Quarterly Highlights

Quarter 3: July – September 2019

SEEA’s Quarterly Highlights provide stakeholders with brief, timely and relevant information on energy efficiency and related topics throughout the Southeast. For more information or to provide input, contact Emmeline Luck, policy associate, at eluck@seealliance.org.

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State, Local, and Utility Policy Highlights

Alabama

- **Alabama Power Petition for Certificates**: On September 6, Alabama Power filed plans with the Alabama Public Service Commission to build a natural gas facility and several small solar facilities and to pursue 200 megawatts (MW) in additional demand-side management (DSM) and distributed energy resource (DER) programs.

- **Alabama Power Rates and Cost Recovery**: The Commission is expected to hold informal hearings on Alabama Power’s annual rate stabilization and equalization and environmental cost recovery rates in December. *Docket Nos. 18117 and 18416.*
Arkansas

- **Commission Evaluation Report:** On July 5, Dr. Katherine Johnson, independent evaluation monitor, filed an evaluation, measurement, and verification findings report for Program Year 2018 on behalf of the General Staff of the Public Service Commission. *Docket No. 13-002-U.*

- **DER and Grid Modernization Workshops:** In September, the Arkansas Public Service Commission held an educational workshop with the Parties Working Collaboratively and stakeholders on DERs and other related topics that the Commission is studying. The third workshop is scheduled for October 30 and 31; the fourth is tentatively set for January 2020. *Docket No. 16-028-U.*

- **Utility Energy Efficiency (EE) Planning:** Arkansas investor-owned utilities (IOUs) must file an annual report by May 1 addressing the performance of their approved energy efficiency programs, proposing a three-year EE portfolio plan, and proposing an associated Energy Efficiency and Conservation Rider (EECR). On June 17, the Commission approved all proposed portfolio plans by each IOU. The Commission approved Entergy Arkansas’ EECR on August 20 and approved SWEPCO’s EECR on August 22. *Docket Nos. 07-085-TF and 07-082-TF.*

Florida

- **Potential Sale of Jacksonville Electric Authority (JEA):** The JEA Board voted in July to explore privatization of the municipally owned utility. On August 2, JEA invited outside entities to make offers by September 30 to buy the utility. Any sale would require approval by the Jacksonville City Council and Duval County voters in a referendum. In a presentation on September 15, the Florida Municipal Power Agency disputed JEA’s view that remaining government-owned would hurt the utility.

- **Florida Energy Efficiency and Conservation Act (FEECA):** The Florida Public Service Commission held hearings on goals proposed by the seven utilities subject to FEECA August 12-16. This year’s goals were significantly lower than those proposed in past cycles; the last cycle ended in 2015. On September 26, the Florida Department of Agriculture and Consumer Services filed a brief that proposes developing a new process for energy efficiency and conservation in the state. A final order from the Commission on the goals proposed in FEECA is expected in November. *Docket Nos. 20190015, 20190016, 20190017, 20190018, 20190019, 20190020, 20190020.*

- **Chief Resilience Officer:** On August 1, Governor DeSantis announced Julia Nesheiwat as the state’s first Chief Resilience Officer.

Georgia

- **Georgia Power Integrated Resource Plan (IRP):** On July 16, the Georgia Public Service Commission (GPSC) approved Georgia Power’s IRP, which included an increased renewables portfolio, the retirement of several coal units, and a 500-home low-income on-bill tariff program. This two-year program will allow low-income and renter customers to make efficiency upgrades in their homes that will result in energy savings. Georgia Power must submit its plan for the pilot program to the Commission by April 1, 2020. *Docket No. 43210.*
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- **Georgia Power Rate Case**: Georgia Power filed its request for a rate increase of about 7% with the GPSC on June 28. The proposed $2.2 billion in rate increases would include cost recovery for infrastructure investments, disaster recovery, and environmental clean-ups. The Company is facing some pushback from several environmental and consumer advocate groups. The Company also requested in the rate case that it be allowed to recover capital expenditures related to electric vehicle (EV) charging infrastructure investments. Hearings began the first week of October. Docket No. 42516.

- **Smart Neighborhood**: On July 25, Georgia Power held a ribbon-cutting ceremony for its forty-six-townhome-Smart Neighborhood development in Atlanta.

- **Vogtle Nuclear Plant Monitoring**: In July, Georgia Power ordered the first nuclear fuel load for Vogtle Unit 3, marking another milestone and the Company’s confidence in the project’s completion. On July 30, the GPSC staff released a report calling into question the Company’s ability to finish the Unit 3 and 4 reactors by the 2021 and 2022 deadlines. Southern Company CEO Tom Fanning responded saying the project is on track to finish by the deadlines. Docket No. 29849.

- **Clean Energy Leadership**: On September 11, former Georgia Congressman Lynn Westmoreland was named the Chairman of the Advisory Board for Conservatives for Clean Energy Georgia.

**Louisiana**


**Mississippi**

- **Draft Energy Efficiency and IRP Rules**: On July 25, the Mississippi Public Service Commission (MPSC) issued an order to temporarily suspend the comment period for its draft IRP and energy efficiency rule pending the issuance of an Economic Impact Statement. The Commission reopened the comment period on August 27; comments were due on October 1. SEEA submitted comments. Docket No. 2018-AD-64.

**North Carolina**

- **Dominion Energy Rate Case**: Dominion Energy filed for a rate increase of approximately 9% on March 29. In July and August, the North Carolina Utilities Commission (NCUC) held three public hearings on Dominion’s rate case; the evidentiary hearing occurred in late September. Docket No. E-22 Sub 562.

- **Duke Energy Rate Cases**: Duke Energy Carolinas (DEC) filed its rate case with the NCUC on August 23, requesting an average rate increase of 6%. On September 30, Duke Energy Progress (DEP) filed
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a notice of intent to file an application for general rate case on or around October 30. Docket No. E-7 Sub 1214 and Docket No. E-2 Sub 1219.

- **Rate Case Legislation:** S 559, introduced on April 2, would allow utilities to request alternatives to standard rate cases for a range of programs without Commission approval, meaning that regulators could approve upfront annual rate hikes for up to five years to cover projected spending. In August, the House passed an amendment by Rep. Larry Strickland to convert a key section of the bill into a rate reform study. The Senate subsequently voted against the House changes and Strickland has joined a committee to produce a compromise.

- **State Clean Energy Plans:** On August 16, the North Carolina Department of Environmental Quality released a draft Clean Energy Plan that calls for zero emissions from the power sector by 2050 and includes seven priority recommendations. On September 27 under directive from Executive Order 80, the Departments of Environmental Quality, Transportation, Administration, and Commerce presented their clean energy plans to Governor Cooper, including the statewide plan.

- **DSM and EE Cost Recovery Riders:** On August 1, Dominion filed its annual petition for approval of its DSM and energy efficiency cost recovery rider. Docket No. E-22 Sub 577. DEP filed its rider application on April 8; the Commission held hearings in September. Docket No. E-2 Sub 1206. DEC filed its rider in January; a final order has yet to be issued. Docket No. E-7 Sub 1192.


- **Integrated Resource Planning:** On August 27, the NCUC released a final order accepting DEC and DEP’s 2018 IRPs and REPS compliance plans. The order schedules a hearing on January 8, 2020 to address reserve margin and load forecasting issues in the IRPs and directs both companies to include analyses and modeling considering all resource options and the retirement of coal-fired units in their 2020 IRPs. Docket E-100 Sub 157.

**South Carolina**

- **Santee Cooper Sale:** In July, the Santee Cooper Board of Directors approved the utility to contribute $15 million to a study to determine the utility’s future. In early September, newly appointed CEO Mark Bonsall released a new business plan calling for cleaner generation.

- **VC Summer Nuclear Plant:** In early August, Dominion Energy South Carolina distributed the first round of refund checks, totaling $60 million, from the VC Summer settlement.

- **Public Service Commissioners:** State legislators are seeking candidates for four seats on the South Carolina PSC through October 11. All four terms are set to start in July 2020.
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- **Dominion Request for Modified DSM Plan:** On June 28, Dominion Energy South Carolina requested that the PSC approve its suite of expanded and modified DSM programs for an extended five-year term. Hearings are set to begin November 13. *Docket No. 2019-239-E.*

**Tennessee**

- **Tennessee Valley Authority (TVA) IRP:** The TVA Board of Directors approved its IRP at its board meeting in August. The plan includes the addition of fourteen gigawatts of solar and the retirement of the Paradise and Bull Run coal plants in 2020 and 2023, respectively.

**Virginia**

- **Large Customer Exit Applications:** On August 21, the State Corporation Commission (SCC) ordered that Dominion Energy must resume processing requests of customers who wish to purchase power from competitive service providers. On September 18, the Commission issued an order permitting all customers to purchase 100% renewable energy from a licensed supplier if the incumbent utility does not offer an approved 100% renewables tariff. Dominion has filed for approval of a 100% renewable energy tariff in *Docket No. PUR-2019-00094.* *Docket No. PUR-2019-00117.*

- **Clean Energy Executive Order:** On September 17, Governor Northam signed Executive Order 43 calling for Virginia to reach 30% renewable power and 100% carbon-free power by 2030 and 2050, respectively. The order also suggests using energy efficiency to alleviate energy inequities.

- **Dominion Earnings and Grid Modernization:** On August 29, the SCC submitted a status report on the implementation of the Virginia Electric Utility Regulation Act, finding that Dominion Energy collected over $277 million more than it was authorized in 2018. Virginia’s Grid Transformation and Security Act of 2018 allows utilities to invest surplus revenue in projects deemed in the public best interest; Dominion says that it plans to spend the excess earnings on renewables and grid enhancements. On September 30, Dominion filed a $594 million revised grid modernization plan with the SCC after regulators rejected the original proposal earlier this year. *Docket No. PUR-2019-00154.*

- **Dominion DSM Annual Program Filing:** On September 11, Dominion requested that the deadline for submitting the Company’s application for riders for its DSM programs be postponed from October 3 to December 3. The Commission granted the extension on September 17. *Docket No. PUR-2018-00168.*

**Regional Policy Highlights**

- **Mayors Climate Protection Awards:** In June, Fayetteville, Arkansas Mayor Lioneld Jordan won the thirteenth annual Mayors’ Climate Protection Award for small cities. Honorable small city mentions from the Southeast included Asheville, North Carolina and Lake Worth Beach, Florida.
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- **Energy Efficiency Jobs**: According to an annual study published in September by E4TheFuture and E2, energy efficiency is the fastest-growing employer class in the energy industry. The study found that three of the top ten states for energy efficiency employment in 2018 were in the Southeast: Florida ranked fourth, North Carolina was sixth, and Virginia was tenth.

- **Duke Energy Carbon Commitment**: On September 17, Duke Energy announced its commitment to a goal of net-zero carbon emissions by 2050.

- **Energy Democracy Tour**: This summer, Appalachian Voices organized an energy democracy tour to educate ratepayers that made stops in Alabama, Tennessee, Kentucky, and North Carolina. Virginia tour dates are forthcoming.

- **Puerto Rico Proposed Regulations**: In September, the Puerto Rico Public Service Regulatory Board Energy Bureau proposed to adopt an energy efficiency and demand response regulation that is intended to help the territory reach 30% energy efficiency by 2040. The Energy Bureau has requested public comments through October 7.

National Policy Highlights

- **Affordable Clean Energy Rule**: On June 19, the EPA released its final Affordable Clean Energy (ACE) regulation repealing the 2015 Clean Power Plan. On August 1, the National Rural Electric Cooperative Associated (NRECA) became the first industry group to intervene in litigation against the regulation and plans to defend the rule alongside EPA. On August 6, the US Chamber of Commerce filed an intervention in support of the Trump administration’s replacement of the Clean Power Plan. On August 13, lawyers for twenty-two states and seven cities filed a lawsuit against the Environmental Protection Agency (EPA) in the U.S. Court of Appeals D.C. Circuit asking to halt the Affordable Clean Energy regulation. The next day, ten environmental groups also filed a petition against the rule with the Court of Appeals.

- **Appliance Standards**: In early July, the Department of Energy (DOE) issued a notice of proposed interpretive rulemaking that would impede the development of standards for certain furnaces and water heaters.

- **Lighting Standards**: On September 5, DOE issued a final rule eliminating efficiency standards for about half of the six billion light bulbs used in US homes and businesses. The rule rescinds a 2017 light bulb definition that would expand the standards to cover the full range of bulb shapes and sizes used in our homes, including candle and globe shaped bulbs and reflector bulbs used in ceiling fixtures or track lighting. On the same day, DOE also released a notice of proposed determination and request for comment on the proposal to eliminate the 2020 standards for “A-lamps,” the pear-shaped bulbs that account for the nation’s other three billion light bulbs. If finalized, this notice would prevent automatic standards enacted by Congress in 2007 from taking effect. According to an analysis by ASAP and ACEEE, the rollbacks would cost American consumers about $14 billion annually.
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- **National Energy Efficiency Standard Legislation:** On July 25, three U.S. senators introduced a bill that would establish a nationwide energy efficiency resource standard (EERS). The proposed EERS would call for 22% energy savings from electric utilities and 14% savings from gas utilities.

- **City and State Energy Scorecards:** In July, the American Council for an Energy-Efficient Economy (ACEEE) released the annual report ranking the seventy-five largest American cities by five key areas of energy savings. Orlando and Atlanta were the two highest-ranking Southeast cities. On October 1, ACEEE released the annual State Energy Scorecard report.

- **FERC Conference:** The Federal Energy Regulatory Commission (FERC) will host a conference in Lexington, Kentucky on October 21 to discuss the evolving energy policy landscape.

- **FERC Commissioners:** Since FERC Commissioner Cheryl LaFleur’s departure at the end of August, two of the five positions on the Commission are vacant. West Virginia Senator Joe Manchin has urged President Trump to jointly nominate a Republican and a Democrat to fill the vacancies in order to reestablish a bipartisan balance on a full Commission. On September 30, Trump nominated FERC general counsel James Danly to fill one of the vacant seats.

- **Relevant Federal Legislation:** There are currently a variety of bills relating to energy efficiency, weatherization, resilience, and infrastructure active in Congress:
  - **HR 2088** would reauthorize the Energy Efficiency and Conservation Block Grant program
  - **HR 2041** would reauthorize DOE’s Weatherization Assistance Program
  - **HR 2119** would reauthorize grants for energy efficiency in public buildings
  - **HR 3962** would strengthen national model building codes
  - **HR 2741** would provide funds for energy efficiency retrofits, among other provisions
  - **S. 1706** would encourage the use of energy savings performance contracts
  - **S. 2334** would establish a “21st Century Energy Workforce Advisory Board” at DOE
  - **S. 2335** would support the transition to smart buildings

Built Environment, Health, and Resilience Highlights

**State Updates**

- **Louisiana Building Energy Management:** On August 13, state lawmakers approved a deal between Governor John Bel Edwards’s administration and Louisiana Energy Partners. The firm will make energy upgrades at thirty-one state buildings in addition to a complex energy partnership at state-owned Shaw Center for the Arts in Baton Rouge. At this site, the firm will lease chiller systems from the state and the state will buy back the chilled water to use to cool the building.

- **North Carolina Government Energy Use:** State Senator Bill Rabon announced in July that the senate will not hear **HB 330**, which would have increased an energy savings target for state government buildings from 30% by 2015 to 40% by 2025. The bill passed the House in April.

- **North Carolina Hurricane Reimbursements:** In July, the state Department of Public Safety announced that the Carteret-Craven, Four County, and Tideland electric cooperatives will receive
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$16 million from FEMA and $6 million from the state for systems damaged by Hurricane Florence in 2018.

- **South Carolina Hurricane**: Dominion Energy South Carolina reported on September 5 that over 128,000 customers lost power as category three Hurricane Dorian passed the state.

### Regional and National Updates

- **Building Codes and Resilience**: An advisory board of the Federal Emergency Management Agency (FEMA) charged with improving disaster mitigation programs across federal agencies released the National Mitigation Investment Strategy (NMIS) in August. The strategy says that state and local communities could avoid billions of dollars in property losses from natural disasters by updating and enforcing building codes, including energy codes.

- **Resilience Financing**: On July 2, a bipartisan group of lawmakers introduced HR 3779, the Resilience Revolving Loan Fund Act of 2019, which would amend the Stafford Act to create a federal grant program to provide states with revolving loans for disaster mitigation projects.

- **Disaster Mitigation Funds**: In September, the US Department of Housing and Urban Development (HUD) invited applications for mitigation funding; communities have until early 2020 to inform HUD how they will use the funds. The funds originated from the Community Development Block Grant Mitigation (CDBG-MIT) approved in 2018. Southeast recipients of the CDBG-MIT funds include the states of Florida, Georgia, Louisiana, North Carolina, South Carolina, and West Virginia.

- **LEED Standards**: In July, the US Green Building Council (USGBC) announced plans to strengthen the next version of the Leadership in Energy and Environmental Design (LEED) rating system.

- **Rockefeller Resilient Cities**: In July, the Rockefeller Foundation announced the new Climate and Resilience Initiative that will replace the 100 Resilient Cities program, which was retired in June. The initiative commits an initial $8 million to continue supporting the work of chief resilience officers and member cities and will be housed within the Rockefeller Foundation.

- **Resilience Modeling**: On July 24, the Department of Energy (DOE) Office of Electricity released details on its model of grid vulnerabilities called the North American Energy Resiliency Model. The model maps grid vulnerabilities and other risks to national resilience.

- **Health Benefits of Energy Efficiency**: In July, EPA released a technical report, Public Health Benefits per kWh of Energy Efficiency and Renewable Energy in the US, that found that state and local policymakers are not fully quantifying health benefits of efficiency and renewable projects in their decision-making process.

- **Building Emissions Study**: On August 15, researches from Lawrence Berkley National Laboratory and the National Renewable Energy Laboratory released a study modeling the role of increased energy efficiency in buildings in decreasing carbon emissions.
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- **Community Resilience Indicator Analysis:** This [FEMA study](#) examines resilience in terms of financial stability and connection to community. The study identifies southwestern Georgia, southwestern Alabama, southwestern Kentucky, Puerto Rico, and the Lower Mississippi Delta region in Louisiana, Mississippi, and Arkansas, among others, as potential priority areas.

Energy Efficient Transportation Highlights

State Updates

- **Florida EV Charging Infrastructure:** On September 18, Florida Power & Light announced plans to install 1,000 electric vehicle (EV) charging stations at one hundred locations across the state.

- **Florida County Fleet:** On September 18, Broward County announced its goal to electrify its entire fleet, including transit buses, by 2030.

- **Georgia:** On September 17, representatives from the Georgia House gathered to discuss opportunities for improving electric transportation in the state. The House is still considering [HB 732](#), which would create a tax credit for EVs and plug-in hybrids. In addition, Georgia Power included language in its rate case requesting cost recovery of capital expenditures to expand EV charging infrastructure in charging deserts. See Georgia Power Rate Case for more information.

- **North Carolina EV Plan:** Governor Cooper’s [Executive Order 80](#) last year called for the state Department of Transportation (NCDOT) to develop a zero-emission vehicle strategic plan. NCDOT solicited public input on the proposed plan to promote electric vehicles before sending the roadmap to the Governor on September 26.

- **North Carolina EV Charging Legislation:** Governor Roy Cooper signed [HB 329](#) on July 17, establishing that EV charging stations that sell electricity are not considered a utility. The only previous exceptions in the state were for marinas and camp sites. SEEA convened a multi-year EV Working Group where the need for retail resale was identified as one of the barriers hindering infrastructure and market development.

- **North Carolina Cooperative Charging:** On September 16, North Carolina electric cooperatives announced a $1 million investment in rural EV charging stations across the state.

- **Duke North and South Carolina EV Pilots:** The NCUC has yet to make a decision on Duke’s EV charging infrastructure proposed program filed on March 29. On July 5, the NCUC Public Staff recommended that the Commission reject the proposal, holding that the program is a way for the companies to gain pre-approval of ratepayer-funded infrastructure. Advocates continue expressing support in North and South Carolina dockets. Regulators have not acted in the SCPSC dockets since the April report from the Office of Regulatory Staff. [NCUC Docket No. E-2 Sub 1197](#), [SCPSC Docket Nos. 2018-321-E and 2018-322-E](#).

- **Virginia Time-of-Use Rate:** Appalachian Power announced on September 19 that it will offer a discounted time-of-use rate for residential EV owners who charge their vehicles when demand is low. The State Corporation Commission has approved an experimental rate option.
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- **Virginia Electric School Buses:** On September 24, Governor Northam pledged $20 million in state funds to help replace traditional diesel school buses with cleaner electric ones, adding support to Dominion’s plan to spend an initial $13.5 million to electrify fifty school buses by December 2020, with the ultimate goal of enabling the electrification of the state’s school bus fleet by 2030.

**Regional and National Updates**

- **Car Emissions Standards:** The federally proposed Safer Affordable Fuel Efficient (SAFE) Vehicles rule has faced contention since its release in 2018. State and local governments, automakers, and others have committed to adhering to more stringent rules regardless of the rollback. Governors, state Attorneys General, and vehicle manufacturers all have stated their opposition to the rollback and its intent to preempt state law. The National Highway Traffic Safety Administration (NHTSA) and EPA published the final corporate average fuel economy (CAFE) standards on July 12. On September 19, EPA and NHTSA established the One National Program, the first of two parts of the SAFE Vehicles rule that revokes California’s authority to set emissions standards. On September 20, twenty-two states, including North Carolina and Virginia, joined a legal challenge against the administration’s ability to revoke the state’s authority. That same week, eighty-one House members and thirty-three senators signed onto a nonbinding resolution supporting cleaner vehicle emissions standards and the states rights under the Clean Air Act.

- **Highway Bill:** The Fixing America’s Surface Infrastructure (FAST) Act is set to expire in October 2020. On July 29, the Senate Environment and Public Works Committee released America’s Transportation Infrastructure Act, the largest federal highway bill in congressional history and the first to include a title on climate change. The bill proposes a 27% increase in surface infrastructure spending from the FAST Act and includes funding to support the development of alternative vehicles. It includes provisions to create EV charging stations along highways and creates funds for state programs for low-emissions vehicles.

- **National Drive Electric Week:** The third week in September, the Southeast celebrated National Drive Electric Week by hosting numerous events, including Porsche unveiling its Taycan for the first time in the U.S. The educational event in Atlanta was the largest and most diverse event of the week in the Southeast.

- **E&E News Electric Road Trip:** Throughout September, E&E News toured the U.S. in an EV to explore the variety of electric transportation innovations the country has to offer. SEEA provided resources to assist the reporters in the southern leg of the journey; SEEA Board Member Alan Shedd also assisted the project by providing data tracking for the trip as well as a lesson in building cheap home chargers.

- **EV Chargers in National Parks:** Thanks to a partnership between the National Parks Foundation, the National Parks Service, the Department of Energy, and BMW of North America, one hundred EV chargers have been installed in national parks across the country.

- **Charging Webinar:** On October 9, SEEA, in partnership with Plug In America and the Southern Alliance for Clean Energy, will host a webinar on improving policies for EV charging infrastructure.
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- **RMI e-Mobility Lab**: In August, SEEA’s director of energy efficient transportation Anne Blair attended the Rocky Mountain Institute’s e-Mobility Lab workshop on the expansion of rural EV programs and infrastructure. The workshop resulted in the creation of a working group whose aim to address the unique challenges of rural transportation electrification.

- **EV Fees Impact Report**: In September, Consumer Reports released a report on the impact of registration fees for EVs. SEEA director of energy efficient transportation submitted an op-ed.

- **US EV Investment Report**: In August, the International Council on Clean Transportation released a report stating that the U.S. would need an additional $2.2 billion in charging infrastructure by 2025 to accommodate the expected adoption of EVs.

- **EV Investments**: On September 10, EV automaker Rivian announced Cox Automotive’s $350 million investment in the company. On September 19, Amazon announced a series of sustainability goals that include an order for 100,000 electric delivery vans from Rivian.

- **EV Partnerships**: On August 6, Nissan and EVgo announced a partnership to build 200 fast-charging stations in the United States. In September, EVgo and Uber signed a memorandum of understanding to research ways to accelerate the adoption of electric vehicles in ride-sharing.

- **Electric and Autonomous Vehicles Partnership**: Volkswagen and Ford are building upon their existing EV partnership to include investments in autonomous vehicle technologies.