

EPA State EE/RE Technical Forum – Topic Ideas November 4, 2004

The following is a compilation of comments from a number of states about experience and topics we might cover in the Technical Forum. We will be asking for your additional ideas and priorities during the first conference call.

Energy Efficiency

What do you want to learn from others?

- Successful outreach and education of ESCOs about environmental benefits
- PA Energy Efficiency portfolio standard – how to capture AQ benefits
- VT Utility bill financing of EE/RE
- Coordinated standard setting with other states
- Expanding use of Performance contracting (“pay as you save”)

Technical Assistance

- How utilities/states are currently handling lost revenues for EE programs
- EE/RE case studies that can be easily replicated
- Broader and deeper technical analysis of EE benefits e.g. health, work day impacts, etc.
- Improve the accuracy of emissions calculations based on current data
- How to capture the benefits of potential new programs such as:
 - Oil & gas conservation funds
 - Feebates
 - Vehicle GHG emissions limits
- EPA / Abt co-benefits risk assessment model (COBRA)
- How to calculate benefits of market transformation and other cutting edge programs
- TOU and critical peak pricing: what are the emissions benefits?
- Vehicle efficiency measures: e.g. tire rolling resistance; what are the energy, safety & environmental impacts?

Hurdles

- Funds for LEED-certified buildings
- EE as an offset for Renewable Portfolio Standard
- Utility lost revenues/return on investment
- Federal tax treatment of renewables and EE
- Finding new, creative ways to meet targets and quantify “reliable” emissions benefits
- Integrating EE/RE measures in state air quality planning
- Capacity charges in utility tariffs make it difficult to make the business case for EE

Successes

- System Benefits Charge & Efficiency and Renewable Trust Fund (NY)
- Energy Star home audits performance program (NJ)
- Funding for integration of efficiency into school building design. (NY & NJ)
- Advanced building codes and appliance standards
- Green buildings (PA)

Renewable Energy

What do you want to learn from others?

- Renewable energy credit (REC) trading
- Building a network of RE business interests (PA)
- Solar Programs: Strategies for achieving market transformation (CA)

Technical Assistance

- RPS and economic benefits.
- Green tags program & emissions impacts
- Incentives for solar: Japan vs. US market
- Analysis of the energy and emissions savings of 1 million solar systems initiative
- Solar Rebate Program : methods for monitoring the performance of PV systems

Hurdles

- Renewable energy credits (RECs) – recognizing air benefits (TX)
- Coordinated US Strategy for PV market (CA)
- IRS ruling on tax status of EE/RE subsidies (CA & NJ)

Successes

- ESCOs and multi-family building efficiency (NJ)
- Solar thermal program for multi-family Buildings(NJ)
- Premium power market niche for renewable energy (PA)
- Farm & rural renewable energy e.g. Biodiesel and anaerobic digestors (TX)

DG/CHP

What would you like to Learn from others?

- Opportunities to expand CHP for absorption chilling (UT)

Technical Assistance

- Developing a National net metering bill
- How to quantify benefits of DG – energy savings, emissions, and health benefits

Hurdles

- Price of natural gas, which is the assumed fuel source.
- DG Interconnect protocols-- patchwork of interconnection policies among and within states
- Lack of incentives for utilities to coordinate demand response programs with ISO and state
- Lack of clarity on permit requirements for DG
- Lack of training for state permit engineers
- Lack of policies/programs to advocate distributed energy for homeland security and continuity of government
- Using DG to relieve transmission congestion
- DG standby charges
- Utility rate caps are a disincentive to green power, efficiency and demand response

Successes

- NY's CHP program
- Carnegie Mellon study on DG on improving market for small scale DR (PA)
- DG & continuity of government (PA)
- DG to alleviate congestion on transmission system
- DR emissions regulations
- Hydrogen and fuel cell consortium (PA)

Getting Credit in SIPS

What do you want to learn from others?

- General peer exchange about most effective ways to reduce emissions through EE/RE
- Guidance from EPA – how to use it effectively

Technical Assistance

- State of science in quantifying air quality emissions benefits of EE/RE
- How to quantify energy efficiency in small scale projects.

Hurdles

- Currently limited experience with EE/RE Set Aside
- Additional ways to credit EE/RE within Air Quality Plans

Successes

- NY has well-established evaluation methods and third party verification systems
- CAA Section 309 (regional haze) EE/RE Goals
- Set-aside programs for EE/RE in the SIP

Making Better Use of SEPs

What do you want to learn from others?

- Making better use of SEPs
- Learn from successful SEP settlements for EE/RE
- Simplify guidance and standardize innovative SEP ideas to make them easier to implement

Hurdles

- Different approaches between energy and environmental enforcement office.
- Changing the perception that EE/RE in SEP is “letting someone off the hook.”

Successes

- Purchase of green tags as part of SEPs (UT)
- Investing in hardware Vs. green tags – pros and cons
- Developing standard language for SEPs to lower transaction costs

Other Topics

- SIC or NAIC codes for green business: system to track information gathering in industrial sector to see size and growth (particularly jobs impact) of the green sub-sector of the older “brown and black” companies. (eg. Permeable paving).
- How to quantify co-benefits of utility GHG cap & trade program (Northeast)
- Coordination of programs between state agencies
- Alternative Fuels: e.g. Texas Low Emission Diesel (TexLED) which has been adopted by school buses, county government fleets, etc.
- Primer on Energy and Environmental (Air) information so there is a common understanding of language
- Building transmission to accommodate clean generation