings (Therms)	26,879,123
Gas Program Expenditures	\$192,095,902

State Policy Updates

Massachusetts (Continued)



In early 2016, National Grid filed the [interim evaluation report](#) for its Worcester Smart Grid Pilot. The pilot leveraged advanced metering infrastructure for rollout of time varying rates and demand response.

The Department of Public Utilities (DPU) issued a [revised procedural schedule](#) in October for its Grid Modernization proceeding, which had been suspended in August after a May [interlocutory order](#) declared rate design and time varying rates outside the scope of the proceeding. The docket is scheduled to reopen in early 2017.

Building upon the momentum of the Department of Energy Resources' "[State of Charge](#)" report examining energy storage in the Commonwealth, Eversource proposed four regulated investments energy storage facilities in an [update](#) to its Grid Modernization Investment Plan. The proposal also requests approval of "make ready" infrastructure for more than 4,200 electric vehicle charges. National Grid has filed a similar [proposal](#) for approximately 1,200 chargers.

National Grid filed a formal proposal for a [Non-Wires Alternative Project](#) on the island of Nantucket, only to later [withdraw](#) the proposal due to an error in the discount rate of the undersea cable that would have been deferred.

Latest Energy Planning Documents

- [Clean Energy & Climate Plan Update \(2015\)](#)
- [2016-18 Joint Statewide EE Plan](#)

Ongoing Regulatory Dockets (Grid Mod.)

- Eversource Grid Mod Plan, Docket [15-122](#)
- National Grid Grid Mod Plan, Docket [15-120](#)
- Unitil Grid Mod Plan, Docket [15-121](#)

EE Stakeholder Processes

- [Energy Efficiency Advisory Council](#)
- [ListServe Info](#)

Massachusetts At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	82,848
Annual Electric Savings (Percent Retail Sales)	2.61%
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Annual Electric Savings (MWh)	1,401,090
Electric Program Expenditures	\$559,284,143
Annual Gas Savings (Therms)	26,879,123
Gas Program Expenditures	\$192,095,902

State Policy Updates

New Hampshire



In early August 2016, the New Hampshire Public Utility Commission issued a long-awaited [order](#) establishing an Energy Efficiency Resource Standard (EERS). The order adopted the April [settlement agreement](#) unaltered, funding savings at 1.3 percent of retail sales by 2020. As part of the settlement, the parties have agreed to reduced utility performance incentives, paired with a lost-revenue adjustment mechanism (LRAM) and commitment to decoupling for each utility upon filing of its next rate case.

While [2017](#) remains a transition year during which the savings targets remain relatively stable, program administrators are [contemplating](#) whether to include demand reduction induced pricing effect (DRIPE) and non-energy benefits such as property value, thermal comfort, home durability, health benefits, within their cost effectiveness screening test.

In early 2017, the Energy Efficiency and Sustainable Energy (EESE) Board in New Hampshire is convening a series of [workshops](#) during February and March to examine details related to the state's EERS.

Latest Energy Planning Documents

- [State Energy Strategy \(2014\)](#)
- [2017 Statewide Energy Efficiency Plan](#)

Ongoing Regulatory Dockets

- EERS Docket No. [DE-137](#) (now closed)
- Docket Pending, 2018-20 Plans

EE Stakeholder Processes

- [Energy Efficiency & Sustainable Energy Board](#)
- [ListServe Info](#)

New Hampshire At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	6,833
Annual Electric Savings (Percent Retail Sales)	0.67%
Annual Gas Savings (Percent of Retail Sales)	0.70%
Annual Electric Savings (MWh)	73,499
Electric Program Expenditures	\$25,877,372
Annual Gas Savings (Therms)	1,766,959
Gas Program Expenditures	\$7,117,682

State Policy Updates

New Hampshire (Continued)



The Commission's [Grid Modernization Working Group](#) is underway, with Jonathan Raab as process facilitator, and Tim Woolf serving as consultant to Commission Staff. A [draft report](#) from the working group remains awaiting finalization.

Additionally, in early July, the Commission issued an [order](#) approving the final settlement agreement considering divestiture of Eversource New Hampshire's generating facilities. Supplementing an earlier [commitment](#) by Eversource's subsidiary Northern Pass to commit \$20 million to clean energy innovation, the settlement agreement mandates that Eversource commit \$5 million to a clean energy fund.

Also of note is a mid-October [order](#) from the Public Utility Commission specifying that the entire \$20 million of funding directed to clean energy in Northern Pass's application for public utility treatment will in fact go towards energy efficiency.

Latest Energy Planning Documents

- [State Energy Strategy \(2014\)](#)
- [2017 Statewide Energy Efficiency Plan](#)

Ongoing Regulatory Dockets

- EERS Docket No. [DE-137](#) (now closed)
- Docket Pending, 2018-20 Plans

EE Stakeholder Processes

- [Energy Efficiency & Sustainable Energy Board](#)
- [ListServe Info](#)

New Hampshire At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	6,833
Annual Electric Savings (Percent Retail Sales)	0.67%
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Annual Electric Savings (MWh)	73,499
Electric Program Expenditures	\$25,877,372
Annual Gas Savings (Therms)	1,766,959
Gas Program Expenditures	\$7,117,682

State Policy Updates

New Jersey



In early 2016, regulators selected Applied Energy Group (AEG) as the New Jersey Clean Energy Program (NJCEP)'s Administrator. AEG's proposal contained a Strategic Plan, which can be found [here](#).

The Office of Clean Energy issued a [request for comment](#) on a proposed FY17 Draft Comprehensive Resource Analysis (CRA) and Budget, as well as compliance filings of the varying program administrators. Notable within these filings is an embrace of non-ENERGY STAR® LEDs. In late June, the Board of Public Utilities [approved](#) both the [CRA](#) and [proposed programs](#). FY17 savings targets represent a 15 percent increase over FY 2016 targets.

The New Jersey Clean Energy Program is continuing to hold [stakeholder focus groups](#) to coordinate a strategic plan for FY 18. After completion of the focus groups, NJCEP plans to post a survey soliciting further feedback.

Latest Energy Planning Documents

- [Energy Master Plan Update \(2015\)](#)
- [FY 17 Comprehensive Resource Analysis](#)
- [FY 17 Energy Efficiency & Renewables Plan](#)

Ongoing Regulatory Dockets

- [Order Approving FY 17 Budgets & Protocols](#)
- [Order Approving FY 17 CRA](#)

EE Stakeholder Processes

- [Policy Revisions and Comment Opportunities](#)
- [NJCEP Strategic Plan Revision Workshops](#)
- [ListServe Info](#)

New Jersey At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	38,378
Annual Electric Savings (Percent Retail Sales)	0.55%
Annual Gas Savings (Percent of Retail Sales)	0.21%
Annual Electric Savings (MWh)	409,957
Electric Program Expenditures	\$177,600,000
Annual Gas Savings (Therms)	9,670,000
Gas Program Expenditures	\$83,300,000

State Policy Updates

New York



As part of their Reforming the Energy Vision (REV) proceeding in 2016, the New York Public Service Commission issued final orders on [NYSERDA's Clean Energy Fund Proposal](#), [Utility Energy Efficiency Transition Implementation Plans \(ETIPS\)](#), the [REV Benefit Cost Analysis Framework](#)., and the [Ratemaking and Utility Revenue Model Policy Framework](#).

For brief summaries of these orders, see NEEP's [CEF Order Summary](#), [ETIPS Order Summary](#), [BCA Order Summary](#), and [Utility Revenue Model Order Summary](#).

In 2016, the utilities filed their ETIPS, as well as Distributed System Implementation Plans. The former will be the vehicle for utility investments in energy efficiency moving forward, while the latter will be the vehicle for grid modernization investments (e.g.- advanced metering infrastructure, distribution system hardening, electric vehicles supply infrastructure, etc.).

More recently, the utilities also filed a their [Joint Supplemental Distributed System Implementation Plan \(SDSIP\)](#), which suggests approaches for how to revise distribution system planning.

Latest Energy Planning Documents

- [New York State Energy Plan \(2015\)](#)
- [NYPSC Order Continuing Utility EE Under REV](#)
- [NYPSC REV Track I Order and Summary](#)
- [NYPSC REV Track II Order and Summary](#)
- [NY PSC REV Benefit Cost-Analysis Order](#)
- [NYSERDA Clean Energy Fund \(CEF\) Info Supp.](#)
- [NYSERDA CEF Investment Plan Chapters](#)
- [Distributed System Implementation Plans](#)
 - [Joint Supplemental DSIP](#)
 - [Con Edison](#)
 - [Orange & Rockland](#)
 - [National Grid](#)
 - [NYSEG/RGE](#)
 - [Central Hudson](#)

New York At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	69,704
Annual Electric Savings (Percent Retail Sales)	0.99%
Annual Gas Savings (Percent of Retail Sales)	0.32%
Annual Electric Savings (MWh)	1,464,056
Electric Program Expenditures	\$318,182,042
Annual Gas Savings (Therms)	27,334,326
Gas Program Expenditures	\$128,008,915

State Policy Updates

New York (Continued)



The Commission also established a stakeholder collaborative known as the [Clean Energy Advisory Council](#), as well as several new working groups and associated dockets to examine those questions that have been raised within the REV proceeding, but remain unanswered. For a summary of these working groups and their deliverables, please see NEEP's [issue brief](#) on the matter.

In many cases, the primary deliverable of these working groups has been a report submitted for the Commission's consideration. It is likely that 2017 the Commission will issue final orders relating to these reports. Key reports issued by the working groups thus far include:

- [Energy Efficiency Metrics and Targets Options Report](#)
- [EM&V Guidance Final Recommendations](#)
- [Energy Efficiency Best Practices Under REV](#)
- [Approaches to Low to Moderate Income Clean Energy Services](#)
- Clean energy performance metrics ([p. 63-75](#))
- Program administrator coordination ([p. 13-22](#))

NYSERDA also developed several clean energy fund investment plan chapters during 2016, which are available [here](#).

EE Stakeholder Processes

- [Clean Energy Advisory Council](#)
- [LisServ Info](#)

Ongoing Regulatory Dockets (Priority Order)

- [16-00561](#) – Clean Energy Advisory Council
- [15-M-0252](#) – Utility Energy Efficiency Programs
- [16-00681](#) – NYSERDA Investment Plan Chapters
- [15-01319](#) – NY Technical Reference Manual
- [16-M-0411](#) – DSIPs
- [16-02180](#) – Evaluation, Measurement, & Verif
- [14-M-0101](#) – Original REV Docket, NWA Docket
- [16-M-0412](#) – Benefit Cost Analysis Handbooks
- [16-M-0428](#) – Platform Service Reve. & Utility Data
- [16-M-0429](#) – Earning Adjustment Mech/Scorecards

New York At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	69,704
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State Policy Updates

Pennsylvania



In early 2016, Pennsylvania Public Utility Commission (PUC) approved 2016-2020 Program Plans submitted by [Duquesne Light and Power](#), [Metropolitan Edison](#), [Penelec](#), [PennPower](#), [WestPenn Power](#), [PECO](#), and [PPL](#) under Act 129's Phase III.

The PUC's docket examining alternative ratemaking methodologies [[M-2015-2518883](#)] remains pending after hearings and comments in 2016.

After [unanimous approval](#) of Governor Wolf's third nominee to the five-member PUC by the state's Senate, Commissioner David Sweet took his seat at the Commission in mid-June.

The PUC's Robert Powelson was [elected](#) as the 128th President of the National Association of Regulatory Utility Commissions in late November. He will replace outgoing President Travis Kavulla of Montana.

A [report](#) prepared for Delaware Riverkeeper by Synapse Energy Economics and EQ research maps out a pathway to reach 100 percent renewables in the Commonwealth by 2050. The pathway includes an extensive embrace of energy efficiency, electrification, decoupling, and performance-based rates.

Latest Energy Planning Documents

- [Climate Change Action Plan Update](#)
- Act 129 Phase III Plans: [Duquesne](#), [MetEd](#), [Penelec](#), [PennPower](#), [West PennPower](#), [PECO](#), and [PPL](#)

Ongoing Regulatory Dockets

- Alternative Ratemaking, [M-2015-2518883](#)
- Duquesne EE Planning, [M-2015-2515375](#)
- MetEd EE Planning, [M-2015-2514767](#)
- Penelec EE Planning, [M-2015-2514768](#)
- Penn Power EE Planning, [M-2015-2514769](#)
- West Penn Power EE Plans, [M-2015-2514772](#)
- PECO EE Planning, [M-2015-2515691](#)
- PPL EE Planning, [M-2015-2515642](#)

Pennsylvania At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	53,175
Annual Electric Savings (Percent Retail Sales)	0.64%
Annual Gas Savings (Percent of Retail Sales)	0.02%
Annual Electric Savings (MWh)	904,238
Electric Program Expenditures	\$217,200,000
Annual Gas Savings (Therms)	1,000,000
Gas Program Expenditures	\$12,700,000

State Policy Updates

Rhode Island



In 2016, the Rhode Island Public Utility Commission (PUC) approved the [2017 Energy Efficiency Program Plan](#) and [2017 System Reliability Procurement Plan](#). Both are innovative documents that advance energy efficiency in the region. The PUC is also currently considering [proposed targets](#) for 2018-20 at approximately 2.5-2.7 percent of retail sales.

Building upon the [Systems Integration Rhode Island Vision Document](#) issued in early 2016, the PUC also opened a scoping investigation under [Docket No. 4600](#), which seeks to create a common framework for measuring costs and benefits of actions taken across the distribution system, in alignment with principles enunciated in the state's least-cost procurement law.

A Commission-established [working group](#) is working to finalize a [benefit-cost matrix](#) that will examine DERs like energy efficiency, demand response, combined heat and power, and photovoltaics on an even playing field in a process known as dynamic portfolio optimization. If you're interested in further insights into how this matrix might be applied, review this [recent filing](#) with the group from Synapse's Tim Woolf.

Latest Energy Planning Documents

- [RI State Energy Plan- Energy 2035 \(2015\)](#)
- [2017 Energy Efficiency Program Plan](#)
- [2017 System Reliability Procurement Plan](#)
- [Systems Integration RI Vision Document](#)

Ongoing Regulatory Dockets

- Changing Distribution System- Docket [4600](#)
- 2018-20 Proposed Savings- Docket [4684](#)

EE Stakeholder Processes

- [RI Energy Efficiency Resource Management Council \(EERMC\)](#)
- [ListServ Info](#)

Rhode Island At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	8,112
Annual Electric Savings (Percent Retail Sales)	2.80%
Annual Gas Savings (Percent of Retail Sales)	1.01%
Annual Electric Savings (MWh)	214,512
Electric Program Expenditures	\$84,730,831
Annual Gas Savings (Therms)	4,196,296
Gas Program Expenditures	\$21,516,561

State Policy Updates

Rhode Island (Continued)



Former Commissioner of the Office of Energy Resources Marion Gold was selected by the Governor Raimondo to replace outgoing PUC Commissioner Paul Roberti. Gold was replaced in her former role by Carol Grant, who held a role as Senior Vice President of External Affairs with SunEdison.

Rhode Island's Executive Climate Change Coordinating Council published a [Greenhouse Gas Reduction Plan](#), the latest in a series of policy guidance documents suggesting extension of the state's least-cost procurement policies to delivered fuels.

The Rhode Island Office of Energy Resources (OER) has also agreed to participate in the National Governors Association's Grid Modernization [Policy Academy](#), which focuses on the changing utility business model, opportunities for advanced metering infrastructure, electrification, and distribution system planning.

In early 2017, OER also published a [Renewable Thermal Market Development Strategy](#), further signaling interest in the fuel switching and efficient electrification of end uses.

Latest Energy Planning Documents

- [RI State Energy Plan- Energy 2035 \(2015\)](#)
- [2017 Energy Efficiency Program Plan](#)
- [2017 System Reliability Procurement Plan](#)
- [Systems Integration RI Vision Document](#)

Ongoing Regulatory Dockets

- Changing Distribution System- Docket [4600](#)
- 2018-20 Proposed Savings- Docket [4684](#)

EE Stakeholder Processes

- [RI Energy Efficiency Resource Management Council \(EERMC\)](#)
- [ListServ Info](#)

Rhode Island At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	8,112
Annual Electric Savings (Percent Retail Sales)	2.80%
Annual Gas Savings (Percent of Retail Sales)	1.01%
Annual Electric Savings (MWh)	214,512
Electric Program Expenditures	\$84,730,831
Annual Gas Savings (Therms)	4,196,296
Gas Program Expenditures	\$21,516,561

State Policy Updates

Vermont



The Vermont Public Service Board recently opened a [demand resources proceeding](#), with the tentative proceeding schedule available [here](#). The demand resources proceeding is where the utilities will file 2018-20 energy efficiency program plans for Board approval.

Perhaps more notably, The major distribution utilities in Vermont recently filed plans to satisfy their [Energy Transformation Portfolio](#) obligations under last year's Renewable Energy Standard. The plans included support for air source heat pumps, electric vehicles, electric vehicle supply equipment, and whole-home weatherization (et al.). The plans are available under RES Tier III Plans in the column to the right .

NEEP is eagerly awaiting results from the first year of Energy Transformation project implementation. The approach to electrification developed under RES Tier III's policy framework is something we see as ripe for replication throughout the region.

Latest Energy Planning Documents

- [Comprehensive Energy Plan \(2016\)](#)
- [Renewable Energy Standard Order](#)
- [Efficiency Vermont 2017 Triennial Plan Update](#)
- [Burlington Electric Dept. 2016 EE Plan](#)
- RES Tier III Plans
 - [GMP](#), [BED](#), [WEC](#), and [VEC](#)

Ongoing Regulatory Dockets

- Renewable Energy Standard Docket No. [8550](#)
- DRP (2018-20 Plans) Docket No. [2016-03](#)

EE Stakeholder Processes

- [ListServe Info](#)

Vermont At a Glance (PY 2015)

Direct Jobs in Energy Efficiency	8,585
Annual Electric Savings (Percent Retail Sales)	2.06%
Annual Gas Savings (Percent of Retail Sales)	0.68%
Annual Electric Savings (MWh)	113,112
Electric Program Expenditures	\$46,598,183
Annual Gas Savings (Therms)	822,706
Gas Program Expenditures	\$2,236,287

Analysis of State Trends

Strategic Electrification



Electrification of end uses previously powered by fossil fuels has for decades been a third rail in electric utility regulation, with regulators generally viewing rate structures that incent more electric usage — such as declining block rates — as economically inefficient.

However, many states in the Northeast and Mid-Atlantic have committed to ambitious carbon reduction goals, either through statute or executive order. Achieving such goals will not be possible without eventual electrification of end-uses previously energized by fossil fuels.

Leading states such as Vermont, New York, and Rhode Island are beginning to incorporate electrification into their energy policy guidance. Acting upon this policy guidance, regulators have begun to build frameworks for electrification.

Notably, Vermont has established a tier of its renewable portfolio standard that requires utilities to procure “energy transformation” portfolios that could be satisfied through electrification.

Other states are taking similar steps with proposals for utility investment in electric vehicle charging infrastructure, or support for renewable thermal credits in their state’s clean energy frameworks.

Relevant Links:

New York

- [NYPSC REV Track II Order](#)

Vermont

- [GMP RES Tier III Plan](#)
- [BED RES Tier III Plan](#)
- [WEC RES Tier III Plan](#)
- [VEC RES Tier III Plan](#)

Massachusetts

- Eversource [EV Proposal](#)
- National Grid [EV Proposal](#)

Rhode Island

- RI [Renewable Thermal Strategy](#)



Analysis of State Trends

Advanced Metering Infrastructure



States throughout the Northeast and Mid-Atlantic are contemplating major investments in advanced metering infrastructure (AMI) that may lead to a revolution in customer engagement.

For example, regulators in Massachusetts and New York are currently contemplating major investments in AMI, and working groups in New Hampshire and Rhode Island are beginning to build a consensus on the topic.

These investments may dramatically change the way that programs are designed and delivered to customers, enabling peak time rebate demand response programs, as well as quick cycle feedback loops for energy efficiency contractor performance.

For further insights on the benefits and costs associated with AMI, including retrospective review of such investments in Maryland, Vermont, and Maine, please see NEEP's recent report:

[Advanced Metering Infrastructure:
Utility Trends and Cost-Benefit Analyses in the NEEP Region.](#)

Relevant Links:

New York

- [NYPSC Order Approving Con Edison AMI Business Plan](#)
- DSIPs filed by [O&R](#), [National Grid](#), [NYSEG/RGE](#), and [Central Hudson](#)

Massachusetts

- Grid Mod. Proposals filed by [Eversource](#) and [National Grid](#)

Rhode Island

- [Grid Mod Working Group](#)

New Hampshire

- [Grid Mod Working Group](#)



Analysis of State Trends

Integration of EE and Demand Response



Demand Response and energy efficiency have evolved along different paths during the past several decades. While investments by regulated entities in energy efficiency have enjoyed broad growth thanks top-down directives, demand response has — with some exception — remained largely within the sphere of private market third party curtailment service providers who aggregate commitments and bid them into wholesale power markets.

Yet, policy-makers are beginning to recognize the value of peak load reduction for deferral of distribution system investments, as well as for balanced integration of distributed generation. As such, peak capacity reduction goals have received a renewed focus as the target of incentives and mandates.

State-level policy directives are encouraging efficiency program administrators to find synergies between kWh savings and kW reductions. Smart thermostats, smart appliances, and advanced lighting controls are just a few of the technologies that offer such synergies. Efficiency program plans throughout the Northeast and Mid-Atlantic (et al.) are seeking to invest in energy efficiency measures that also enable dynamic load management.

For further insights on which utility program administrators are beginning to combine energy efficiency and demand response, please see NEEP's [recent blog](#) on the matter.

Relevant Links: Massachusetts

- [Eversource](#)
- [National Grid](#)
- [CLC](#)
- [Unitil](#)

Connecticut

- [Eversource](#),
- [United Illuminating](#)

Rhode Island

- [National Grid SRP](#)



Analysis of State Trends

Software as a Service (SaaS) Investments



Software-as-a-Service offerings have become ubiquitous in modern industries, but remain limited in the electric/gas utility industry to date. This may be due, at least in part, to the method in which regulated utilities are compensated for their investments.

Generally, utilities can earn their shareholders a rate of return on capital investments such as power plants or substations, but earn no rate of return for operating investments or leases. Oftentimes, software-as-a-service offerings take the form of a lease; thus, such offerings would not result in a rate of return for those utilities who invest in them.

This is unfortunate because advanced data collection and analysis tools and systems based on SaaS offer new opportunities for understanding and engaging customers, offering value to project and program delivery as well as to evaluation.

Though, recently, in a move that mirrored a recent Order of the New York Public Service Commission ([p. 104](#)), the National Association of Regulatory Utility Commissions recently issued a resolution recommending that such investments be classified as capital investments rather than operating investments, thus providing an added incentive for utilities to embrace them.

For further insights on how utility program administrators are beginning to embrace software-as-a-service offerings, please see NEEP's recent [blog](#), or our brief on the matter:

[NEEP Auto M&V Industry Brief:
How Fast is the EM&V Paradigm Changing?](#)

Relevant Links:

National Level:

- [NARUC Resolution](#)

New York

- [REV Track II Order](#)



Analysis of State Trends

Distribution System Planning



The strategy utilities use to plan for distribution system investments is changing. As utility regulators contemplate major infrastructure investments to keep pace with pockets of growing peak demand throughout the region, less costly non-wires alternatives (NWA) solutions — based on deployment of distributed energy resources — are becoming more common within transmission and distribution (T&D) system planning processes.

States like New York are leading the way, requiring that utilities propose at least one system deferral as part of the New York REV proceeding, with many proposing several deferrals. Vermont, Rhode Island, and Maine have also been early leaders, with established frameworks for investing in system deferrals.

Rhode Island is now moving even further into a leadership role, with their Docket 4600 proceedings, which may lead to use of a process known as portfolio optimization for planning investments in a changing system.

For further insights on how utility program administrators are beginning to change how they plan for distribution system investments, please see NEEP's recent brief on the matter:

[NEEP EM&V Forum and Policy Brief:
State Leadership Driving Non-Wires Alternative Projects and Policies](#)

Relevant Links:

Rhode Island

- [Synapse Memo to Docket 4600 Stakeholders](#)
- [System Reliability Procurement Plan](#)

New York

- [Utility Benefit-Cost Analysis Handbooks](#)

Maine

- [Non-Transmission Coordinator Docket](#)



Questions?



For more information on State Policies, Trends, or the REED Database, please contact:

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All qualitative data for FY 15 are derived from NEEP's [Regional Energy Efficiency Database](#), ACEEE's [2016 Scorecard](#), and E2's [Energy Efficiency Jobs in America](#).