

SOUTHERN ALLIANCE FOR CLEAN ENERGY

ENERGY EFFICIENCY IN THE SOUTHEAST

SEVENTH EDITION REPORT



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ABOUT SOUTHERN ALLIANCE FOR CLEAN ENERGY

The Southern Alliance for Clean Energy is a nonprofit organization that promotes responsible and equitable energy choices to ensure clean, safe and healthy communities throughout the Southeast. As a leading voice for energy policy in our region, SACE is focused on transforming the way we produce and consume energy in the Southeast.

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INTRODUCTION

WHY ENERGY EFFICIENCY?

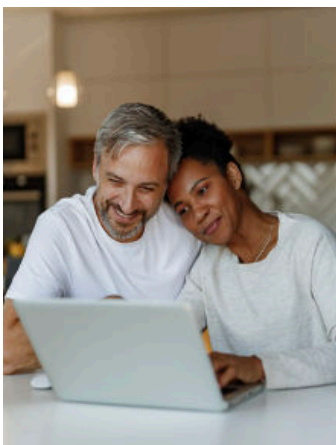
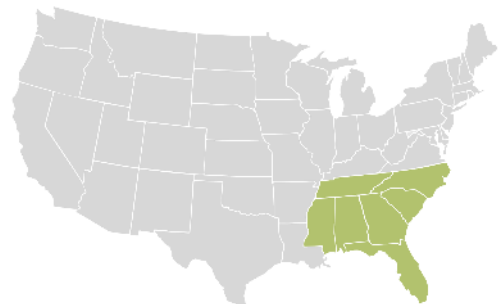
Many utilities offer energy efficiency programs, incentives, and rebates to customers because it is often cheaper to invest in helping customers cut energy waste than it is to meet the same energy needs by building new power plants. **Energy efficiency** reduces the total amount of energy needed to produce a service (such as lighting or cooling). Proper implementation of energy efficiency reduces both cost and pollution for all utility customers.

ENERGY EFFICIENCY IN THE SOUTHEAST

Although energy efficiency is a proven low-cost clean energy resource, Southeastern utilities and regulators continue to underinvest in and deprioritize it. As a result, the region lags behind the rest of the country in utility energy efficiency. **The purpose of the “Energy Efficiency in the Southeast” report is to document current progress and trends at both utility and state levels, as well as identify policies and practices to drive continued energy efficiency in the Southeast.** In the seventh edition of this report, we examine electric utility energy efficiency programs’ performance, the longevity of energy reductions, and their connection to resource planning and load growth.

Utility energy efficiency program savings are measured in megawatt hours (MWh) of energy saved and then expressed as a percentage (%) of the amount of energy sold. **This report summarizes the performance of utility programs based on the first-year energy saved reported in 2024 as a % of the utility’s total amount of electricity sold to customers, as well as a three-year average of savings.** We also include comparisons to state, regional, and national averages that highlight recent trends.

The appendices include data for each of the electric utilities that fall within the geographic scope of the Southeast, defined in this report as utilities in Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, and Tennessee (as well as small portions of Kentucky and Virginia that are part of the Tennessee Valley Authority and thus do not participate in interstate electricity markets).



EXECUTIVE SUMMARY

SOUTHEAST LAGS PEERS DESPITE PROJECTED LOAD GROWTH 📊

Utilities in the Southeast still have abundant, low-cost efficiency potential available at a time when utilities are projecting high load growth. Utilities such as Georgia Power and Duke Energy have been in the national spotlight due to unprecedented load growth projections from data centers, but when it comes to delivering energy efficiency savings, we have yet to see anything other than business as usual. Projected annual load growth greatly outpaces the current level of energy reductions from efficiency programs. In contrast, most utilities in the region fail to even keep pace with the national average savings for investor-owned utilities (IOUs).

LARGER UTILITIES NOT DELIVERING LARGER SAVINGS 📉

The Southeast is home to some of the largest electric utilities in the nation. Underperformance in energy efficiency program savings by these utilities holds back the region as a whole, denying cost savings and improvements in comfort and performance for homes and businesses alike. Utility giants like the Tennessee Valley Authority (TVA) and Florida Power & Light (FPL) have ranked below the national and regional average for savings every year for the past five years, despite comprising the majority of retail sales in the region. While FPL has demonstrated its commitment to least-cost resources such as solar energy, it has, so far, failed to demonstrate a similar commitment to energy efficiency.

FEDERAL FUNDS FOR WHOLE-HOME EFFICIENCY IN LIMBO 🏠

The Inflation Reduction Act made billions of federal dollars available to states to expand energy efficiency. For instance, the Home Efficiency Rebate (HER) funds were designed to provide deeper, whole-home energy efficiency measures such as insulation and leak-sealing, particularly for low-income households. However, in most states the future of these rebate programs remains uncertain even amidst the current affordability debate. States that had their rebate program applications approved by the U.S. Department of Energy have suspended or delayed their plans to launch as they have not yet received their obligated funds. The Southeast has only two states—Georgia and North Carolina—that have rebate programs up and running.

DUKE ENERGY CONTINUES TO BE LEADER BY DEFAULT ↔

In the absence of other serious energy efficiency efforts in the region, Duke Energy's subsidiaries operating in the Carolinas have continued to lead the Southeast in rankings of utility energy efficiency program savings at 0.74% and 0.61% respectively. However, they fall below leading efficiency programs nationally, which can achieve energy reductions of 1.5% of retail sales. They also have yet to match their own historical pre-pandemic performance of approximately 1%. Further, much of Duke's residential energy efficiency program savings fade within a year because they come from targeted customer education rather than home performance improvements such as insulation and duct-sealing.

IS ENERGY EFFICIENCY THE SOLUTION? 🏠

The Southeast faces an affordability crisis and unprecedented load growth due to data centers, doubly stressing utility planning and customer finances. Past underutilization of energy efficiency means that utilities in the region still have abundant, low-cost efficiency potential available now. A well-designed portfolio of energy efficiency programs can produce significant cost savings for customers while *also* reducing exposure to fuel cost volatility and the financial risk that utilities will overbuild to meet load that may not materialize. Now more than ever, southeast utilities should seriously pursue energy efficiency for customer and utility cost savings and for risk management.

ENERGY EFFICIENCY BACKGROUND

ENERGY EFFICIENCY REDUCES COSTS & HELPS AVOID KEY UTILITY RISKS

Energy efficiency has long been recognized as a valuable least-cost energy resource. Many utilities offer energy efficiency programs, incentives, and rebates to customers because it is often cheaper to invest in helping customers cut energy waste than it is to meet the same energy needs by building new power plants. Energy efficiency also offers several advantages over supply-side resources. Namely, it's abundantly available and not subject to massive cost overruns or construction delays that are relatively common with the construction of fossil gas plants and gas pipelines. Deployment of energy efficiency resources is also easier to scale up or down, thereby avoiding the risk of building power plants for load growth that might never materialize. Still, despite the fact that many of the region's utilities are projecting unprecedented load growth from data centers, nearly every Southeastern utility continues to underutilize energy efficiency.

UTILITY PROGRAMS MEASURABLY ACCELERATE ADOPTION OF EFFICIENT TECHNOLOGIES

Energy efficiency programs produce energy savings, which in turn can also produce cost savings. A well-designed portfolio of energy efficiency programs should offer opportunities for significant cost savings for residential, commercial, and industrial customers while also scaling energy savings for the utility. Generally, all residential, commercial, and industrial energy uses are becoming gradually more efficient as technology improves. Historically, these efficiency gains have been driven both by economics and by federal appliance standards that have dramatically improved the efficiency of lighting, air conditioning, water heating, and other end-uses of energy. Utility-funded energy efficiency programs offer different types of measures, which are individual technologies, actions, or equipment that will reduce energy usage. Programs incentivize customers to adopt efficient measures, sooner than they would have otherwise, or to adopt more efficient equipment than they would have otherwise purchased. Program managers then measure the difference between baseline energy usage (often defined by federal minimum efficiency standards) and the equipment installed through energy efficiency programs. **These incremental energy savings are then measured in megawatt hours (MWh) and often expressed as a percent (%) of the amount of energy sold by the utility.**

MEASURE IMPACTS NOT CAPTURED BY ONE METRIC

While first-year MWh savings as a percentage of retail sales is the most common metric nationally for comparing utility energy efficiency programs, it is insufficient for fully understanding Southeast utility efficiency performance and potential. Even for regionally-leading utilities, a significant share of residential energy efficiency savings disappear after a year. This is because they are based on utility communications with customers that are designed to produce short term changes in behavior, rather than lasting building performance improvements such as insulation or duct sealing. For instance, Duke's utilities in the Carolinas have the highest reported savings as a percent of sales in the Southeast, but a majority of Duke's first-year residential energy savings derive from short-term behavioral changes. When, however, a utility invests in long-lived savings from measures like attic insulation and duct sealing, the savings from multiple years of program activity add up and help avoid the need for costly infrastructure, such as power plants. In this Report, we begin to compare longer-lived savings among Southeast utilities by looking at the weighted average measure life, or the average number of years that measures are expected to deliver savings.

SOUTHEAST IN NATIONAL CONTEXT

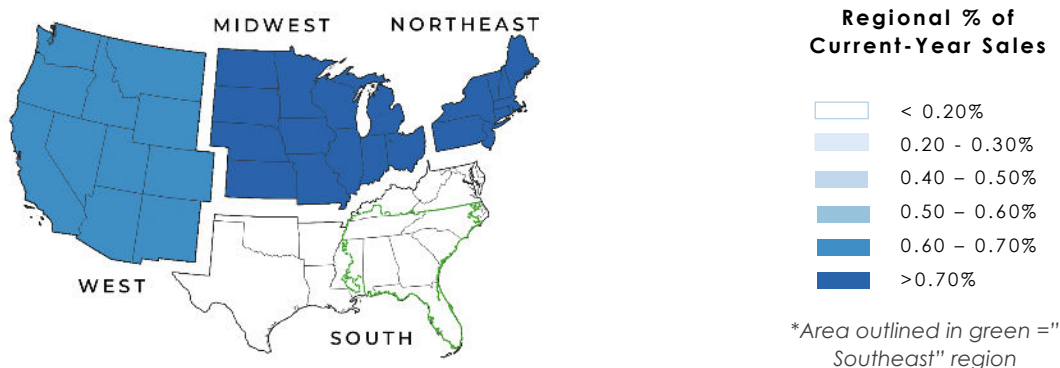
While first-year energy savings are not the only way to look at utility energy efficiency performance, they can be a useful reference point for comparing utilities, states, or regions. Utility energy efficiency savings are usually reported on a per-utility basis. Leading utilities nationally save 1.5% or more per year, with an average of the largest 20 investor-owned utilities (IOUs) in the country averaging about 0.70% savings. Therefore, utilities will be compared to this 0.70% throughout the report.

Statewide savings numbers usually are lower because they may include areas with utilities that do not operate energy efficiency programs or underperforming utilities. State and regional figures can also give context to utility performance, showing who may be underperforming. For example, the Southeast is far below other regions and the nation as a whole.

ENERGY EFFICIENCY PERFORMANCE OF U.S. REGIONS IN 2024

REGION	MWH SAVINGS	MWH SALES	PERCENTAGE
South Total	4,368,814	1,913,879,819	0.23%
Midwest Total	6,192,818	870,561,049	0.71%
Northeast Total	3,535,494	468,074,115	0.76%
West Total	4,973,089	722,866,849	0.69%
National Total & Average	19,070,215	3,975,381,832	0.48%
Southeast Utility Systems	1,838,816	847,555,295	0.22%

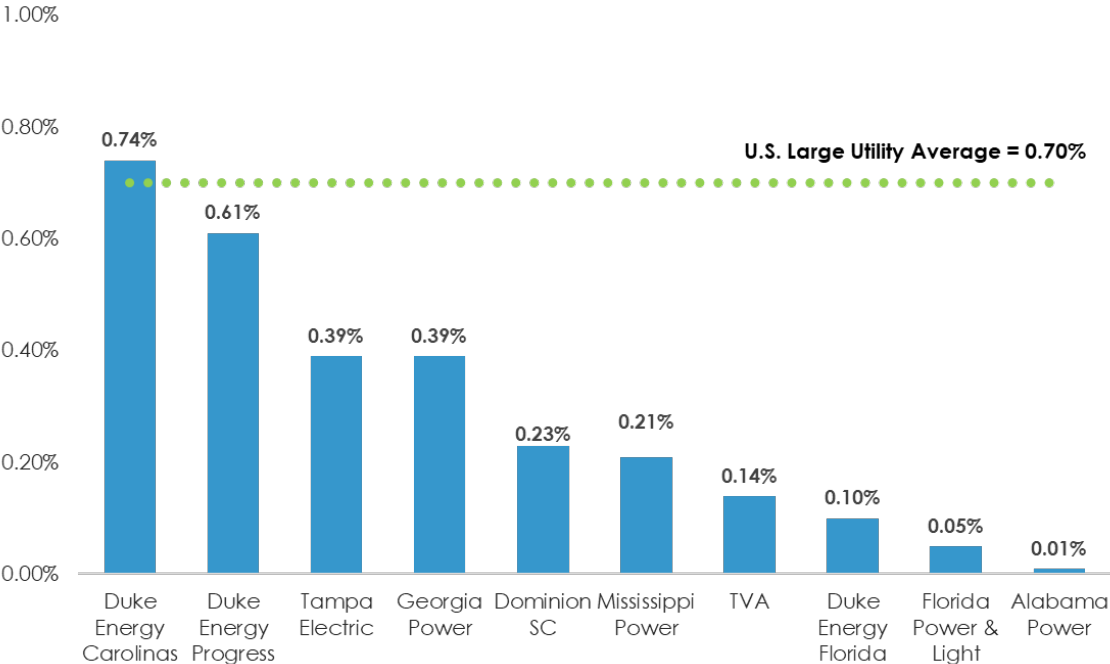
Source: Southern Alliance for Clean Energy (SACE), "Energy Efficiency in the Southeast" Seventh Edition Report published January 2026.



Historic underinvestment in efficiency in the Southeast means that utilities in the region still have abundant "low-hanging fruit," such as a high percentage of homes with excessive HVAC duct leakage, an industrial sector largely exempt from program participation, and a lack of significant coordination with gas utility efficiency programs. **Crucially, this efficiency potential remains untapped at a time when utilities are projecting high load growth. It is more important now than ever to properly value energy efficiency as a resource and plan to maximize its benefits.**

UTILITY TRENDS – MAJOR UTILITY RANKINGS

EFFICIENCY PERFORMANCE OF SOUTHEASTERN UTILITIES IN 2024



Source: Southern Alliance for Clean Energy (SACE), “Energy Efficiency in the Southeast” Seventh Edition Report published January 2026.

SOUTHEAST LAGS PEERS DESPITE LOAD GROWTH PROJECTIONS

- Southeast utilities lag peers in energy efficiency; leading utility programs can achieve energy reductions equal to 1.5% of retail sales, and the top 20 IOUs in the U.S. average 0.70%.
- The current level of energy reductions from efficiency programs isn't able to offset the projected load growth within the region, which is expected to grow retail sales at a compound rate of 2-4% annually.
- **Duke Energy’s** utilities in North & South Carolina, **Duke Energy Progress** and **Duke Energy Carolinas**, are once again the default leader in the region. However, they fall below national peers, have yet to fully rebound to their pre-2020 performance of approximately 1%, and include savings from short-term measures.
- **Georgia Power** had a number of high-profile regulatory decisions over the past several years due to high anticipated load growth from data centers. Despite this, their energy efficiency savings performance was far below peer utilities, and did not even meet the national average.
- **Dominion Energy South Carolina** and **Mississippi Power** reported savings improved over previous years, bringing them just over the regional average.
- Utility giants **Florida Power & Light (FPL)** and the **Tennessee Valley Authority (TVA)** made slight improvements when compared to previous years. *But due to the size of these utilities, the low savings from TVA and FPL are significant missed opportunities for the region as a whole.*

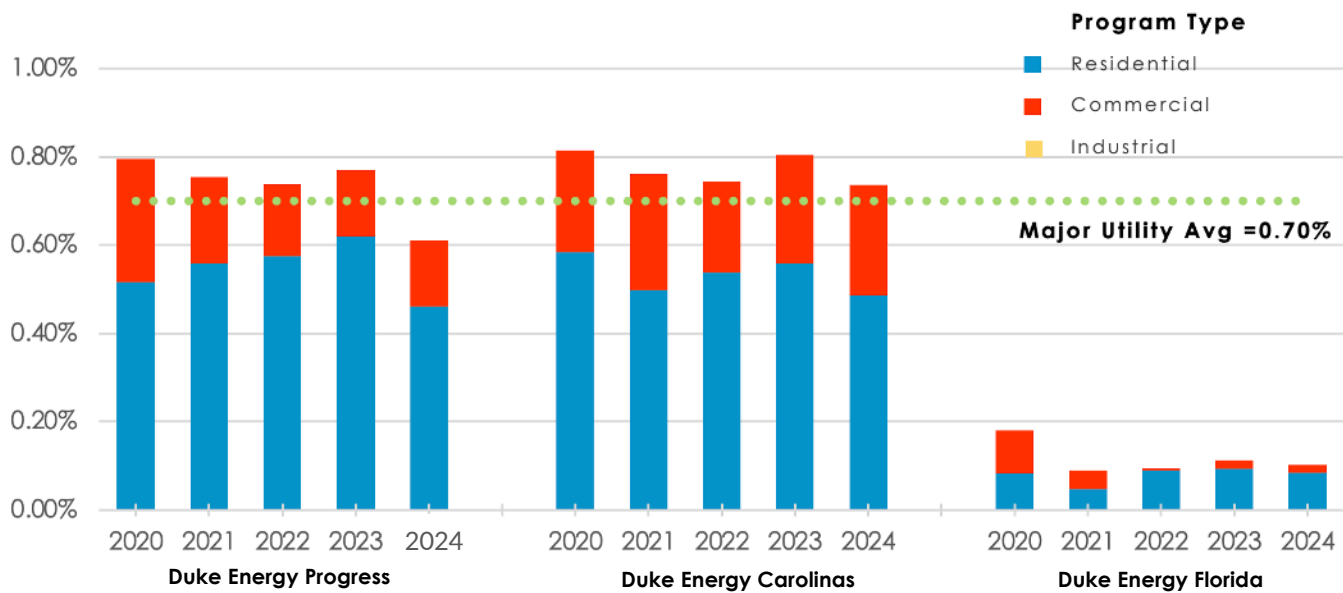
UTILITY COMPANY PROFILES

DUKE ENERGY

Duke Energy is one of the largest electric holding companies in the country. Duke Energy also owns utilities in Indiana, Ohio, and Kentucky that are not included in this report. Duke operates three electric utilities in the region:

- **Duke Energy Carolinas** serves approximately 2.9 million customers in North and South Carolina.
- **Duke Energy Progress** serves approximately 1.75 million customers in North and South Carolina.
- **Duke Energy Florida** serves approximately 2.0 million customers in Florida.

DUKE ENERGY | ENERGY SAVINGS AS % OF RETAIL ELECTRIC SALES



Source: Southern Alliance for Clean Energy (SACE), "Energy Efficiency in the Southeast" Seventh Edition Report published January 2026.

NORTH CAROLINA SETS THE PACE AMID LOAD GROWTH

Most of Duke's energy efficiency performance in the Southeast is driven by regulatory activity in North Carolina. However, in 2025 the North Carolina legislature removed the requirement that Duke reduce carbon pollution by 2030. This comes at a time when the state is experiencing unprecedented load growth, which could increase emissions.

DUKE LEADS THE REGION BY DEFAULT

In the absence of other robust utility energy efficiency efforts in the region, Duke Energy's subsidiaries operating in North and South Carolina have continued to lead the Southeast in rankings of utility energy efficiency program savings. Unlike many other IOUs, Duke does not offer efficiency programs to industrial customers, meaning that a large component of potential energy reductions is going unutilized. Despite holding up relatively well during the Covid-19 pandemic, they have not yet returned to their previous peaks in 2017-2019 that either neared or exceeded 1.0% savings. Duke's savings are also not keeping pace with their reported load growth, as retail sales for both DEP and DEC are projected to grow at a 3% compound annual growth rate (CAGR). While Duke Energy Florida has lower growth at a 0.78% CAGR, their energy efficiency savings are also lower at just 0.10% in 2024.

WEIGHTED AVERAGE MEASURE LIFE

While Duke Energy’s programs in North and South Carolina have relatively high savings when compared to other utilities in the Southeast, they fall short in some ways. For example, Duke’s programs are over reliant on short-lived measures, meaning that the portfolio of efficiency programs delivers energy savings over a shorter period of time. When weighing each measure’s contribution to total savings, you can see the average number of years the portfolio delivers energy savings. The weighted average measure life for Duke, particularly for the residential portfolio, shows that some of the savings may only last a few years. Many of those reductions come from behavioral programs that produce savings that last as little as one year, while whole-home energy efficiency measures like duct sealing or attic insulation have impacts that last 10 years or longer. In fact, other IOUs in the country are able to deliver savings equal to or greater than Duke Energy’s performance while also implementing programs that yield long-term energy savings.

AVERAGE MEASURE LIFE OF DUKE AND PEER UTILITY PROGRAMS

UTILITY	EE SAVINGS AS A % OF SALES	WEIGHTED AVERAGE MEASURE LIFE (YEARS)		
		RESIDENTIAL	COMMERCIAL	INDUSTRIAL
Duke Energy Carolinas	0.74%	3.3	14.4	-
Duke Energy Progress	0.61%	6.2	13.9	-
Duke Energy Florida	0.10%	12.0	13.0	-
Commonwealth Edison	3.02%	15.7	12.8	-
Pacific Gas & Electric	1.70%	9.7	13.3	5.8
DTE Electric	1.65%	5.4	10.3	-
Consumers Energy	1.38%	6.9	10.9	10.9
Niagara Mohawk Power	0.74%	7.0	12.0	12

Source: Southern Alliance for Clean Energy (SACE), “Energy Efficiency in the Southeast” Seventh Edition Report published January 2026.

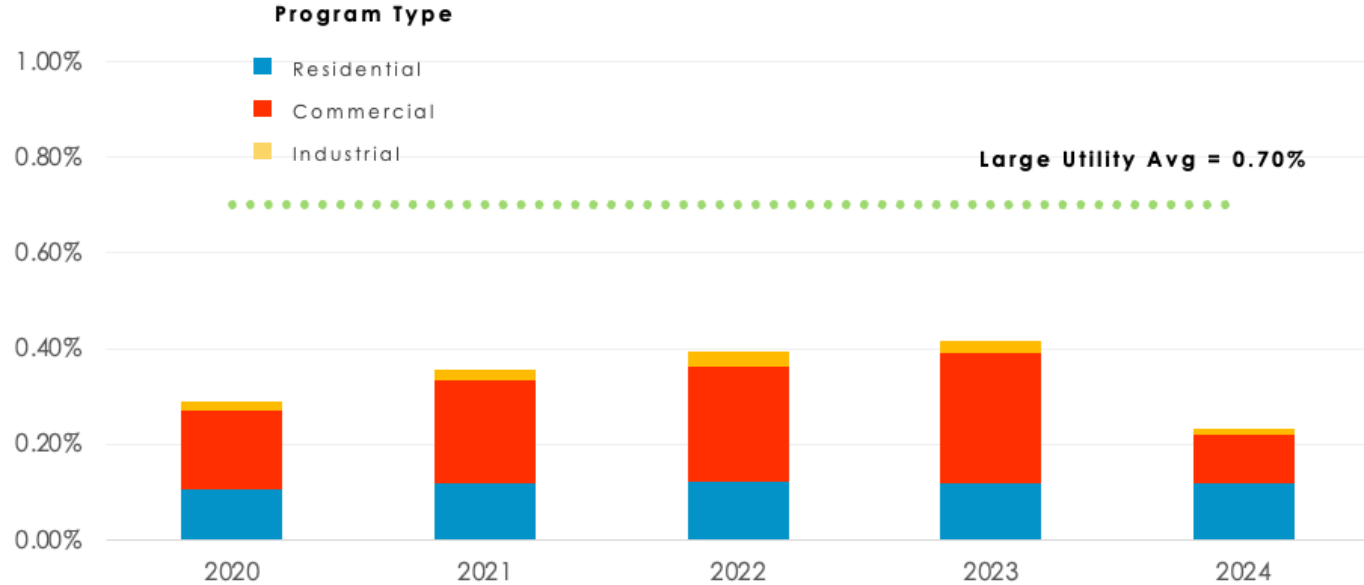
DUKE DIVIDE

Duke Energy’s Florida subsidiary continues to trail behind its sister companies in the Carolinas. This is largely due to the differing regulatory environments. In Florida, the Florida Energy Efficiency Conservation Act (FEECA) drives utility energy efficiency savings targets since the state lacks a robust IRP process. Unfortunately, FEECA has only received minor updates since it was initially enacted in 1980, and remains one of the only policies in the state that requires utilities to consider energy efficiency. Further, the energy efficiency that is included in Florida’s planning process, the annual Ten-Year Site Plan (TYSP) filings, is often among the lowest in the nation for major electric utilities, and the TYSP process does not include analysis to determine whether higher levels of utility investment in energy efficiency would reduce total utility system costs for all customers.

DOMINION ENERGY SOUTH CAROLINA

Dominion Energy operates electric utilities in Virginia and the Carolinas, but only the South Carolina utility is within the geographic region of this report. **Dominion Energy South Carolina (DESC)** serves approximately 800,000 customers. For years, DESC has set only modest efficiency savings goals for itself, and yet it has still consistently fallen short of attaining them.

DOMINION | ENERGY SAVINGS AS % OF RETAIL ELECTRIC SALES



Source: Southern Alliance for Clean Energy (SACE), "Energy Efficiency in the Southeast" Seventh Edition Report published January 2026.

Pursuant to legal settlements reached with SACE and others, Dominion Energy South Carolina (DESC) and other IOUs in South Carolina are implementing pilot programs to bring weatherization services to low-income customers. These programs seek to weatherize approximately 1,000 homes over a roughly three-year period. While this is a good start, it is important to note that Entergy Arkansas, which is just outside the geographical footprint of this report, serves a territory similar in size to the DESC and has cost-effectively weatherized over 7,000 homes per year, including targeted weatherization of over 1,500 low-income homes. Programs like Entergy Arkansas can be a positive example for how Dominion Energy South Carolina’s programs could evolve.

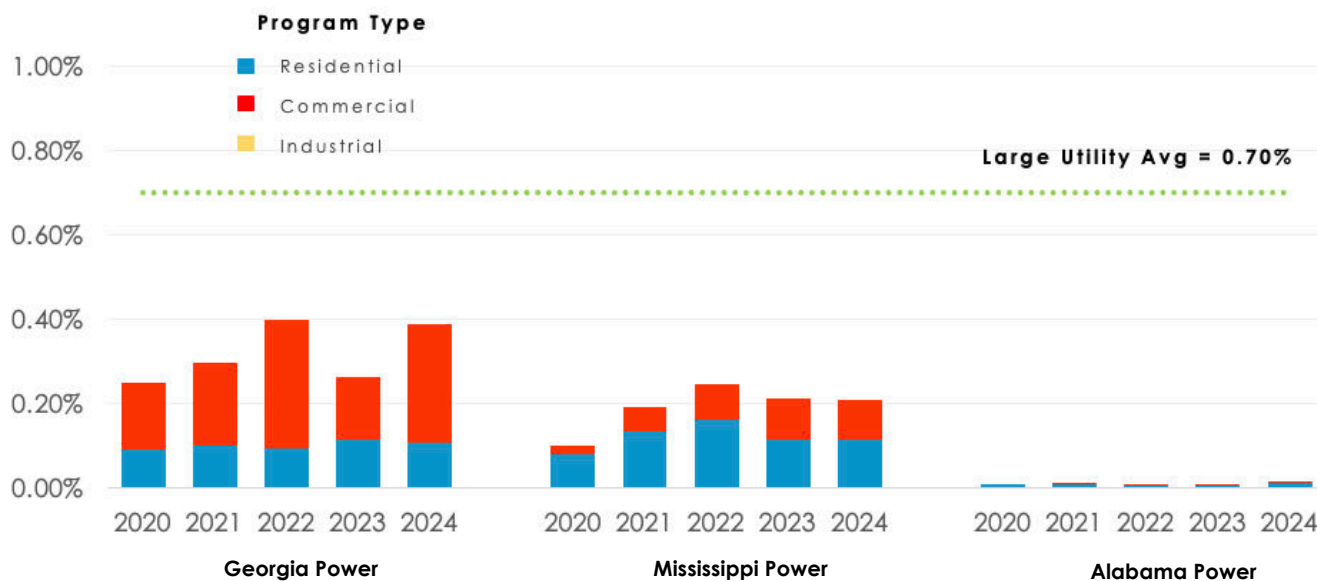
Overall, DESC has gradually committed to small expansions in residential energy efficiency programming while maintaining a low level of overall program energy efficiency savings. Like Duke, Dominion’s industrial efficiency offerings are sharply limited by an “opt out” policy that exempts much of the industrial load from utility-funded efficiency efforts. However, this may change in the future as the Consumer Advocate office recently requested Dominion to re-examine the order that allows industrial opt-outs.

SOUTHERN COMPANY

Southern Company has three electric utility subsidiaries, all within the geographic scope of the Southeast:

- **Alabama Power** serves approximately 1.5 million homes, businesses, and industries in Alabama.
- **Georgia Power** serves approximately 2.8 million customers across Georgia.
- **Mississippi Power** serves approximately 190,000 customers in Mississippi.

SOUTHERN CO. | ENERGY SAVINGS AS % OF ELECTRIC SALES



Source: Southern Alliance for Clean Energy (SACE), “Energy Efficiency in the Southeast” Seventh Edition Report published January 2026.

GEORGIA POWER GOES BACK ON EFFICIENCY TARGET

Georgia Power agreed to a target of 0.75% energy efficiency savings as part of a settlement agreement following the construction of Plant Vogtle in 2023. However, in the recent 2025 IRP, Georgia Power submitted the 0.75% energy savings plan with a massive, unrealistic price tag (including six times the customer rebates to achieve only 50% more energy savings). In parallel, it also submitted a cheaper alternative plan that had never been shown to stakeholders and that largely maintained the status quo for energy savings. Georgia Power then agreed to a settlement with regulators to fund the smaller plan, abandoning its promise to support a target of 0.75% annual energy savings.

WAITING FOR PROGRESS FROM MISSISSIPPI POWER

Mississippi Power continues to lag behind its peer utilities, including its sister operating company in Georgia. The utility had previously developed a plan to increase the performance of its energy efficiency programs to 0.50% by 2028, but subsequently cited changes in federal efficiency standards as a barrier to achieving the target of that plan. Even so, Mississippi Power has yet to show any demonstrated improvement in the scale and performance of its programs.

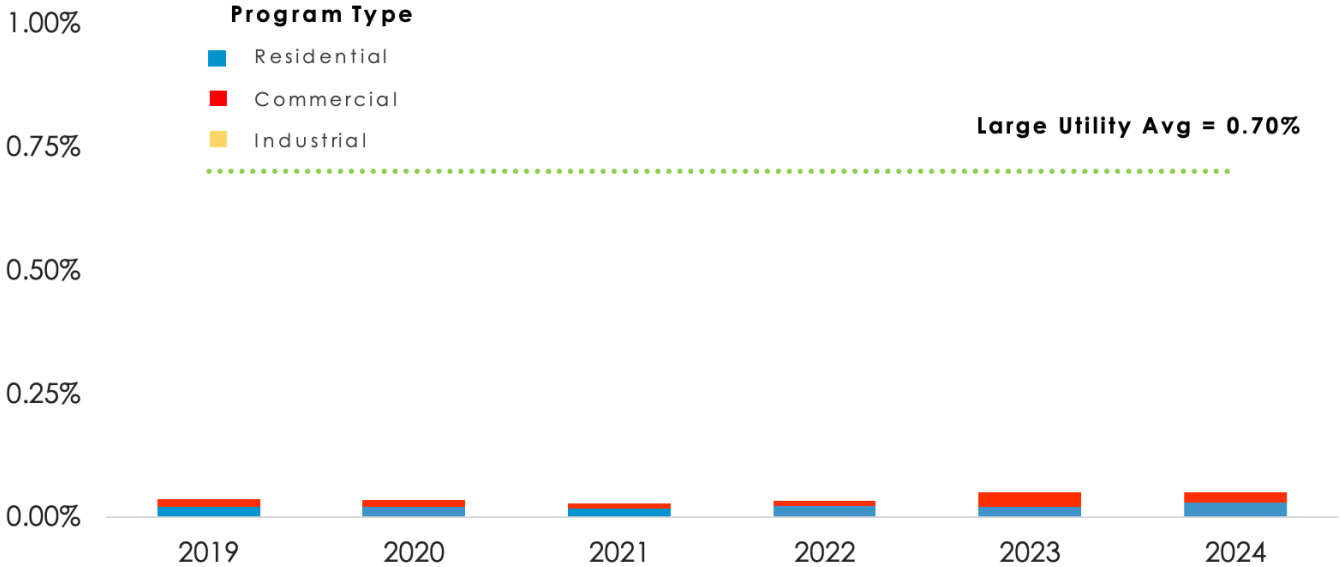
ALABAMA POWER LOWEST IN THE REGION - AGAIN

Alabama Power’s barely visible energy efficiency savings come largely from the commercial sector. The lack of residential whole-home efficiency measures is particularly sad to see in a state with some of the highest electricity bills in the nation.

FLORIDA POWER & LIGHT

Florida Power & Light (FPL) is a subsidiary of NextEra Energy. FPL serves more than 5.9 million customers in southern and eastern Florida. FPL is the largest IOU in the country and is responsible for over half of all electric sales in Florida. This means its decisions surrounding energy efficiency have enormous repercussions for the entire state, and even the entire Southeast.

FPL | ENERGY SAVINGS AS % OF RETAIL ELECTRIC SALES



Source: Southern Alliance for Clean Energy (SACE), "Energy Efficiency in the Southeast" Seventh Edition Report published January 2026.

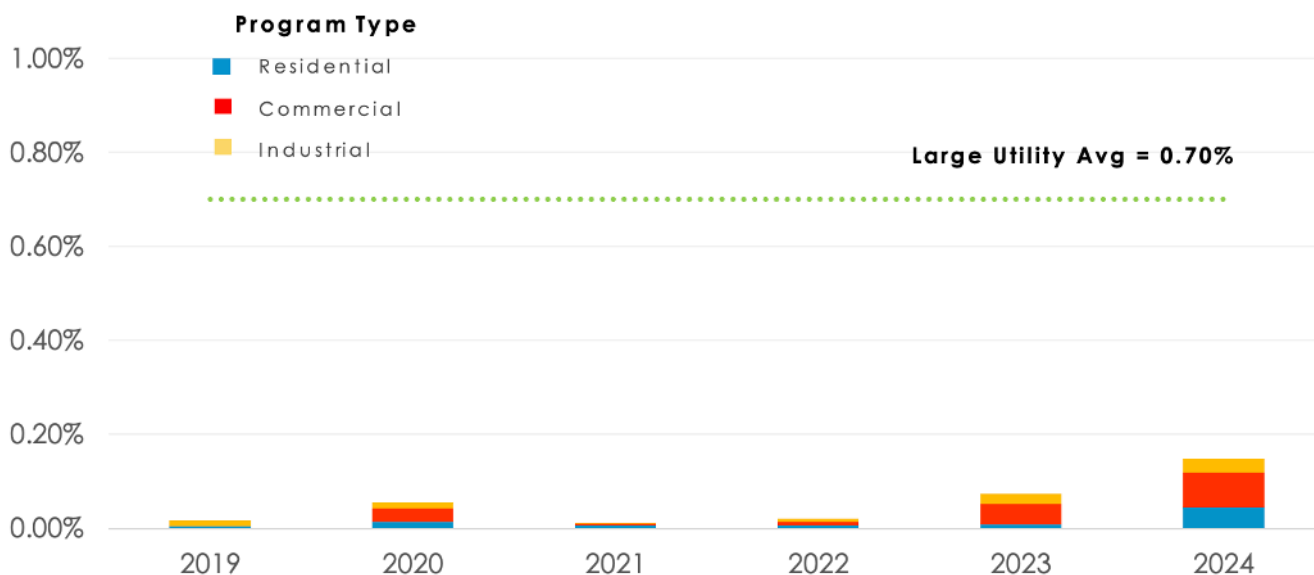
While FPL has shown that it's a capable leader in solar, it does not appear the utility has the same level of ambition when it comes to energy efficiency. FPL has consistently resisted expanding energy savings programs – both as a matter of policy and as a matter of company practice. FPL's lack of leadership when it comes to energy efficiency is especially disappointing to see because it has the largest annual retail sales of all IOUs across the country. Whereas the average annual savings for large IOUs across the country is about 0.70%, FPL's performance was 14 times lower in 2024 at a meager 0.05%.

In Florida, state policies, or lack thereof, have kept FPL and other utilities from utilizing energy efficiency to drive down system costs and thus customer bills. Without a change in policy, electric utilities are highly unlikely to reverse the trend of little-to-no energy efficiency on their own.

TENNESSEE VALLEY AUTHORITY

Federally-owned **Tennessee Valley Authority (TVA)** serves approximately 5.3 million customers in Tennessee, Alabama, Georgia, Kentucky, Mississippi, North Carolina, and Virginia. TVA’s resource plan is overseen and ultimately approved by its Board of Directors, which is appointed by the President and approved by the Senate. The TVA Board was out of quorum for most of 2025 after President Trump fired three members. Four Trump appointees were approved by the Senate in December of 2025, bringing the regulatory body into quorum with a majority of members being nominated by the current President. This political swing in the Board is unprecedented in TVA’s history, and that impact on energy efficiency and TVA more broadly has yet to be determined.

TVA | ENERGY SAVINGS AS % OF RETAIL ELECTRIC SALES



Source: Southern Alliance for Clean Energy (SACE), “Energy Efficiency in the Southeast” Seventh Edition Report published January 2026.

TVA demonstrated a promising increase in its energy efficiency performance in 2024, with energy savings of 0.14% of retail sales, close to its historical peak in 2013-2014. While this chart shows the calendar year, in its budget report for fiscal year 2024, TVA reported that it “helped more than 653 businesses reduce their energy use, resulting in over \$121 million in savings on their electric bills over the life of their energy improvements. Over 42,477 homeowners have taken advantage of energy efficiency upgrades...helping them to save nearly \$51.6 million on their electric bills over the life of their energy improvements.”

TVA is notably one of the only utilities in the region that offers energy efficiency programs to its industrial customers, and industrial energy efficiency can often be the most cost-effective to implement. Projected savings from industrial customers were relatively small in TVA’s draft IRP, which is likely to be changed by the new Board. The potential for expansion of industrial energy efficiency programs in TVA showcase the value of effective industrial energy efficiency programs to the rest of the region.

TVA previously pledged \$1.5 billion in energy efficiency and a goal to offset 30% of load growth with energy efficiency. That announcement was made by the previous CEO, but TVA’s fiscal year 2026 budget included \$1.5 billion for efficiency from 2024-2028, indicating an intention to keep that plan.

UTILITY ENERGY EFFICIENCY IN CONTEXT

IMPACT OF FEDERAL REBATE PROGRAMS

Under the Biden Administration, the Inflation Reduction Act (IRA) made billions of federal dollars available to states to create and expand energy efficiency programs. For instance, the Home Efficiency Rebate (HER) funds made available by the IRA were designed to provide deeper, whole-home energy efficiency measures such as insulation and leak-sealing that have received scant support in many Southeast utility territories and were not effectively promoted by tax credits alone. The purpose of the HER funds is to help pay for energy efficiency upgrades that will save at least 20% of the home’s energy use for single-family and multi-family households. Most states also offer a separate program focused on electrification that offers rebates on high efficiency electric home appliances and equipment.

However, the future of these programs still remains uncertain in many states. States that had their rebate program applications approved by the U.S. Department of Energy have suspended or delayed their plans to launch as they have not yet received their obligated funds. All states in the Southeast had their applications approved, but only Georgia and North Carolina have their programs up and running.

Georgia and North Carolina both offer rebates ranging from 50-100% of the project costs for energy efficiency upgrades depending on the income level. Georgia was the first state in the region to launch its program, which is administered by the Georgia Environmental Finance Authority (GEFA), and began with a limited pilot that allowed the state to test processes and develop the participating contractor network.

IMPACT OF FEDERAL REBATE PROGRAMS IN NORTH CAROLINA AND GEORGIA

STATE	LAUNCH DATE	HOMES/HER (EE)		HEAR (APPLIANCES)		ANNUAL SAVINGS \$
		\$ REBATES	HOUSES	\$ REBATES	HOUSES	
Georgia	November, 2024	\$2,200,000	218	\$9,200,000	877	\$1,327
North Carolina	January, 2025	\$170,438	11	\$7,500	3	\$1,308

Source: Southern Alliance for Clean Energy (SACE), “Energy Efficiency in the Southeast” Seventh Edition Report published January 2026.

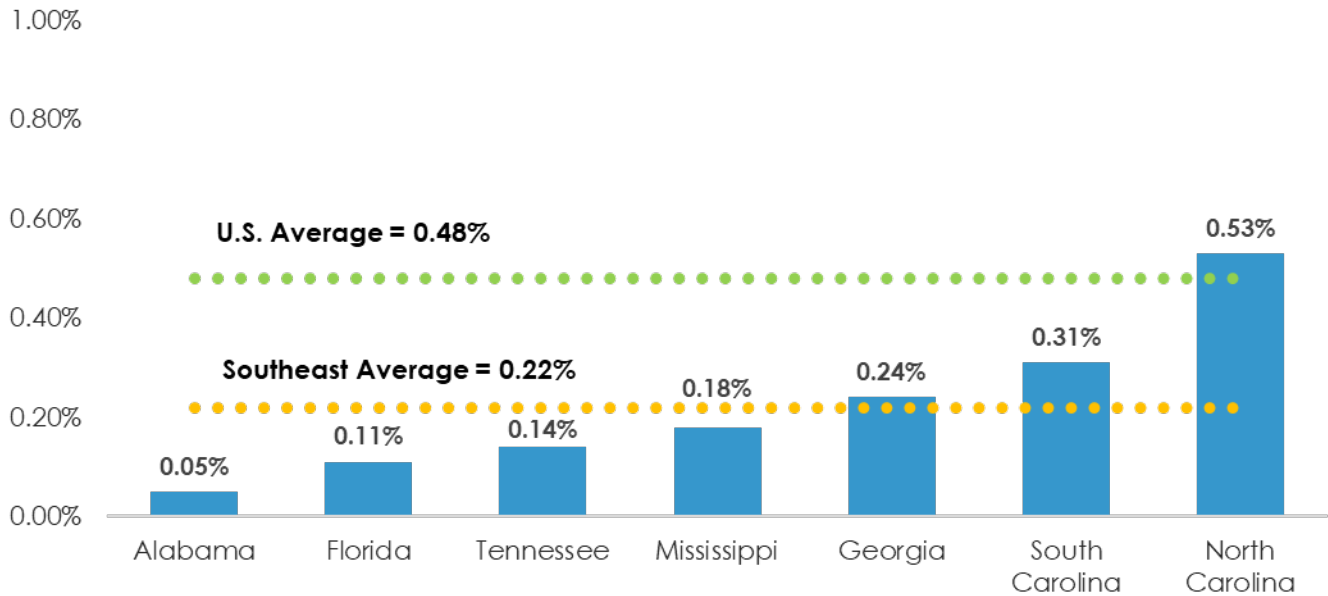
North Carolina also launched a program with limited availability and a county-by-county roll out, although it has been slower to match their contractor network to areas that are interested in participating. As of January 2026, the rebates are available to the entire state. As of September 2025, just 12 households have received funds, although the number of applications received has been reported to be as high as 4,100 as of June 2025.¹

¹ Note that as of writing North Carolina has only published rebate program impacts through September 30, 2025 and updates quarterly, while Georgia updates on a regular basis and therefore includes a longer period of time.

STATE PROFILES

In the Southeast, utility energy efficiency program savings equal to 1% of annual sales of electricity is often used as a symbolic benchmark for respectable energy efficiency program performance. Note that utility energy efficiency savings are usually reported on a per-utility basis, with leading utilities saving 1.5% or more per year. Statewide savings numbers usually are lower because they may include areas with utilities that do not operate energy efficiency programs or underperforming utilities.

STATE ENERGY USAGE SAVINGS AS A % OF ELECTRICITY SOLD IN 2024



Source: Southern Alliance for Clean Energy (SACE), “Energy Efficiency in the Southeast” Seventh Edition Report published January 2026.

While some utilities in the Southeast have seen modest efficiency savings increases over their past performances, many states failed to return to their pre-pandemic levels in 2024. North Carolina remains the only state to exceed the national average, and Georgia and South Carolina just barely exceed the regional average. Despite being one of the largest states in the country and a leader on solar, Florida fails to rank similarly when it comes to energy efficiency.

Profiles for Southeast states follow and include the energy efficiency performance in 2024 as well as a 3-year average. For detailed figures on Tennessee energy efficiency, please see page 13 for insights covering the Tennessee Valley Authority or consult Appendix C.

ALABAMA

Alabama is home to many types of utilities: investor-owned giants like Alabama Power, electric cooperatives like PowerSouth, and even the federally-owned, multi-state TVA. However, only Alabama Power is regulated by the Alabama Public Service Commission, the state’s three-person elected regulatory body. The TVA is regulated by a nine-member Board of Directors that are appointed by the U.S. President and confirmed by the U.S. Senate, while PowerSouth Energy Cooperative is managed by its board.

ALABAMA ENERGY EFFICIENCY PERFORMANCE IN 2024

UTILITY	NET ENERGY SAVINGS (MWH)		
	FIRST-YEAR	AS A % OF SALES	3-YEAR AVERAGE
Tennessee Valley Authority (Alabama territory only)	36,576	0.15%	0.07%
PowerSouth Cooperative	1,979	0.03%	0.03%
Alabama Power Company	3,826	0.01%	0.01%
Alabama Average	42,381	0.05%	0.03%

Source: Southern Alliance for Clean Energy (SACE), “Energy Efficiency in the Southeast” Seventh Edition Report published January 2026.

In a state without the same level of policy and regulatory oversight as other states in the region, Alabama utilities are a mixed bag. Alabama’s largest utilities, Alabama Power and TVA, are among the worst performing in the region. Alabama Power does not perform integrated resource planning with stakeholder involvement or the kind of regulatory oversight that is standard practice in the industry for major utilities. When the utility does undergo resource planning at all, it is conducted behind closed doors, lacks meaningful regulatory oversight, and excludes key resources like energy efficiency.

FLORIDA

In Florida, the Florida Energy Efficiency Conservation Act (FEECA) drives utility energy efficiency savings targets. Unfortunately, it has only received minor updates since it was initially enacted in 1980.

Without a robust IRP process in Florida, the FEECA dockets are one of the only avenues open to advocates working on energy efficiency. As a result, many other utilities in Florida show relatively low savings, especially IOUs. The Florida PSC had an opportunity to overhaul the FEECA process in a recent update to the rules on these proceedings, but failed to do so, electing to forego most substantive recommendations in favor of merely clarifying procedural changes. That leaves Florida customers unlikely to see major expansion in energy efficiency programs that could reduce all customer bills, especially at a time when the entire country is in an affordability crisis.

Florida utilities are also heavily reliant on fossil gas, which provides approximately 70% of the state’s total power generation. Unfortunately, major Florida utilities like FPL have failed to make meaningful investments in energy efficiency resources, leading to more gas being burned, with higher costs passed on to all customers. Savings from energy efficiency would lower the amount of gas electric utilities have to burn to meet load, thus lowering the fuel costs that get passed through directly to customers.

FLORIDA ENERGY EFFICIENCY PERFORMANCE IN 2024

UTILITY	NET ENERGY SAVINGS (MWH)		
	FIRST-YEAR	AS A % OF SALES	3-YEAR AVERAGE
Tampa Electric Company	81,390	0.39%	0.31%
Florida Municipals	55,676	0.15%	0.15%
Florida Cooperatives	31,683	0.14%	0.13%
Duke Energy Florida	42,165	0.10%	0.10%
Florida Power & Light	64,884	0.05%	0.04%
Florida Public Utilities Company	150	0.02%	0.03%
PowerSouth Cooperative	151	0.01%	0.01%
Florida Average	364,354	0.11%	0.10%

Source: Southern Alliance for Clean Energy (SACE), "Energy Efficiency in the Southeast" Seventh Edition Report published January 2026.

The highest achieving utility in Florida when it comes to energy efficiency is Tampa Electric Company (TECO). TECO offers low-income customers a weatherization kit that includes deeper savings through ceiling insulation and duct sealing. Additionally, they have achieved a reach of 8,000 customers through a collaboration with the Tampa Housing Authority and other organizations.

GEORGIA

The Georgia Public Service Commission is a five-person elected body that has authority to regulate Georgia Power and retail gas utilities in Georgia. Municipal utilities in Georgia have local authority over decision-making. Cooperatives in the state – including Oglethorpe Power – are managed by their member-elected boards.

GEORGIA ENERGY EFFICIENCY PERFORMANCE IN 2024

UTILITY	NET ENERGY SAVINGS (MWH)		
	FIRST-YEAR	AS A % OF SALES	3-YEAR AVERAGE
Georgia Power Company	340,530	0.39%	0.35%
Oglethorpe Power	22,255	0.05%	0.06%
Tennessee Valley Authority (Georgia territory only)	1,463	0.04%	0.04%
Georgia Municipals	106	0.00%	0.00%
Georgia Average	364,354	0.24%	0.22%

Source: Southern Alliance for Clean Energy (SACE), "Energy Efficiency in the Southeast" Seventh Edition Report published January 2026.

Residents of Georgia elected two new commissioners in 2025, Peter Hubbard and Alicia Johnson. The Commission is on the ballot again in 2026 with two seats up for re-election. With fresh energy at the commission, will we see a renewed ambition when it comes to energy efficiency?

Georgia is one of the few states in the Southeast where Inflation Reduction Act (IRA) home energy rebate funds are currently available to consumers. Administered by the Georgia Environmental Finance Authority (GEFA), the Home Efficiency Rebates (HER) program provides Georgians with rebates for whole-home energy efficient retrofits. The rebate amounts are determined by the amount of energy saved through the upgrade and/or household income level. Since each state has the opportunity to set the amounts covered for different levels of savings and household income, GEFA took a significant step towards addressing energy burdens in the state of Georgia by designing a program to cover 98% of the cost for low-moderate income customers.

Within approximately a year of its November 2024 launch, GEFA's program has served over 1,000 households with either weatherization services or appliance rebates, including about 300 weatherized homes and 800 rebated HVAC systems. The \$11 million spent by GEFA in its first year is about one third of the annual budget for Georgia Power residential programs during the prior year (2023), but the energy savings are different because they are more focused on longer-lived building thermal envelope and HVAC measures.

MISSISSIPPI

The Mississippi Public Service Commission is a three-person elected body that has authority over Entergy Mississippi and Mississippi Power.

MISSISSIPPI ENERGY EFFICIENCY PERFORMANCE IN 2024

UTILITY	NET ENERGY SAVINGS (MWH)		
	FIRST-YEAR	AS A % OF SALES	3-YEAR AVERAGE
Entergy Mississippi ²	34,712	0.27%	0.31%
Mississippi Power Company	21,022	0.21%	0.22%
Tennessee Valley Authority (Mississippi territory only)	28,523	0.18%	0.09%
Mississippi Cooperatives	1,049	0.04%	0.03%
Mississippi Average	50,594	0.18%	0.13%

Source: Southern Alliance for Clean Energy (SACE), "Energy Efficiency in the Southeast" Seventh Edition Report published January 2026.

The Mississippi Public Service Commission evaluated efficiency as a part of Mississippi Power's IRP process. After years of low performance, in 2021 Mississippi Power filed a plan with the Commission that would roughly double its efficiency savings over the next seven years to 0.5% by 2028 but subsequently cited changes in federal efficiency standards as a barrier to achieving the target of that plan. Even so, Mississippi Power has yet to show improvement in the scale and performance of its programs. Its latest Energy Delivery Plan filed with the Commission indicates that its energy efficiency programs are largely expected to operate business as usual.

² Not part of SE regional average. Entergy Mississippi is included in this table just for context.

The other Southeastern utility operating in Mississippi is TVA. TVA is notably one of the only utilities in the region that offers energy efficiency programs to its industrial customers, and a large portion of the energy savings reported in Mississippi comes from the industrial category.

NORTH CAROLINA

North Carolina has combined its IRP process for Duke's two utilities into a single proceeding that covers both the IRP and the Carbon Plan, where Duke Energy Carolinas and Duke Energy Progress evaluate resources to meet future needs, reliability requirements, and carbon reduction targets.

NORTH CAROLINA ENERGY EFFICIENCY PERFORMANCE IN 2024

UTILITY	NET ENERGY SAVINGS (MWH)		
	FIRST-YEAR	AS A % OF SALES	3-YEAR AVERAGE
Duke Energy Carolinas	433,496	0.74%	0.76%
Duke Energy Progress	226,684	0.61%	0.70%
North Carolina Cooperatives	35,650	0.18%	0.20%
North Carolina Municipals	2,428	0.02%	0.01%
North Carolina Average	698,444	0.53%	0.57%

Source: Southern Alliance for Clean Energy (SACE), "Energy Efficiency in the Southeast" Seventh Edition Report published January 2026.

North Carolina is one of two states in the region with an operating federal rebate program for energy efficiency. It initially rolled out applications on a county-by-county basis, although as of January 2026, the rebates are available to the entire state. As of September 2025, just 12 households have received funds, although the number of applications received has been reported to be as high as 4,100 as of June 2025.

As a result of several legal settlements with SACE and others, Duke has rolled out pilot weatherization programs in its Duke Energy Carolinas and Duke Energy Progress territories in both North and South Carolina. These programs are carefully targeted at low-income households with high energy usage. This targeting helps ensure that program dollars make the biggest difference for both the households and the utility system as a whole. While the scale of these programs remains small compared to Duke's overall customer base and to the level of need in low-income communities, these pilot programs offer a ray of hope that Duke can develop a successful, scalable approach to create long-lived energy savings that substantially reduce participants' bills.

Further settlement provisions required Duke to work with stakeholders to understand in detail the challenges that its low-income customers face paying electricity bills, and to look for energy efficiency and other program approaches to mitigate that burden. As of the end of 2025, Duke is putting the finishing touches on a low-income study that includes a comparison of Duke's EE offerings to low-income customers with that of leading utilities. While much work remains, the low-income study offers further hope that Duke can develop residential EE programs at scale that promote deep, long-lived energy savings.

SOUTH CAROLINA

There are three main utility systems in the state of South Carolina: Duke, Dominion, and the state-owned public utility Santee Cooper, which in turn supplies power to most of the state's rural electric

cooperatives. This means there are major differences in how energy efficiency is overseen in the state of South Carolina. Duke and Dominion are both regulated by the South Carolina Public Service Commission. Santee Cooper’s energy efficiency programs, savings, and spending is under the purview of the Santee Cooper Board of Directors. Each individual rural electric cooperative makes its own decisions regarding energy efficiency.

SOUTH CAROLINA ENERGY EFFICIENCY PERFORMANCE IN 2024

UTILITY	NET ENERGY SAVINGS (MWH)		
	FIRST-YEAR	AS A % OF SALES	3-YEAR AVERAGE
Duke Energy Carolinas	155,432	0.73%	0.75%
Duke Energy Progress	37,397	0.64%	0.73%
Dominion Energy SC	50,694	0.23%	0.35%
Santee Cooper	10,447	0.10%	0.08%
South Carolina Cooperatives	1,792	0.01%	0.01%
South Carolina Average	255,762	0.31%	0.35%

Source: Southern Alliance for Clean Energy (SACE), “Energy Efficiency in the Southeast” Seventh Edition Report published January 2026.

The state legislature in South Carolina passed a wide-ranging energy bill, H.3309, during the 2025 legislative session. This legislation includes several items that address energy efficiency, such as a requirement for Dominion and Duke to submit EE program portfolios for approval every three years, thereby changing Duke’s past program-by-program approval approach. The legislation also establishes that EE programs are cost-effective if they pass two of the four nationally standard economic tests for program evaluation. Within this cost-effectiveness approach, the legislation requires that all customer cost benefits be evaluated. For instance, when an electric utility provides a rebate to insulate the attic at a home with air conditioning and a gas furnace, the electric utility will sometimes consider only the electricity savings as a benefit to the customer. But in reality, the customer will see bill reductions on both electric and gas bills. The requirement to take into account all customer cost savings, if faithfully implemented, should help utilities identify further opportunities for customers to save money by saving energy.

Finally, we note a significant hopeful development, similar to that in North Carolina, regarding utility-funded weatherization services for low-income customers: Pursuant to legal settlements reached with SACE and other non-profit advocates, all three major investor-owned utilities in South Carolina (Duke Energy Carolinas, Duke Energy Progress, Dominion Energy South Carolina) are implementing pilot programs to bring weatherization services to low-income customers. Each of these programs seeks to weatherize approximately 1,000 homes over a roughly three-year period. The programs are similar, but include differences in implementation that may yield insights on how to optimize cost and achievement.

PATH FORWARD FOR ENERGY EFFICIENCY

The Southeast is at a challenging moment amidst an affordability crisis and unprecedented load growth due to data centers, doubly stressing utility planning and customer finances. The region also continues to experience the impacts of climate change driven by carbon pollution. Energy efficiency is a key tool to manage rising electricity bills and carbon emissions, one that Southeast utilities are under-utilizing.

It has long been recognized that energy efficiency goes against the investor-owned electric utility business model: the more electricity an IOU can sell to a customer, the more profits it can provide to its shareholders. That means policy is needed to fill the gap in order for energy efficiency to meet its potential for cost savings. Since IOUs are regulated at the state level, it falls to states to ensure their policies drive utilities to pursue this cost-effective and widely available resource.

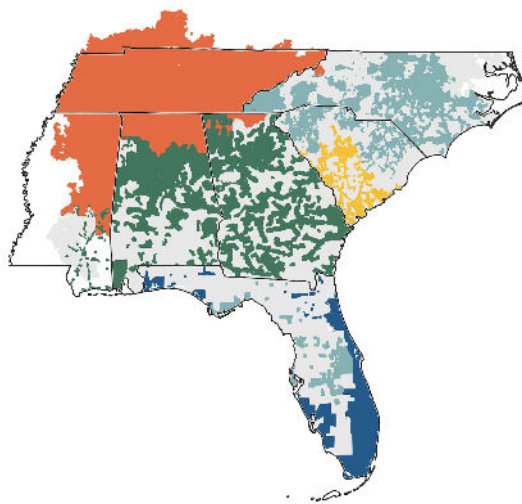
While the Southeast's record on meager energy efficiency savings has been lackluster to-date, this is an opportunity to turn that into an advantage. There is vast potential for both broader and deeper savings across the region that can be tapped into to address the affordability crisis, load growth, and climate change.

Amid uncertainty and pull-back of federal energy efficiency policies, programs, and funding, state regulators and policy-makers must fill the void to push electric utilities to seriously pursue energy efficiency for customer and utility cost savings and for risk management.

APPENDICES

APPENDIX A: GEOGRAPHIC COVERAGE

The geographic coverage of data encompasses Southeastern utilities outside of the PJM/MISO regions. The states of Alabama, Florida, Georgia, and South Carolina are fully covered; relatively small portions of North Carolina and Tennessee are served by utilities that participate in PJM (thus while statewide reports for these states are relatively comprehensive, they may not align exactly with other data sources); only portions of Mississippi and Kentucky that are parts of TVA or the Southern Planning Area are included.



- DUKE ENERGY
PROGRESS, CAROLINAS, FLORIDA
- DOMINION ENERGY
- NEXTERA
FLORIDA POWER & LIGHT
- SOUTHERN COMPANY
ALABAMA POWER, GEORGIA POWER, MISSISSIPPI POWER
- TENNESSEE VALLEY AUTHORITY
- ALL OTHER UTILITIES

APPENDIX B: SOUTHEAST UTILITY RESULTS

Retail sales, annual savings from energy efficiency, and percentage savings as a percentage of current-year retail sales are available for download. Please note that appendices for previous reports in the series reflect slightly different methodology such as a lower net to gross ratio and were calculated using savings as a % of prior-year sales, rather than current-year. [For utility system and individual utility data for 2020-2024, please visit our website to download the data appendix.](#)

APPENDIX C: METHODS, DATA SOURCES, AND ASSUMPTIONS

DATA SOURCES

U.S. Energy Information Administration (EIA) is the primary source for first-year incremental energy efficiency savings, weighted average measure life, and retail sales for utilities. This is reported in EIA Form 861 (Annual Electric Power Industry Report) – 2024 – released October 7, 2025.

Although SACE reviews annual energy efficiency reports that utilities are required to file by state regulators, in most cases, we opt to use EIA data even when program-level data is available for the sake of consistency when it comes to the reporting year versus the calendar year. Utility filings or other type of reports made available by utilities may instead reflect the fiscal, or savings from programs that are outside the utility's main portfolio of energy efficiency programs.

METHODS

The primary metric in this report is net energy savings as a percentage of current-year retail sales. EIA's reporting instructions have clarified over the years to direct utilities to report data at the meter rather than at the generator, and to clarify who is responsible for reporting (utility or nonutility demand-side management administrators). As a result, there is greater confidence in the consistency and reliability of more recent data that primarily only requires adjustments to utilities that report gross savings. Due to the fact that some utilities report net savings reflecting technical adjustments to energy efficiency program impacts, while others do not, we apply a net-to-gross ratio of 80% where gross savings are reported.

For the comparison with other regions of the country, our Southeast regional average is compared to regional and national averages from data sources such as EIA. Our regional energy savings calculation distinguishes the Southeast from typical calculations of the U.S. 'South' region, which encompasses a much broader geography as defined by the U.S. Census Bureau.

ADDITIONAL RESOURCES FROM SACE

The Southern Alliance for Clean Energy (SACE) releases several reports covering utility, clean energy, and transportation trends in the Southeast. We invite you to [view all of our reports, white papers, and other clean energy resources](#) and select reports below.

[Solar in the Southeast, Eighth Edition Report. \(2025\)](#)

[Tracking Decarbonization in the Southeast, Fifth Edition Report. \(2023\)](#)

[Transportation Electrification in the Southeast, Sixth Annual Report. \(2025\)](#)

