

Trends and Issues in State EE Policies

ESC MT Conference

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May You Live in Interesting Times

- States as the laboratory for EE
- EE now a major political issue
 - Mandates violate conservative principles
 - Utility business model threatened
- Now is the best AND worst of times
- How do we move forward?

May You Live in Interesting Times

- California – double down on EE
- Ohio – pushback against EE
- New York – finance over rebates
- Wisconsin – public agency ESCO
- Michigan – separate ESPC from EE
- Utility of the Future

California – Double Down on EE

- Prop 39 – passed in November 2012
- \$2.5 billion on top of ratepayer EE programs
- Cumbersome application process
 - CEC understaffed – only \$35 million approved
- Projects not comprehensive
 - Repeat of the ARRA experience?
 - Leveraging with ESPC seems too difficult

Ohio – Pushback Against EE

- SB 310 suspends EERS goals
 - Programs to date saved ratepayers \$4 billion
 - 2x cost to date – 9x by end of measure life
- Part of the national ALEC agenda
 - Bills in many states – oppose mandates
- Utilities need a time out
 - Football vs rugby

New York – Financing over Rebates?

- Green Bank
 - Initial capitalization of \$1 billion
 - Shift NYSERDA emphasis
- Build \$mart NY
 - \$1 billion push for EE in public facilities
- NYPA
 - New program to finance ESCO projects

Wisconsin – Public Agency ESCO?

- Wisconsin CESA 10
 - Chartered to provide services to school districts
 - Pencils, SPED and now ESPC for schools
- May not meet legal standards for ESPC
 - Bonds, guarantees, etc.
- Obvious Conflict of interest?
 - Administers Focus on Energy for schools

Michigan – Separate ESPC from EE

- Major new ESPC legislation in 2012
- Conservative sponsors – “no brainer”
- Echoes the US House ESPC Caucus
- Landlord agency slow-walking the program
- Action after election?

Utility of the Future

- NY PSC -- re-visioning the utility
 - Encourage EE, RE, DR, CHP
 - Avoid utility “death spiral”
 - NYSERDA straw plan due out August 13
- Arizona to Maine to Seattle
 - Raise customer fixed charges -- cover utility fixed costs to serve low-usage (EE/RE) customers
- First Energy vs. FERC

Questions?

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