

1. **Pitch Submitted By (Name(s) or Organization(s)):**
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4. **Pitch Title: (one line)**
Harnessing the Power of the EEU Model to Drive Rapid GHG and Cost Reductions
5. **Pitch Summary: (one paragraph)**
Vermont has had great success with traditional energy efficiency, yet the challenges of today are different than they were when Efficiency Vermont was launched in 2000. Vermont’s Energy Efficiency Utilities (EEUs, which include Efficiency Vermont, Burlington Electric Department, and Vermont Gas) have worked for years to reduce energy use. And Vermont’s Distribution Utilities (DUs) have expanded renewable resources and begun to electrify GHG-intensive end uses through Tier III. As a result, customer electricity loads have declined, and renewable energy makes up the majority of the supply of electric energy supplied in Vermont, with Vermont’s largest utility providing 90% carbon free energy. But there is significant work still to be done, particularly in the transportation and heating sectors, which are the top two sources of carbon pollution in Vermont. By bringing together the demand-side expertise of Efficiency Vermont and the supply-side expertise of the DUs, we can make the most progress toward decarbonizing our energy system at the lowest cost to Vermonters. We would like to build on the cornerstone successes that Efficiency Vermont and our many partners have done to date and modernize our work to focus on today’s urgent climate crisis.
6. **What Energy Sector(s) Does this Pitch Apply to? (Check all that apply):**
 - Energy Efficiency
 - Electricity
 - Transportation
 - Thermal Heating and/or Cooling
 - Other: Refrigerants
7. **Which Criteria Category(ies) Does it Address? (Check all that apply):**
 - Significant reductions in fossil fuel use and GHG pollution from energy
 - Clean energy jobs
 - Energy security and resilience
 - A stronger and more just Vermont economy
 - Sustainable energy landscape
 - Other: _____
8. **Which Leverage Areas Would It Attempt to Shift? (Check all that apply):**
 - Policy & Regulatory Reform
 - Public Engagement
 - Workforce Development/Workforce Transition
 - Technology Innovation
 - Capital Mobilization

9. **Scale of Impact on Vermont's Energy and Emissions Goals:** If this proposal came to fruition, how would it help meet Vermont's energy and emissions goals by 2025 and/or 2050? Please outline assumptions and, if available, provide calculations-- especially for emissions reduction estimates.

Despite the fact that GHG reduction has never been an explicit goal for Efficiency Vermont to pursue, it has been a byproduct of our work for years. Since 2000, Efficiency Vermont has saved Vermonters 17.7 million MWh of electricity, \$2.4 billion in energy costs, and more than 11 million tons of CO2 emissions – the equivalent of removing 240,000 gasoline-power cars from the road for 10 years. If Efficiency Vermont's goals focused on GHG reduction, such that the budget could be fully leveraged to partner with DU Tier III programs in pursuit of this goal, the scale of GHG reductions would increase substantially from this starting point.

10. **Benefits/Costs of this Proposal for Vermont and Vermonters:** Including, where possible, economic (local economic development and jobs), financial (consumer savings), social, public health, and environmental.

Cost: Changing Efficiency Vermont's mandate to work with the DUs to rapidly reduce GHG emissions and keep energy affordable could be done at no incremental cost increase to Vermonters. By focusing the existing Efficiency Vermont budget on GHG, the state would take an important step on climate with no new taxes or fees.

Benefit: Since our creation in 2000 through 2018, Efficiency Vermont's work has delivered \$2.4 billion in energy savings to Vermont residents, businesses, and institutions. As the energy landscape in Vermont continues to evolve—making electricity an affordable and low-carbon energy source—economic benefits of a similar or greater scale can be expected as more end uses, particularly building heating and transportation, are made more efficient and, where appropriate, strategically electrified to rapidly reduce fossil fuel consumption.

11. **Collaboration:** Who have you collaborated with to develop this proposal and who else would need to be engaged for it to succeed?

Achieving Vermont's climate goals is an "all hands on deck" endeavor that requires all of Vermont's energy stakeholders to be aligned and working on the same goals. The transformation in how Vermonters use energy must happen rapidly to meet GHG reduction goals. But, to ensure energy remains affordable and does not leave economically vulnerable Vermonters behind, the shift in energy uses must occur strategically and efficiently. Enabling Efficiency Vermont and the DUs to work together will bring the best demand-side and supply-side expertise to the task of decarbonizing the energy system at the lowest cost. Efficiency Vermont's work over the past two decades to identify and vet new technologies, build supply chains, train service providers, educate and incentivize consumers, and verify savings uniquely positions it to be a critical partner in helping Vermonters derive the greatest benefit from this transition.

Partnerships are essential to meeting the challenges ahead of us. Vermont's DUs are critical, since they have the lead responsibility for helping their customers reduce their reliance on fossil fuels under Tier III of the Renewable Energy Standard and need to manage an increasingly complex mix of electric supply and demand over the coming years. In the past 18 months, Efficiency Vermont and Vermont's DUs have worked together on programs to deliver more benefits to customers. We now have case studies and proof points with nearly every utility in the state showing that when we work together, we can increase our impacts and deliver more value to Vermonters. Based on this experience, there is growing DU support for moving to a framework that enables Efficiency Vermont and the DUs to work together on energy cost and carbon reduction goals.

We believe additional engagement with other EEs, Weatherization Assistance Programs, Regional Planning Commissions, fuel dealers, and other energy sector stakeholders will be necessary to forge the partnerships necessary to rapidly decrease Vermonters' energy costs and GHG emissions.

It is likely that some of these partnerships will need to be enabled through regulatory and legislative changes. The Public Utility Commission (PUC) has opened a study to explore whether Vermont's EEU, DU, and state-run energy programs are sufficient to meet our climate goals, or if changes are needed. This study, taking place as a result of Act 62, provides a forum for stakeholders to consider the potential benefits and costs of aligning Efficiency Vermont and the DUs on energy cost and GHG reduction.

12. **Decision-Makers:** Who is necessary to move this proposal forward (e.g., Legislature, Governor, a regulatory agency, a business, organization, a media outlet, etc.)

Changing Efficiency Vermont's statewide scope to focus on GHG reduction will require strong support from key partners like the other EEUs and DUs, and approval from the PUC. It may also require statutory changes that need to be approved by the Legislature and the Governor. Broad-based public support from electric ratepayers, who fund the majority of Efficiency Vermont's current budget, is also necessary to move forward.

13. **Strategy and Key Considerations:** Outline the overall strategy, including any gaps, barriers, and opportunities for moving this proposal forward.
- 2018-2020: During the current 3-year performance period, Efficiency Vermont is partnering with DUs, WAPs, and other energy providers to optimize our GHG reduction impacts as we meet our traditional MWh and MMBtu reduction goals. We are also planning for our next performance period and are proposing a new performance metric focused on GHG reductions. This is an incremental but intentional step in the direction of fully leveraging Efficiency Vermont to rapidly and cost-effectively reduce GHG emissions.
 - 2019-2021: We plan to actively participate in PUC's Act 62 Study process to explore how Efficiency Vermont could evolve to deliver more value to Vermonters. We will need to build public and stakeholder awareness of possible changes to Efficiency Vermont's work that we believe could provide more value to Vermonters. These changes could include:
 - Electric Efficiency
 - Factoring time of savings, and location of savings, into traditional efficiency work to assure alignment with grid demand and renewable resource availability
 - In partnership with DUs, increasing customer adoption of "controllable" measures that help them to manage loads
 - Thermal Efficiency
 - Increasing focus on weatherization and efficient home heating
 - Working with DUs to identify, vet, and promote efficient thermal measures and efficient electrification measures
 - Transportation Efficiency
 - Boosting the adoption of EVs and supporting DU Tier III programs by working in the background with manufacturers, vehicle dealers, and sales people – similar to work already done with energy efficient products and services
 - Providing bonus incentives for more efficient EVs, EV chargers, and EV accessories as they become available
14. **Timeline:** To meet our 2025 goals, we need some proposals that can be implemented in the next year. How "ripe" is this idea and what timeline do you foresee for this proposal to be developed and implemented?

This idea is ripe for partial implementation in the next year as Efficiency Vermont engages in a PUC-led process to plan the 2021-2023 performance period. Efficiency Vermont will file a proposed plan at the end of 2019, which will be considered by the PUC through a formal stakeholder review process, with a

PUC order projected for fall of 2020. Our proposed 2021-2023 plan is being developed now, based on extensive stakeholder input gathered from DUs, RPCs, WAPs, large business customers, housing organizations, and many other stakeholders. Our proposal will include expanded partnerships with DUs and will include a new GHG emissions reductions target.

After Efficiency Vermont files the proposed 2021-2023 plan in late 2019, EAN can play an instrumental role in helping explain Efficiency Vermont's proposal to its network members and to the public, encouraging engagement in the plan review process. In so doing, EAN can help generate momentum for more comprehensive change to the EEU's role. And, as the Act 62 Study takes shape, and the PUC releases its Interim and Final Reports, EAN's ongoing involvement can be critical to helping build public understanding and support for the findings and directions called out in the study.

15. **Budget:** If this is a program or project for which you are seeking funding to implement, please outline a basic budget here, including both expenses and funding sources.

This is purely an education and awareness proposal. The budget for the actual work would be determined through future regulatory and legislative processes.