

SEEA Policy Highlights

February 2016



Utility Policy

Arkansas Public Service Commission Affirms Role of Non-Energy Benefits in Cost-Effectiveness Screening

In December, the Arkansas Public Service Commission (APSC) issued an order requiring that certain categories of non-energy benefits (NEBS) be including in the total resource cost (TRC) test, which is used to screen energy efficiency offerings for cost-effectiveness. The APSC stated in Order No. 30 of docket 13-002-U that NEBs will be consistently and transparently accounted for in cost-effectiveness tests under three categories:

- Benefits of electricity, natural gas, and liquid propane energy savings;
- Benefits of public water and wastewater savings; and
- Benefits of avoided and deferred equipment replacement costs in certain circumstances.

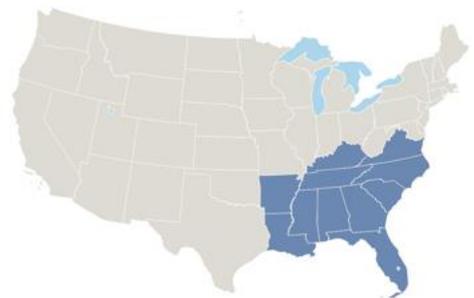
This decision was based on recommendations from the Parties Working Collaboratively, developed through a lengthy research and discussion process.

Various states in the Southeast have begun discussion around incorporating NEBS into their cost-effectiveness screening protocols, but only Arkansas has taken a definitive policy position to date. The order is available at <http://goo.gl/Ts5oYn>.

New Political Leadership in Key Southeastern States

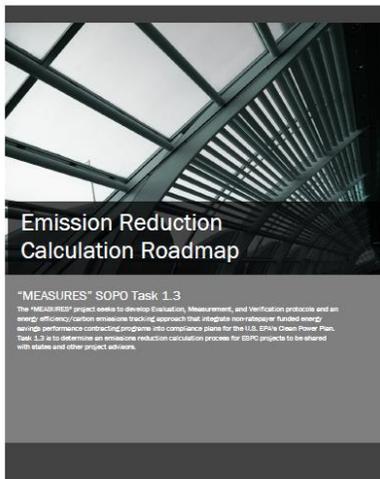
The new year saw political transition in a number of southeastern states, following elections in November elections. These include:

- Louisiana Governor: John Bel Edwards (D), a former Louisiana State Representative, was voted into office, replacing term-limited incumbent Bobby Jindal (R).
- Kentucky Governor: Similarly, term-limited incumbent Governor Steve Beshear (D) was replaced by businessman Matt Bevin (R).
- Mississippi Public Service Commission: Commissioners Cecil Brown (D-Central District), Sam Britton (R- Southern District) were voted into office, while incumbent Commissioner Brandon Presley (D-Northern District) was re-elected and named Commission Chairman.



Three-State Effort Produces Emission Reduction Calculation Roadmap

Virginia, Kentucky and Georgia have developed an “Emissions Reduction Calculation Roadmap” (available at <http://goo.gl/anQ0xG>) to guide the translation of energy savings resulting from state performance contracting into emissions reductions.



This document was produced as part of three-year, multi-state project focused on translating the energy savings achieved through energy savings performance contracting into associated emissions reductions for a variety of air pollutants.

Through the end of 2016, the project team will continue build upon the progress made to date. Planned activities include:

- Evaluating potential systems that will enable tracking of ESPC Project Performance and Emissions Reductions, including DOE’s e-Project Builder, and
- Continue to engage and communicate with stakeholders to gather input and feedback on proposed approaches.

DOE Announces Competitive Awards to Support Energy Efficiency in Southeastern States

In November, the U.S. Department of Energy (DOE) announced competitive funding awards to support innovative practices in energy efficiency and state energy planning. Southeastern states receiving these awards include the following

Tennessee: This year, Tennessee received two awards. The first will support the development of a roadmap for voluntary adoption and implementation of a national energy efficiency registry to support the use of energy efficiency in clean air compliance. Georgia is a partner in this award. In addition, Tennessee and Alabama received an award focused on the adoption of energy efficiency improvements in the wastewater and water treatment utility sectors.

Virginia: Virginia received funding for a multi-year project intended to support implementation of Governor Terry McAuliffe’s energy efficiency goals - lowering energy consumption 10% from 2006 levels by 2020. The state will lead an effort to engage stakeholders, develop actionable recommendations, and a roadmap for markedly expanding energy efficiency as a resource in its portfolio. SEEA is a named partner in this effort.

The U.S. Department of Energy (DOE) State Energy Program (SEP) provides funding and technical assistance to state and territory energy offices to help them advance their clean energy economy while contributing to national energy goals.

Georgia Power Files 2016 Integrated Resource Plan (IRP)

In January, Georgia Power filed a twenty-year integrated resource plan (IRP) in Dockets 40161 and 40162. The plan proposes similar levels of investment in energy efficiency to those currently underway, but includes a number of new programs.

Georgia Power develops IRPs every three years, with the most recent filed in 2013. The plan is available at <http://goo.gl/OKTRPT>.

Building Energy Codes

Residential Energy Code Field Study Moves Ahead

SEEA's residential energy code field study continues to make progress in Arkansas and Georgia. Data collection is ongoing in Georgia, and the project team is collecting additional data in Georgia Power and TVA's service territories to provide a statistically significant sample within each territory. Arkansas data collection has been completed and has been submitted for analysis to the Pacific Northwest National Lab (PNNL).

SEEA's residential energy code field study aims to establish a sufficient data set to represent statewide construction trends and detect significant changes in energy use from training and outreach activities. Please visit <http://goo.gl/PdcFQE> for more information on this project.

Alabama Adopts Region-Leading Codes

Alabama recently completed the adoption process for new statewide codes, which will go into effect in October 2016. The commercial code will now be ASHRAE 90.1-2013 as written, and the residential code will be the 2015 IECC with amendments.

SEEA, in partnership with the Responsible Energy Codes Alliance (RECA) provided technical assistance to the Alabama Energy and Residential Committee in developing a backstop table to be included for the Energy Rating Index compliance path to limit the tradeoffs allowed on the building envelope for higher efficiency equipment.

HUD/USDA Determination Establishes Minimum Energy Code Standard

Beginning in January, HUD and USDA will enforce the 2009 IECC and ASHRAE 90.1-2007 as the minimum standard for new construction of certain single-family and multi-family HOME and FHA-insured properties. This standard also applies to USDA-guaranteed single-family homes.

This requirement may impact the ability of residents of at least two in SEEA states to qualify for FHA loans. SEEA is currently considering options to help affected states work through this issue.

SEEA Codes Team Selected to Present at ACEEE Summer Study



From a competitive pool of more than 1,200 submittals, three abstracts written by SEEA's energy codes team were selected for presentation at ACEEE's 2016 Summer Study on Energy Efficiency in buildings. Among the accepted abstract topics are the role of utility-specific data in the current Energy Code Field Studies in Arkansas and Georgia, SEEA's Florida Circuit Rider Program, and commercial and residential construction trends in the Southeast.

More information the Summer Study is available at <http://goo.gl/ctz78j>.

SEEA Supports National Energy Codes Conference

In March, the U.S. Department of Energy will hold its national energy code conference in Tucson, Arizona. SEEA's has been supporting partners at DOE in conducting outreach to southeastern stakeholders, and organizing panel sessions.

EPA's Clean Power Plan

SEEA Continues Technical Assistance for States on EPA's Clean Power Plan, Plans for Year Ahead

In December, SEEA hosted two webinars on the Clean Power Plan for members, EPA's Draft EM&V Guidance for the Clean Power Plan (December 17) and Key Takeaways from the Atlanta Clean Power Plan Federal Plan Hearings (December 3). Slides and recordings are available at <http://goo.gl/4EugNT>.

Also in December, SEEA submitted one of less than two hundred comments on the Clean Energy Incentive Program (<http://goo.gl/e8pdPm>). In January, SEEA submitted joint comments on the federal plan and model trading rule (mass-based: <http://goo.gl/B49sJk>; rate-based: <http://goo.gl/YPzJKn>) and EPA's draft EM&V guidance (<http://goo.gl/KELtSb>). In addition, SEEA delivered public testimony at November's Clean Power Plan hearings in Atlanta (<http://goo.gl/UnPdOs>).

For 2016, SEEA intends to focus its CPP-related work on a number of key issues that have risen to the forefront in the Southeast, including low-income energy efficiency program design and evaluation, measurement and verification (EM&V).

SEEA does not take a position on whether EPA has the authority to or should regulate greenhouse gas emissions from existing sources. If these regulations move forward, SEEA is focused on working with states, utilities and other key stakeholders to support energy efficiency as a least-cost, multi-pollutant resource and compliance pathway—where appropriate and cost-effective—to build a stronger, more vibrant Southeast.

Thank you for your interest in SEEA!

For more information on SEEA's policy initiatives, contact Policy Manager Abby Fox at afox@seealliance.org or 404-602-9665.