

Suggested EMV Preamble Language for EPA's Consideration

Adopted by the National Association of State Energy Officials, National Association of Regulatory Utility Commissioners, and National Association of Clean Air Agencies

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In developing their implementation plans, states are encouraged to consider the full range of compliance options to reduce carbon emissions from the electricity system. States should have a full range of flexible compliance pathways that allow for both state and regional differences and encourage cost effective reductions. The full range of flexible compliance pathways may include enhancing end-use energy efficiency, adding low carbon generation options such as renewable energy, and optimizing transmission and distribution.

Many states have extensive experience with energy efficiency programs. These programs have proven to be a cost-effective strategy to reduce energy demand and emissions. Energy efficiency policies and programs have long been recognized as emissions reduction measures by EPA and state air regulators under other sections of the Clean Air Act.¹

A variety of mechanisms to quantify energy savings from energy efficiency already exist, including the *Model Energy Efficiency Program Impact Evaluation Guide* issued by State and Local Energy Efficiency (SEE) Action Network, the *International Performance Measurement and Verification Protocol* (IPMVP) developed by the Efficiency Valuation Organization, *ASHRAE Guideline 14-2002 Measurement of Energy and Demand Savings*, and the Department of Energy (DOE) Superior Energy Performance measurement and verification protocol for industry. Further, the DOE Uniform Methods Project is developing a framework and a set of protocols for determining the energy savings from specific energy efficiency measures.² In addition, state public utilities commissions and state energy offices continue to create, develop, implement and supervise successful demand side management and energy efficiency programs that include measurement and verification requirements.

Many states and regional transmission/system operations organizations have years of experience verifying that their quantification guidelines and protocols have been appropriately implemented and energy savings accurately quantified. State officials are encouraged to make use of these state quantification guidelines and protocols.

¹ See, e.g., EPA Guidance on State Implementation Plan (SIP) Credits for Emission Reductions from Electric-Sector Energy Efficiency and Renewable Energy Measures (August 2004); EPA Roadmap for Incorporating Energy Efficiency/Renewable Energy Policies and Programs into State and Tribal Implementation Plans (July 2012). These and other resources are accessible via the SEE Action Network EM&V Resource Portal: http://www1.eere.energy.gov/seeaction/emv_resource_portal.html.

² <http://energy.gov/eere/about-us/uniform-methods-project-determining-energy-efficiency-program-savings/energy-efficiency-savings>

Participation in regional and national EM&V initiatives and registries with third party verification are encouraged where consistent with state law, regulations and programs. With regard to quantifying energy savings, the need for analytical rigor and accuracy of energy savings quantification should be balanced with the need to minimize the costs of verifying compliance.

Once electric energy savings are quantified, those savings typically would need to be translated into avoided carbon emissions. Here again, a number of tools are available to help states perform these attribution calculations. Alternatively, states using a carbon market as a compliance mechanism may be able to demonstrate the success of their energy efficiency efforts through reduced need for allowances.