



Strategic Plan: 2018–2021

The American Council for an Energy-Efficient Economy (ACEEE) is a 501(c)(3) nonprofit organization that was founded in 1980 by leading researchers in the energy field. Since that time, the United States has made significant strides in improving energy efficiency across all sectors of the economy. Yet enormous savings opportunities remain. We must overcome barriers and accelerate the pace of efficiency gains to help consumers, create jobs, grow the economy, enhance energy security, increase resilience, and mitigate climate change.

Vision

We are working for a future in which energy efficiency helps the United States achieve economic prosperity, energy security, and a healthy environment.

Mission

Through research and outreach, ACEEE acts as a catalyst to advance energy efficiency policies, programs, technologies, investments, and behaviors.

Core Values

- *Integrity.* We base our recommendations on fact-based research and analysis.
- *Collaboration.* We seek input from a diverse group of stakeholders to develop viable recommendations.
- *Focus.* We concentrate on issues that can yield large benefits and on which our efforts can contribute to success.
- *Leadership.* We explore cutting-edge approaches and lead others to new and better ways to save energy.
- *Persistence.* We stay focused on critical policy issues—often over multiple years—to achieve large and lasting effects.

Goal

ACEEE's overarching goal is to foster a robust and resilient US economy by using energy efficiency to reduce energy intensity. Meeting half of our energy needs in 2050 through investments in energy efficiency would save about 63 Quads, reducing consumption 35% below 2015 levels.¹ Stated another way, these energy savings would approximately triple US energy productivity over the 2015–2050 period. Our interim goal is to double US energy productivity by 2030.

¹ Relative to 2050 projections extrapolated from the *2010 Annual Energy Outlook*.

The Role of Energy Efficiency

Energy efficiency has many benefits. It improves the economy by reducing energy bills, generating jobs, and improving productivity and competitiveness in all regions of the country. It strengthens energy security by reducing our exposure to price volatility and helping create more stable and reliable energy systems. It protects our health and environment by reducing air pollution, preserving natural resources, and making homes healthier and safer.

Since the Mideast oil embargo of 1973, the United States has reduced its overall energy intensity by about half, doubling energy productivity and making energy efficiency the largest contributor to meeting the nation's energy needs. Despite efficiency advances, energy use, oil imports, and greenhouse gas emissions rose steadily. Nevertheless, total national energy use has been roughly flat since 2000, even as US population and real GDP have grown by 14% and 30%, respectively. Industrial energy use has fallen since 1997, building energy use has been flat since 2005, and transportation energy use peaked in 2007 (although with low fuel prices, driving has begun to increase again). Greenhouse gas emissions and oil imports peaked in 2007 and 2005, respectively, and have since declined by 12% and 31%.

ACEEE research shows that our goals of reducing US energy consumption (and similar CO₂ reductions) and tripling current energy productivity are aggressive but feasible. To reach our efficiency potential, we will need to integrate new efficiency technologies and policies far more deeply and broadly into our economy.

Outlook: 2018–2021

Along with greater efficiency, US energy production has increased in recent years due to unconventional oil and gas production, while costs for wind and especially solar electricity are dropping fast. As a result, energy prices have been relatively low and stable and are projected to stay that way. While many efficiency measures remain cost-effective, payback periods are longer. Demonstrating energy efficiency's multiple economic, environmental, health, and security benefits in addition to its cost savings will be increasingly important.

Advances in efficiency technologies continue, from the rapid commercialization of LED lights and decline in battery prices to the emergence of intelligent efficiency in buildings, manufacturing, and transportation systems. In the smart grid, there is increasing convergence of energy efficiency, demand response, energy storage, rooftop solar, and other distributed generation, affecting load shapes and capital needs. These changes will disrupt business models; for example, utilities are facing level or declining sales and car companies are planning for electric and shared vehicles.

Similar technological advances have contributed to job losses, income inequality, and economic stagnation in some sectors, driving a populist political focus on jobs and economic development. The related support for energy production, anti-regulatory and anti-spending philosophies, and skepticism about climate change are most striking at the federal level, but also extend to some states. We are already fighting efforts to roll back federal standards and programs, and some state-level energy savings targets for utilities. Yet, there is still bipartisan support for energy efficiency. Some states, municipalities, and businesses are expanding efficiency policies and programs; traditional leaders are implementing climate policies, and some regions that have historically done less, e.g., Southeastern states, are seeking to reduce energy bills and foster economic growth.

Goals and Strategy: 2018–2021

Our goals during this volatile period will be to defend existing energy efficiency policies and recent gains, to advance policies where feasible, and to build support for further action when the political winds allow. We will work at the federal, state, and local levels and with the private sector. We will build broader legislative and stakeholder relationships and work with business leaders to promote effective efficiency investments and policies. We will focus near-term work on an agenda that spells out specific economic and other benefits, and lays the groundwork for more aggressive policies that can reach our long-term goal. We will also work with nontraditional partners to use energy efficiency to further their economic development, climate, and health goals. Within all of these efforts, we will work to ensure that energy efficiency benefits all sectors, including low-income households and economically disadvantaged communities.

In this environment, ACEEE's research-based approach is well-suited to support effective action. As the salience of energy costs and climate change wanes for some (though not all) audiences, we will analyze the multiple economic, environmental, and security benefits of energy efficiency. To address shifting economic concerns, we will analyze energy affordability and jobs impacts. To defend current policies and programs, we will document their benefits in numbers and in stories. To build new relationships, we will expand our focus on low-income families and on health impacts. Our solid research and creative outreach will accelerate energy savings.

ACEEE has identified four pillars to help achieve our goals:

1. Advance policies that drive greater public and private investment in energy efficiency
2. Develop and demonstrate new approaches that eliminate energy waste within and across multiple sectors of the economy
3. Increase support for energy efficiency among key stakeholders
4. Continue to build a great organization

Pillars

1) Advance policies that drive greater public and private investment in energy efficiency

ACEEE will encourage adoption of effective policies that achieve greater energy efficiency. We will conduct analysis and research on best practices and the impacts of policy options, seek common ground with other stakeholders, and educate policymakers through published reports, fact sheets, testimony, regulatory comments, negotiated agreements, conferences, media outreach, and technical assistance. We will react to the shifting political landscape and continually recalibrate our level of offense and defense in our government engagement.

Priority areas for each level of government include:

- *Federal.* Preserve and strengthen equipment, system, vehicle, and building efficiency standards and codes. Support federal investments in research, deployment, consumer education, training and technical assistance, and data collection. Explore opportunities in infrastructure investment, tax reform, information, financing, and rural development.
- *State.* Defend and advance utility energy efficiency targets. Promote alternatives to large customer opt-outs. Promote strong building energy codes and fuel savings in state freight planning.
- *Local.* Encourage community-wide energy savings goals and city-utility partnerships. Promote transparency and benchmarking of energy use in homes and buildings. Encourage low-income and multifamily energy efficiency, and expanded mobility options.

- *Utility regulation.* Promote innovative energy efficiency program solutions. Support rate design aligned with efficiency. Encourage energy efficiency in distribution resource planning (alongside demand response and other distributed resources) to address system reliability and reduce costs. Continue advancement of utility business model reforms, such as performance-based regulation and utility ownership of combined heat and power.
- *Regional.* Engage with metropolitan planning organizations and others on building codes, investments in fuel-efficient transportation modes, integration of land use and transportation planning, and accessibility of key destinations.
- *International.* Engage in key countries, such as India and Canada, where we can empower local partners. Catalog best practices and disseminate them internationally.

Across our work at different levels of government, we will:

- Expand energy efficiency in underserved sectors, including low-income, rural communities, and small and medium manufacturing
- Advance policies that alleviate high energy burdens, provide economic opportunities, improve health, and create resilient communities and infrastructure
- Expand the availability and accessibility of energy efficiency financing
- Advance innovative solutions and policies in the private sector, e.g., corporate sustainability planning and improving the salience of efficiency at the point of purchase

We will assess our progress by tracking (1) energy savings from mandatory efficiency standards and codes, (2) the number of states extending or setting new energy efficiency targets, (3) energy savings from targets that reduce transportation fuel consumption/emissions, (4) public and private investment in energy efficiency, (5) energy savings and investments from efficiency programs targeting low-income households, and (6) our state and local technical assistance activities and related impacts.

2) Develop and demonstrate new approaches to eliminating energy waste within and across multiple sectors of the economy

ACEEE will lay the groundwork to apply new tools and methods to realize further large-scale energy savings. These approaches include expanding our use of systems-level and cross-sectoral analysis, incorporating behavioral insights and methods, and leveraging advances in information and communications technologies (ICTs). Major advances in data collection, analytical tools, and computing provide opportunities for near-real-time feedback to optimize processes and customize solutions for diverse users. To make the most of these new opportunities, we will do the following:

- Promote the deployment of emerging ICTs to save energy across all sectors by quantifying potential energy savings, engaging with the producers and users of those technologies, and developing policy recommendations
- Promote community-level strategies to advance energy efficiency, resilience, distributed generation, and economic development, with a focus on underserved communities
- Advance the energy efficiency agenda for smart cities, including new models of urban mobility, municipal infrastructure, and building systems integration
- Integrate social and behavioral science theories and methodologies into our work and into the development of energy efficiency technologies, programs, and policies

- Take advantage of new opportunities in data collection and analysis and data-sharing partnerships to (1) increase the effectiveness of the policies and programs we promote, (2) spur individual actions by energy consumers, and (3) diversify our research and outreach products
- Promote best practices in data collection and dissemination, recognizing the importance of privacy and security concerns
- Enhance our economic analysis capabilities and use them to evaluate new ways of eliminating energy waste and to assess economic and employment impacts, including those of ICT-based efficiency gains
- Reinvigorate our efforts to achieve long-term changes in markets for key products and services by working to understand and address barriers to uptake and by updating market transformation strategies to best address current opportunities

We will assess our progress by tracking (1) the number and significance of publications released on the above topics, (2) substantial uses we make of new data to enhance our work, (3) market progress on our specific market transformation initiatives, (4) the frequency with which major new energy efficiency policies/programs incorporate behavioral approaches, and (5) increased public acknowledgment of energy efficiency as a source of economic growth.

3) Increase support for energy efficiency among key stakeholders

We will boost political and popular support with effective storytelling on energy efficiency's multiple benefits, which include jobs and economic growth, as well as resilience, improved health, reduced pollution, and climate change mitigation. Compelling content and events will maximize the impact of our research and policy initiatives. Although our primary target audiences are policymakers and opinion leaders, our polling work suggests many of them, especially elected officials without a deep energy background, will respond to the same messaging we give the public. Polling also shows how positively people respond to messaging about the benefits of energy efficiency. Key stakeholders include energy efficiency practitioners, as well as supporters in business, finance, utilities, government, foundations, NGOs, and academia. To increase support among these stakeholders, we will do the following:

- Put a face on energy efficiency using video, text, and photo narratives to demonstrate the benefits to people in their everyday lives and help stakeholders understand why and how they can support efforts that reduce energy waste
- Complement our traditional conferences with partnerships and virtual, single-day, and topic-specific events reflecting our expanding research and policy portfolio
- Emphasize broader dissemination of research findings through short summaries, visually engaging material, traditional and social media, and presentations
- Reach out to non-energy efficiency groups—including those in business, health, affordable housing, environmental justice, education, and renewable energy—to advance energy efficiency and to help tell their stories
- Use social media and new information technology to expand our network, cultivate new relationships, hone our messaging to specific audiences, and track our impact
- Guide efforts within the Energy Efficiency Communications Network to survey public attitudes toward energy efficiency
- Engage the public and expand its awareness by scaling Energy Efficiency Day and launching targeted energy efficiency campaigns

We will assess our progress by tracking (1) traffic on our website, including the number of publication downloads and analysis of those viewing our content, (2) media coverage and social media engagements, (3) legislative briefings and testimony, (4) stakeholder surveys, (5) the number of conference attendees and their organizational diversity, and (6) public awareness and support.

4) Continue to build a great organization

ACEEE values its reputation as a credible, trusted, and highly effective organization. At ACEEE's core is a highly motivated staff; by leveraging resources and coordinating with the energy efficiency community, we can maximize our impact. We are striving for moderate growth by seeking new resources to expand our work in key areas to meet new opportunities and further our impact. We will focus on developing an organizational culture that supports collaboration and the sharing of subject-matter expertise, while enhancing program competencies and staff development. We will build on internal standards that improve efficiency and productivity within a professional culture that is open, entrepreneurial, inclusive, collegial, and creative. Our priority strategies include the following:

People and Systems

- Build a pipeline of diverse talent by identifying staff skills, competencies, experiences, and professional interests, and by establishing staff development plans
- Develop a mentoring program to facilitate the transfer of knowledge, develop staff, increase employee engagement, and improve workforce productivity
- Nourish social cohesion by offering non-work activities for staff enjoyment
- Invest in solutions to attract, manage, and engage a top-quality workforce

Work Products

- Identify knowledge gaps and build expertise to ensure credibility of our work products
- Working with the Research Advisory Board, communicate to staff our research priorities, as well as new and emerging research areas
- Ensure transparency of our research methods and a robust external review process
- Buttress and extend our analyses through new analytical methods and research tools

Management

- Develop supervisors, providing guidelines for accountability and appropriate training
- Grow a diverse funding base to ensure a financially sound organization
- Ensure continuity of institutional knowledge through succession planning for key staff and board members
- Encourage and support board engagement and diversity

Diversity

- Implement a diversity plan, including ethnic, racial, and gender diversity, to foster a culture of respect, engagement, and inclusion where all feel free to share their views
- Broaden recruitment practices to reach a more diverse candidate pool
- Develop training opportunities focused on diversity and inclusion

We will assess our progress by tracking (1) analysis of research impact, including downloads by target audience and outcomes assessments, (2) the number and diversity of funders, (3) the number of staff trained in fundraising and/or actively raising funds, (4) the level of staff satisfaction and the annual staff turnover rate, and (5) progress on diversity metrics, including recruitment, retention, and job level.