

Meeting Minutes – February 20, 2007
Sustainable Energy Utility Task Force
www.seu-de.org

Meeting Date: February 20th, 2007

Meeting Location: Senate Hearing Room, Legislative Hall, Dover

Meeting Time: 3:30pm

In Attendance:

Task Force members:

Senator Harris McDowell, Chair

Dr. John Byrne, Co-Chair, Center for Energy and Environmental Policy

Senator Gary Simpson

Representative Pam Thornburg

Representative Terry Schooley

Mr. Charlie Smisson, State Energy Coordinator

Mr. Keith Lake, Peoples Settlement Association

Ms. Dominique Baron, Delaware Nature Society

Green Building Working Group:

Mr. Dan Wrightson, AIA Delaware

Technical Consultant:

Ralph Nigro, Applied Energy Group

Members of the Public

Brian Gallagher, DE Million Solar Roofs

Ron Zink, Sierra Club

David Bloom, Delaware Public Service Commission

Paul Sample, Legislative Council Tech. Advisory Office

Sally Buttner, Division of the Public Advocate

Scott Johnson, Solar Dock

Task Force Staff:

Jason Houck, CEEP

Rebecca Walker, CEEP

Jackson Schreiber, CEEP

Ryan Harry, CEEP

Eric Partyka, CEEP

Bridin Reynolds, Public Relations

MINUTES

Introduction

The Task Force adopted February 6th meeting minutes.

Senator McDowell noted that he had sent the Delaware Public Service Commission a request to participate in hearings on the Integrated Resource Planning, in his role as chair of the SEU Task Force. (The Task Force agreed on February 6th to support the chair's request for this purpose.)

Presentation

Senator McDowell presented "Sustainable Energy Utility: Its Goals, Organization, and Estimate Economic and Environmental Benefits" (online at www.seu-de.org/documents.html). He noted that he intends to use parts of this presentation when he explains the SEU and the work of the Task Force to the public. A summary of the presentation is below:

- Goals for Delaware:
 - Help Delawareans who participate in the SEU to reduce energy use by 30% by 2015:
 - 1/3 savings from homes, 1/3 from businesses, 1/3 from cars and transport services
 - equivalent to a 15% cut in Delaware's Carbon Footprint.
 - Install over 300MW of renewables at homes and businesses by 2019.
 - Including: 200MW of geothermal, wind, and solar thermal; 100MW of solar electric through a new RPS Solar Carveout; a 25MW solar lifeline to serve low and moderate income households.
- Energy Efficiency is Delaware's Cheapest Resource
- Key Energy Efficiency Policy Goal: Delawareans participating in the SEU reduce energy use by 30% within 8 years;
 - Households can save \$1,100 per year in energy bills
 - Add 1,000 to 3,000 jobs in Delaware in the service and manufacturing sectors
 - Programs available to all households and small and medium businesses.
- Key Renewable Energy Policy Goal:
 - Incentivize 300 MW (or more) of renewable energy sited at businesses and residences so that Delaware can compete with New Jersey and other states for the development of its share of the green energy market
 - State RPS policy drives the creation of competitive renewable energy markets.

- Delaware at a Crossroads:
 - Delaware currently faces a choice between old and new energy systems
 - Old system characterized by: price volatility, centralized brown generation, little market competition, little consumer control over energy choices, little interest in sustainable energy options
 - New organization characterized by: energy efficiency and customer-sited renewables: eliminates price shocks, competition promotes innovation, customers capture value from energy savings, real reductions in energy bills.
- Proposed Sustainable Energy Utility Framework and Market Focus (an organization chart and a target markets chart were presented – both were discussed at previous meetings)
- The Delaware Sustainable Energy Utility:
 - Is a clearinghouse for energy efficiency, customer-sited renewables, affordable energy, clean vehicles, and green buildings
 - Creates new markets and jobs
 - Is competitive with public oversight
 - Delivers packaged services.
- Existing Sustainable Energy Programs in Delaware:
 - PV for Poultry
 - Green Energy Fund
 - Affordable Energy: Weatherization program.
- SEU Program Additions: Rebates, loans, shared savings program, energy audits, demand shaving, public-private leveraged partnerships, renewables development, solar lifeline
- SEU Revenue Sources: Sustainable energy bond, leveraged private sector investment, leveraged tax credits, Green Energy Fund, renewable energy certificate (REC) sales, shared savings from energy efficiency improvements.
- Policy Initiatives:
 - Increase Renewable Portfolio Standard to 20% with 2% solar carveout
 - Double Green Energy Fund: to support customer-sited renewables, energy efficiency; average bill impact is only 18 cents per month
 - Update Net-metering Standards
 - Authorize a Sustainable Energy Bond
 - Create a Delaware Sustainable Energy Utility
- With a Sustainable Energy Utility Delaware is Kyoto Protocol-compliant
 - It is estimated that the SEU can avoid nearly 6 million metric tons of CO₂ emissions
 - It is possible that this level of avoided emissions would result in Delaware's emissions not rising above the RGGI cap for 2009-2014.

Discussion

Senator Simpson commented, to general agreement, that for households to receive Solar Lifeline benefits they should also participate in energy efficiency and weatherization programs to help decrease their household energy consumption.

Scott Johnson, *Solar Dock*, noted in regard to the solar Renewable Portfolio Standard and the Solar Lifeline that Delaware has 75 million square feet of warehouses which can be used to host solar installations.

Sally Buttner, Division of the Public Advocate, noted that demand shaving can be an additional source of revenue for the SEU since PJM pays to aggregate demand shaving.

Presentation

Dan Wrightson, an architect representing the Delaware Chapter of the American Institute of Architects Delaware, presented slides and distributed a packet that summarize the AIA's sustainability plans. (The slide presentation will soon be available at www.seu-de.org/documents.html) Key points in the presentation and packet:

- Buildings account for the largest share (over 75%) of total U.S. electricity usage.
- AIA Goal:
 - By 2030 all new buildings should be carbon neutral
 - New construction and renovations: Buildings should consume 50% of current average energy usage by 2010.
- The U.S. Green Building Council's LEED standards should be used as performance benchmarks.
- Green buildings on average currently use 30% less energy than conventional buildings.
- The average additional cost of building green is less than 2% of construction costs, or \$3-5/ft².
- Benefits of sustainable architecture include:
 - Cleaner indoor air quality
 - Improved occupant health
 - Increased student/worker productivity
 - Lower energy costs
 - Conservation of natural resources, water and energy
 - Reduced on-site pollution and waste
 - Less sprawl.

- Green building policy is being led by city and state governments
 - Examples from Illinois, New Mexico, Pennsylvania.

Review of Draft Legislation

Senator McDowell led a second review of the draft SEU legislation and asked Task Force members to consider and comment now, or in upcoming meetings, on the composition of the Oversight Board, the trademark name for the SEU, and what performance incentives should be awarded to the SEU and implementation contractors. Senator McDowell noted the importance of the Oversight Board to the success of the SEU.

Charlie Smisson asked what the timeline would be for starting the SEU after legislation passes. Senator McDowell responded that the Task Force would have to address this issue in the legislation.

Dominique Baron, Delaware Nature Society, noted that DNREC is putting forward new building standards. She asked if there was coordination between these standards and the SEU's programs and goals.

Representative Thornburg noted the importance of appropriate funding amounts and sources. The Task Force agreed to discuss financial aspects of the SEU at its next meeting.

The next Task Force meeting will be held on Tuesday, March 6, at 11:30am in Newark (Now scheduled to be held in the Ewing Room of the Perkins Student Center, University of Delaware, Newark)