



**NARUC**

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

# *Energy Efficiency in the United States*

President David Coen, NARUC  
Commissioner, Vermont Public Service Board

**8<sup>th</sup> EU-US Energy Regulators Roundtable**  
**26-27 October, 2010**  
**Berlin, Germany**



# 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
  - CO<sub>2</sub> 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?