

Sustainable energy aid project OK'd

New nonprofit group will offer subsidies for appliances, autos

By JEFF MONTGOMERY, The News Journal

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Legislation creating the nation's first full-featured "sustainable energy utility" won Gov. Minner's signature Thursday, completing what one lawmaker described as one of the General Assembly's most important actions of the year.

Supporters of S.B. 18 said the measure could begin pushing down the cost of energy-efficient appliances, automobiles, energy bills and pollution for Delaware residents as early as next year.

"The SEU will work to provide less expensive, clean energy, which is necessary to preserving the quality of life we enjoy in our state," Minner said. She noted the project could lead to a 400- megawatt reduction in electricity consumption, or more than half the maximum output of the Indian River Power Plant in Millsboro.

"You can't get a unit of energy cleaner and cheaper than to find a way to not have to use it," said Sen. Harris B. McDowell III, D-Wilmington North, the bill's prime sponsor.

The legislation would create a non-profit organization that would help subsidize the cost of energy-efficient appliances and motor vehicles as well as home- or business-based small-scale generating devices such as solar-electric power systems or geothermal heating and cooling units.

State residents could purchase the systems through the utility or directly from qualified vendors. In exchange, participants would agree to share a portion of the savings gained from the investment for the first three to five years, or for a share of renewable energy tax credits.

John M. Byrne, who directs the Center for Energy and Environmental Policy at the University of Delaware, said a similar effort in California helped drive down the cost of Energy Star highly efficient appliances in that state, giving consumers little reason to purchase units that cost more to operate.

Minner said such success could reduce emissions of carbon dioxide -- a pollutant tied to rising global temperatures and climate change -- by 5.5 million metric tons, or about one-third, by the year 2020.

A task force report released earlier this year estimated the project could reduce energy waste by participants by up to 30 percent, potentially cutting electricity bills by about \$1,000 a year.

"I think this piece of legislation is probably one of the most important, far-reaching and best things that this legislature has done, certainly this year," said Sen. F. Gary Simpson, R-Milford, a member of a task force that developed the plan.

McDowell said Citibank had analyzed the plan, which would initially be supported by a \$30 million bond sale, and concluded that it was financially sound.

Several other states, including California, Connecticut, Massachusetts, New Jersey, New York and Vermont, have already approved programs that support "sustainable" energy that reduces pollution emissions and reliance on fossil fuels. None have a project as comprehensive as Delaware's, Byrne said.