

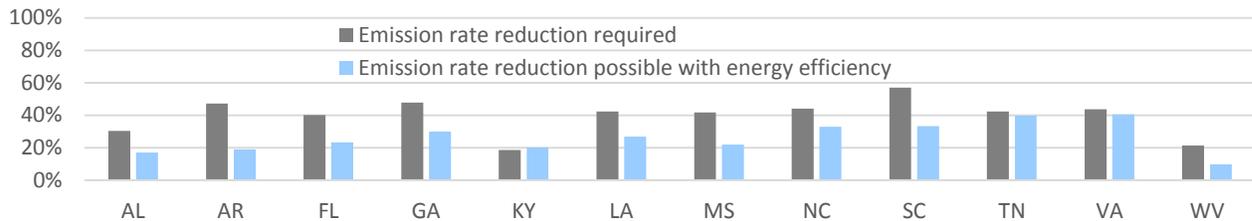
## Solutions for the Southeast

### Achieving 70% of Clean Power Plan Targets with Energy Efficiency

On June 18, 2014, EPA published the Clean Power Plan, its proposal for regulating greenhouse gas emissions from existing power plants. From Louisiana to Virginia, energy efficiency has immense potential to help southeastern states comply with the Clean Power Plan at the lowest possible cost.

A recently released ACEEE report found that, combined, states in the region could save over 270 million megawatt-hours of electricity in 2030 by implementing energy efficiency policies and programs. This is equivalent to avoiding the need for 144 power plants. These electricity savings translate directly to reductions in greenhouse gas emissions, which could help the Southeast minimize the costs of complying with EPA regulations while saving consumers and businesses money on energy bills *and* supporting a stronger, more competitive regional economy. In fact, every state in the region stands to benefit from energy efficiency in their compliance plans. The graph below illustrates just how far energy efficiency could take the Southeast toward achieving its target emissions rates.

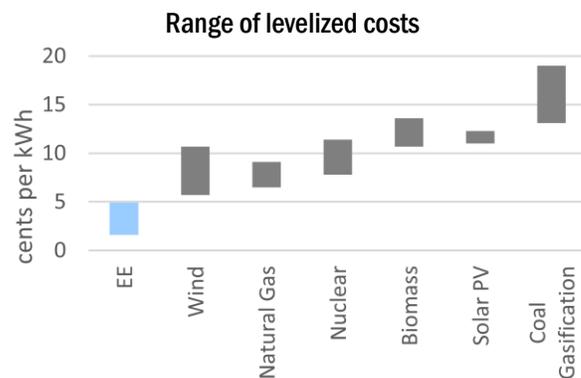
The emissions reductions efficiency can provide the Southeast in 2030<sup>1</sup>



Source: Analysis of possible emissions rate reduction from energy efficiency based on ACEEE report Hayes et al. 2014. *Change Is in the Air: How States Can Harness Energy Efficiency to Strengthen the Economy and Reduce Pollution*. <http://aceee.org/research-report/e1401>

In 10 out of the 12 states above, adoption of common efficiency measures could achieve half or more of the proposed emissions targets. Most importantly, when compared to other strategies for reducing carbon pollution, energy efficiency is by far the lowest-cost clean energy resource. The chart at right shows the levelized costs of energy efficiency relative to supply side resources. At an average of 2.8 cents per kilowatt hour, energy efficiency costs approximately one-half to one-third of alternative new electric generation resources.<sup>2</sup>

The December 1 deadline for commenting on the EPA proposal is rapidly approaching, but states in the Southeast still have time to let EPA know what resources they need in order to fully leverage energy efficiency as a least-cost compliance pathway. States can provide unique perspectives that will be critical to shaping the final rule. Requesting specific guidance and regulatory certainty from EPA regarding the role of energy efficiency in compliance plans will help states evaluate their options and determine the best path forward.



ACEEE is dedicated to helping states develop plans that best fit their needs. For more information on how energy efficiency can achieve low-cost greenhouse gas reductions while creating jobs and economic benefits, please visit <http://aceee.org/> or contact Sara Hayes at (202) 507-4747.

<sup>1</sup> Energy efficiency included here is a subset of the full potential. It is based on conservative assumptions and is limited to what has already been successfully demonstrated in a number of states.

<sup>2</sup> Molina 2014. *The Best Value for America's Energy Dollar: A National Review of the Cost of Utility Energy Efficiency Programs*. <http://aceee.org/research-report/u1402>