

NACAA Air Regulator Dialogue on Energy Efficiency Savings Estimates
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State and local air regulators around the country are exploring opportunities to account for energy-efficiency (EE) policies and programs in their SIP submittals. This growing interest in using EE to reduce emissions and improve air quality reflects:

- The number of states that now have aggressive EE policies in place
- Air regulators' need to identify and implement new cost-effective emissions-reductions strategies
- The tightening of NAAQS over time

There are a number of key questions air regulators have about EE and calculating EE savings that need to be addressed in order to fully incorporate the benefits of EE into air quality planning. These questions are distinct from the needs and objectives that state energy offices and public utility commissions have with EE data, and with the evaluation, measurement and verification (EM&V) of past EE programs.

Air regulators need to:

- Have confidence that projections of EE savings are firm enough that they can rely on them for air quality benefits in their SIPs
- Know that the magnitude of the benefits of EE on air quality is worth the time invested in calculating the benefits
- Be assured that the process of calculating the benefits of EE on air quality is not overly burdensome
- Have a basic understanding of how EM&V and EE forecasts are conducted (without getting bogged down in weeds of EM&V)
- Have the right data for calculating emissions benefits and including EE in SIPs

The need for good EE data and for accounting for the benefits of EE in the air quality world was emphasized at the NACAA, NASEO and NARUC meeting in July 2012, in Washington, DC.

As a follow-up to that meeting, NACAA has convened a NACAA Air Regulator Dialogue on EE Savings Estimates. The goals of the NACAA Air Regulator Dialogue are to help air regulators:

- Understand how to access and use EE savings estimates to calculate emissions impacts (including avoided emissions and power plant displacement)
- Know how to use available tools and resources to support accounting for EE measures in SIPs,
- Be aware of experiences and examples from other jurisdictions
- Know where to go for more information and whom to call to get questions answered

The Air Regulator Dialogue will be run by a small advisory/planning group of NACAA members and EPA HQ (OAP and OAQPS) and regions. The states participating include MA,

NC, MI, CO, AR and AK. We plan to invite the EPA regions affiliated with these states, EPA OAP and OAQPS.

NASEO and NARUC will be kept informed of the efforts and be called upon for expert advice. EPA would provide in-kind assistance and technical support. The first order of business will be drafting a workplan and identifying the key desired outcomes of the dialogue.