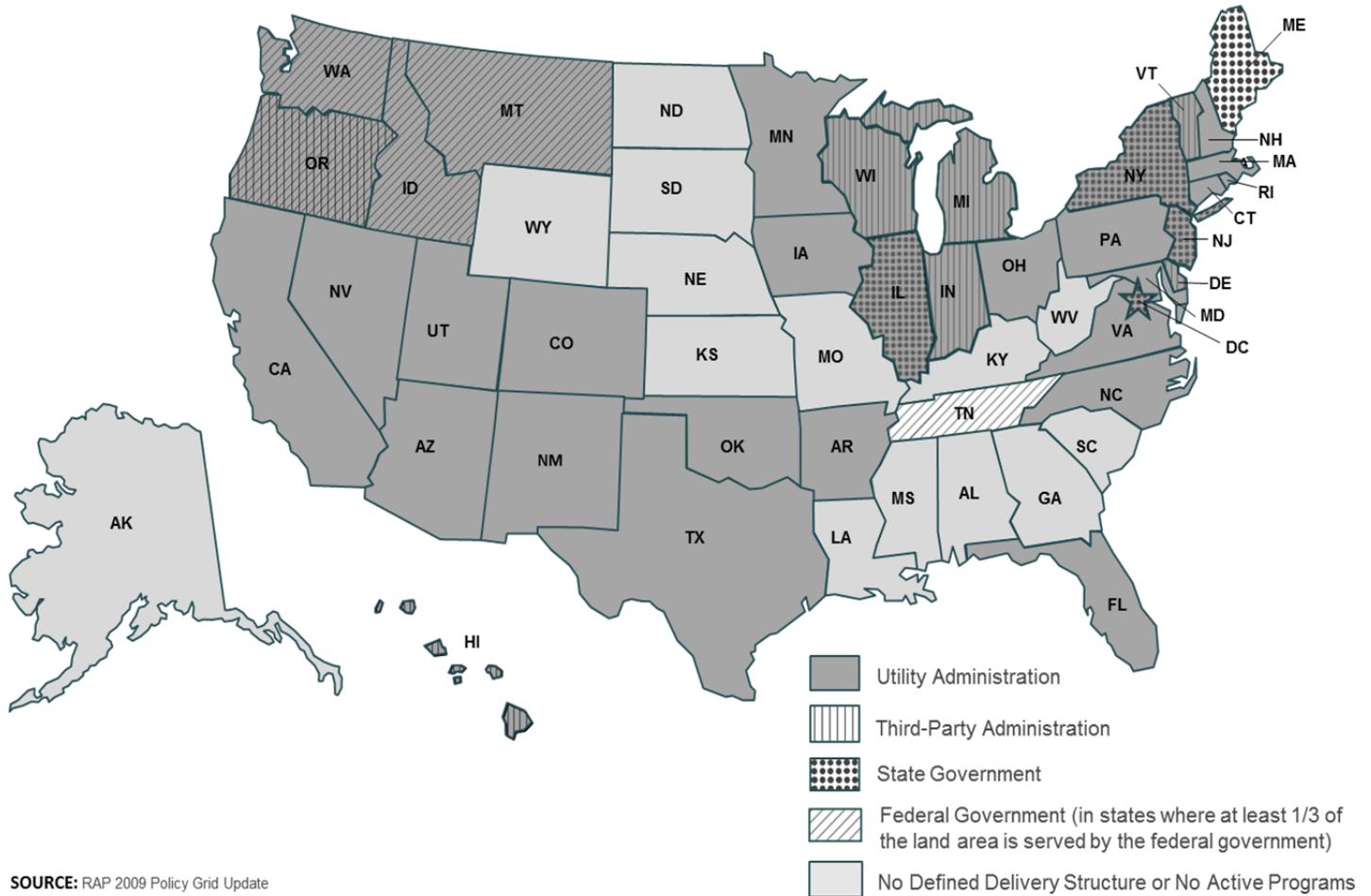


# Draft

## U.S. States with Defined Electric Energy Efficiency Delivery Structure Effective December 2009



U.S. states have developed a variety of ways in which to administer and deliver electric energy efficiency programs. Many states deliver electric energy efficiency through utilities, a few through independent third parties, and some through the state or federal government. This map illustrates which type of delivery structure or structures have been established by statute, order, rule, or contract for all or most of the electricity delivered in each state, as of the end of 2009. States in which power is provided by federal agencies are also indicated. The table below describes additional details related to the delivery structure for each state that has formally established such a structure. The states not discussed in this table are ones in which the delivery structure is not formally established; in these states, some utilities may be voluntarily undertaking energy efficiency programs on their own. Many states also have publicly-owned or consumer-owned utilities that are not subject to regulation by the regulatory body, and for which energy efficiency delivery is also voluntary.

This analysis indicates that 36 states plus the District of Columbia have established an electric energy efficiency delivery structure. Thirty-four states plus DC have a formal requirement that the energy efficiency delivery structure is entirely or partly through utilities. In seven states, energy efficiency is delivered mostly or partially through third-party administrators (Delaware, Hawaii, Indiana, Michigan, Oregon, Vermont, and Wisconsin). Five states deliver energy efficiency partially or entirely through state government entities (District of Columbia, Illinois, Maine, New Jersey, and

New York); Maine is switching to a third-party administrator in 2010. In six states, the federal government through Tennessee Valley Authority or Bonneville Power Authority plays a large role in delivering power (Idaho, Mississippi, Montana, Oregon, Tennessee, Washington).

State	Description of policy	Citation
Arizona	Energy efficiency programs currently are administered by investor-owned utilities. Under rules approved in December 2009 (but not yet adopted), utilities are authorized to use energy service companies or other external resources to implement the programs; and the AZ Commerce Commission is authorized to appoint an independent program administrator.	AZ Corporation Commission, AZ Administrative Code R14-2-213  AZ Corporation Commission, Docket 00000A-09-0249, Order on December 15, 2009
Arkansas	Rules approved by the Arkansas Public Service Commission in 2007 establish that utilities will be responsible for administering and implementing efficiency programs. Under the rules, the Commission reserves the right to appoint an independent administrator of efficiency programs, but utilities still would be responsible for complying with the energy efficiency rules.	AR Public Service Commission, Docket 06-004-R, Order 18, May 25, 2007
California	Historically utilities have administered efficiency programs. The Public Utilities Commission issues a decision in 2005 reaffirming that investor-owned utilities would continue to administer energy efficiency portfolios.	CA Public Utilities Commission, Rulemaking 01-08-028, Decision on January 27, 2005
Colorado	Investor-owned utilities are required to undertake resource plans and energy efficiency plans, and to meet energy savings goals.	Code of CO Regulations 4: 723-3-3600 et seq
Connecticut	Utilities are required by statute to deliver "conservation and load management" programs, which implement the demand-side measures of their required resource procurement plan. The utilities develop their conservation and load management plans with guidance from the Energy Conservation Management Board, and oversight from the CT Department of Public Utility Control.	General Statutes of CT 16-245m
Delaware	Legislation that passed in 2007 established the Delaware Sustainable Energy Utility, a non-profit entity with an independent board that operates energy efficiency programs. Electric utilities also undertake demand-side management programs.	DE Code 29, Section 8059
District of Columbia	The DC Department of Environment's Energy Office contracts with a Sustainable Energy Utility to implement energy efficiency programs, pursuant to legislation that passed in 2008. Energy efficiency programs also are administered by electric utilities, with oversight by the DC Public Service Commission. Utility administered programs are required to not replicate programs offered through the Sustainable Energy Utility.	DC Official Code 8-1773.01 through 8-1774.14
Florida	Utilities are required by statute to implement cost-effective energy efficiency programs.	FL Statutes, Title XXVII, Sections 366.80 et. seq.  FL Public Service Commission, Conservation Rules 25-17.001 et. seq.
Hawaii	The HI Public Utilities Commission approved an independent third-party administrator for energy efficiency programs in 2007. The third-party administrator began administering the energy efficiency programs in July 2009. One utility, a cooperative, continues to administer its own energy efficiency programs.	HI Public Utilities Commission, Docket 2005-0069, Order on February 13, 2007
Idaho	The ID Public Utilities Commission requires utilities to file and implement demand-side management plans. Bonneville Power Administration, a federal agency, supplies electricity to municipal and cooperative utilities, and IOUs, in Idaho.	
Illinois	Utilities are required to file Energy Efficiency and Demand Response Plans with the IL Commerce Commission every three years for approval, and are required by statute to implement 75% of the efficiency programs and all of the demand response programs approved by the Commission (utilities may outsource various aspects of program implementation). The remaining 25% of the approved efficiency measures must be	IL General Assembly, SB 1592, 2007

	implemented by the IL Dept. of Commerce and Economic Opportunity. If a utility has not achieved its savings goal at the end of each three-year filing period (the first period ending in 2010), the program implementation will be assigned to the IL Power Agency.	
<b>Indiana</b>	The IN Utility Regulatory Commission established a delivery structure in 2009 in which an independent third-party administrator oversees core DSM programs established by the Commission, and utilities oversee any additional programs needed to achieve the energy savings goals established by the Commission.	IN Utility Regulatory Commission, Cause 42693, Phase II Order on December 9, 2009
<b>Iowa</b>	Efficiency programs are required to be delivered by the utilities, or a contractor of the utilities.	IA Code 476.6(16) IA Administrative Code 199—35.3
<b>Maine</b>	Efficiency Maine is the state's third-party provider of energy efficiency, and is administered by the ME Public Utilities Commission. Legislation creating the Efficiency Maine Trust, a nine-member independent board of directors of Efficiency Maine, passed in 2009. The Trust is expected to assume responsibility in 2010.	ME Revised Statutes 35-A, Chapter 97
<b>Maryland</b>	Electric utilities are required to undertake energy efficiency programs that achieve usage reduction goals. Most utilities use program implementation contractors.	MD Public Service Commission, Case 9111, Order 81637, September 28, 2007  MD General Assembly, HB 374, EmPower MD EE Act, 2008
<b>Massachusetts</b>	Utilities administer their own energy efficiency programs, with oversight by the MA Department of Public Utilities. The Energy Efficiency Advisory Council, which was formed by the 2008 Green Communities Act, works with utilities to establish their three-year energy efficiency plans; independent consultants also work with the Council on details of the three-year plans. Stakeholder groups and the MA Department of Energy Resources also are involved in the process.	General Laws of MA, Chapter 25, Section 19
<b>Michigan</b>	MI statute allows energy efficiency programs to be administered by utilities themselves, by utilities jointly with other providers, by a non-profit organization selected by utilities, or by a third-party administrator selected by the MI Public Service Commission. As of the summer of 2009, all of the utilities have either filed plans to administer programs, or plan to use the third-party Independent Energy Optimization Program Administrator.	MI Legislature, Act 295, 2008
<b>Minnesota</b>	Utilities are required to administer Conservation Improvement Programs, the state's energy efficiency delivery mechanism.	MN Statutes 216B.241
<b>Mississippi</b>	Mississippi has no statewide defined delivery structure. Tennessee Valley Authority, a corporation owned by the U.S. government, provides power to about 1/3 of the land area in Mississippi. TVA delivers its suite of residential, commercial, and major industrial energy efficiency programs through its partnership with local distributors of TVA power.	
<b>Montana</b>	Utilities are required to undertake energy efficiency programs internally, or contract to fund the programs externally, or pay state agencies to administer the programs. Large electricity users may fund their own programs instead of contributing to the utilities' programs. Bonneville Power Administration, a federal agency, supplies electricity to municipal and cooperative utilities, and IOUs, in western Montana.	MT Code Annotated 69-8-402
<b>Nevada</b>	NV's investor-owned utilities are required to undertake demand-side management programs.	NV Administrative Code 704.9215 et seq
<b>New Hampshire</b>	The electric utilities together undertake a set of statewide energy efficiency programs, called the Core Energy Efficiency Programs, in the service territories of the utilities regulated by the NH Public Utilities Commission. In addition to the Core programs, utilities run individual energy efficiency programs. New Hampshire has an Energy Efficiency and Sustainable Energy Board which provides recommendations to the Commission and undertakes other energy efficiency activities.	NH Revised Statutes, Chapter 374-F:3 et. seq.  NH Revised Statutes, Chapter 125-O:5-a

<b>New Jersey</b>	The NJ Office of Clean Energy, a division of the NJ Board of Public Utilities, implements statewide energy efficiency programs, titled the New Jersey Clean Energy Program. New Jersey currently is in the process of considering a redesign of its energy efficiency delivery structure.	State of NJ, New Jersey Energy Master Plan, October 2008
<b>New Mexico</b>	Utilities currently must provide energy efficiency for customers, acquire all cost-effective energy efficiency, and meet energy savings goals.	NM Legislature, HB 305, 2008
<b>New York</b>	The New York State Energy Research and Development Authority (NYSERDA), a public benefit corporation created by the New York Legislature, has administered energy efficiency programs for many years. In 2008, the NY Public Service Commission directed electric utilities to submit new energy efficiency programs for approval. Under the new system, the NYSERDA programs and utility programs will coexist as complementary programs.	NY Public Service Commission, Case 07-M-0548, June 23, 2008
<b>North Carolina</b>	Legislation requires utilities to administer energy efficiency programs in North Carolina, with oversight and approval by the North Carolina Utilities Commission.	NC General Assembly, Senate Bill 3 (Session Law 2007-397), August 20, 2007
<b>Ohio</b>	The Public Utilities Commission of OH passed rules that became effective in 2009 that require utilities to design and implement energy efficiency programs to meet statutory benchmarks.	Public Utilities Commission of OH, Energy Efficiency and Demand Reduction Benchmarks Rules 4901:1-39, December 10, 2009
<b>Oklahoma</b>	OK Corporation Commission rules require that "all electric utilities under rate regulation of the Commission shall propose, at least once every three years, and be responsible for the administration and implementation of a demand portfolio of energy efficiency and demand response programs."	OK Corporation Commission, Electric Utility Rules 165-35-41, June 25, 2009
<b>Oregon</b>	The Energy Trust of Oregon, a third-party non-profit administrator, delivers energy efficiency programs for the two utilities which serve the majority of OR customers. A small portion of OR is served by Idaho Power, which administers its own energy efficiency programs. Bonneville Power Administration, a federal agency, supplies electricity to consumer-owned utilities and IOUs in Oregon.	OR Legislature, SB 1149, 1999
<b>Pennsylvania</b>	Legislation passed in 2008 requires electric distribution companies serving at least 100,000 customers to adopt and implement energy efficiency and conservation plans.	PA General Assembly, Act 129, 2008
<b>Rhode Island</b>	Rhode Island law assigns energy efficiency implementation responsibility to utilities, with oversight by the RI Public Utilities Commission.	RI General Laws, 39-2-1.2 et. seq.
<b>Tennessee</b>	Tennessee has no defined statewide delivery structure. Tennessee Valley Authority, a corporation owned by the U.S. government, provides almost all the power used in Tennessee. TVA delivers its suite of residential, commercial, and major industrial energy efficiency programs through its partnership with local distributors of TVA power.	
<b>Texas</b>	Texas administrative rules establish that utilities will administer efficiency programs. Electric utilities must submit an annual energy efficiency plan and report that shows how future savings goals will be met, and detailing past performance.	Public Utilities Commission of TX, Substantive Rules 25.181.
<b>Utah</b>	Utilities are required to undertake energy efficiency programs.	UT Administrative Code R746-430
<b>Vermont</b>	Vermont's third-party "Energy Efficiency Utility" delivers most energy efficiency programs, under the name Efficiency Vermont. Utilities may contract with Efficiency Vermont to fulfill their obligation to procure cost-effective energy efficiency; all have chosen to do so except one municipal utility, Burlington Electric Department, which implements its own energy efficiency programs. One utility, Green Mountain Power, allocated funds for incremental energy efficiency beyond what is required by law, and chose Efficiency Vermont to deploy the funds.	VT Statutes Annotated, Title 30, Section 209
<b>Virginia</b>	Utilities administer demand-side management activities in Virginia.	VA General Assembly, H 3068, 2007

<b>Washington</b>	Investor-owned utilities are required to administer energy efficiency programs in Washington. Bonneville Power Administration, a federal agency, supplies electricity to consumer-owned utilities in Washington.	Revised Code of WA 19.280
<b>Wisconsin</b>	Utilities are required to collectively fund a third-party administrator, under the regulation of the WI Public Service Commission. In addition, utilities may also develop and offer voluntary efficiency programs, as approved by the Commission.	WI Legislature, Act 141, 2006