

# Update on Utility Energy Efficiency Policies and Programs in the Southwest

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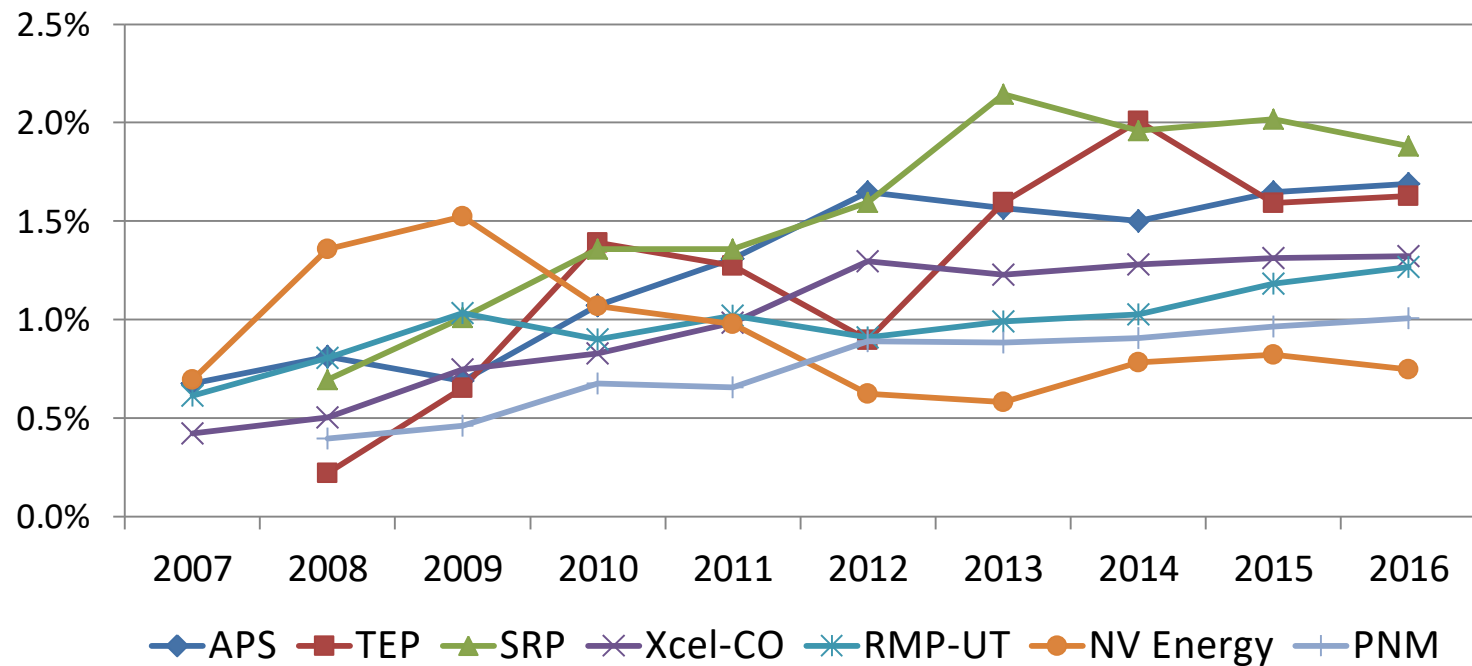
# Electric Utility DSM Program Spending Trends in the Southwest

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State	Electric DSM Program Spending (million \$ per year)								
	2002	2004	2006	2008	2010	2012	2014	2016	2017 (est.)
AZ	4	4	19	45	94	130	126	127	135
CO	11	21	18	28	66	96	96	106	116
NV	3	11	30	55	46	39	52	49	55
NM	1	1	1	10	24	228	34	40	41
UT	9	16	27	36	51	47	82	60	61
WY	~0	~0	~0	~0	3	4	5	8	9
Region	29	54	95	174	284	343	395	390	417

# First Year Energy Savings as a Fraction of Retail Electric Sales

Annual Energy Savings as a % of Retail Sales,  
by program year



# Key Issues - Arizona

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- ❑ Investor-owned utilities continuing to meet or exceed EERS or internal goals (SRP), at least for now
- ❑ SRP ramping up its EE budget this year
- ❑ But IOU energy efficiency budgets facing challenges
  - TEP has suspended 2017 C&I programs and some res. programs due to inadequate budget
  - APS has cut some C&I incentives due to insufficient budget
- ❑ APS has proposed eliminating some of its most effective energy savings programs in 2018, using increasing rooftop solar penetration/duck curve effects as the rationale
- ❑ Utilities have drafted IRPs that reduce role for EE resources post 2020, when current EERS expires

# Key Issues – Colorado

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- ❑ Legislature approved PUC setting energy savings goals for Xcel Energy and BHE for 10 more years
- ❑ PUC has approved decoupling for Xcel Energy
  - Applies to residential and small comm. customers
  - Based on authorized revenues, not revenues per customer
- ❑ DSM Strategic Issues underway for Xcel Energy
  - Xcel has proposed lower energy savings goals starting in 2019, changes to the shareholder incentive mechanism, more emphasis on DR going forward
- ❑ Gov. Hickenlooper Executive Order – calls for 2% annual energy savings by 2020

# Key Issues – Nevada

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- ❑ Major EE legislation passed in 2017 and signed into law by Governor Sandoval
  - Requires PUCN to adopt energy savings goals
  - Requires accounting for non-energy benefits
  - Dedicates 5% of total DSM budget to low-income programs
  - Cost effectiveness at portfolio not program level
  - Rulemaking underway to implement new legislation
- ❑ NV Energy files new 3-year DSM plan June 2018
- ❑ PUCN expected to direct NV Energy to restart a residential lighting program
- ❑ Retail energy choice under consideration

# Key Issues – Utah/WY

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- ❑ Rocky Mountain Power (RMP) shifted to capitalization of DSM expenditures in Utah
- ❑ RMP's EE programs are being refined, leading to greater energy savings
  - New midstream residential HVAC program
  - New comm. HVAC tune-up and maintenance program
  - Shifting emphasis to LED fixture replacement and advanced controls in C&I lighting program
  - MF program to be launched in 2018
- ❑ But PacifiCorp's 2017 IRP calls for 20-30% less energy savings in Utah during 2018-2030, compared to the previous PacifiCorp IRP
- ❑ RMP proposing to expand EE programs in WY

# 2017 ACEEE Utility Energy Efficiency Scorecard

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<b>Utility</b>	<b>Ranking</b>
Xcel Energy - CO	10th (tie)
APS	15th (tie)
SRP	21st (tie)
PacifiCorp - UT	23rd
Nevada Power	35th (tie)

**Source: American Council for an Energy-Efficiency Economy**



# SWEEP:

*Dedicated to More Efficient Energy Use in the Southwest*

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Resources available online at:

[www.swenergy.org](http://www.swenergy.org)

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