

SEP, WAP and the Transformative Power of States

U.S. DEPARTMENT OF
ENERGY | Energy Efficiency &
Renewable Energy



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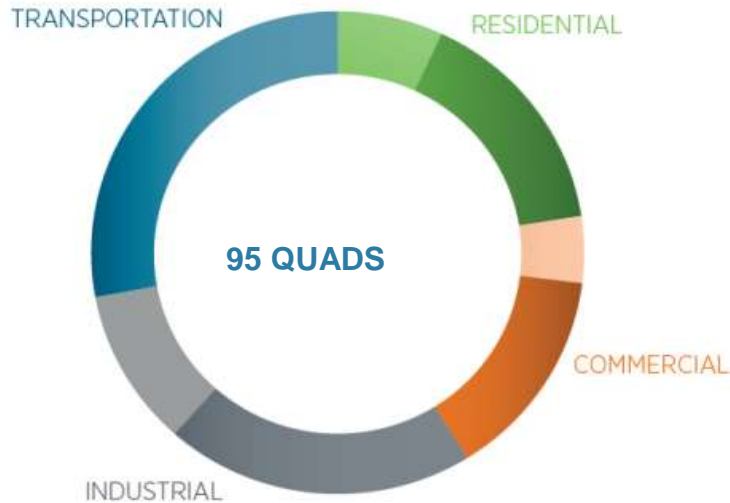
Weatherization and Intergovernmental Programs Office

September 11, 2014

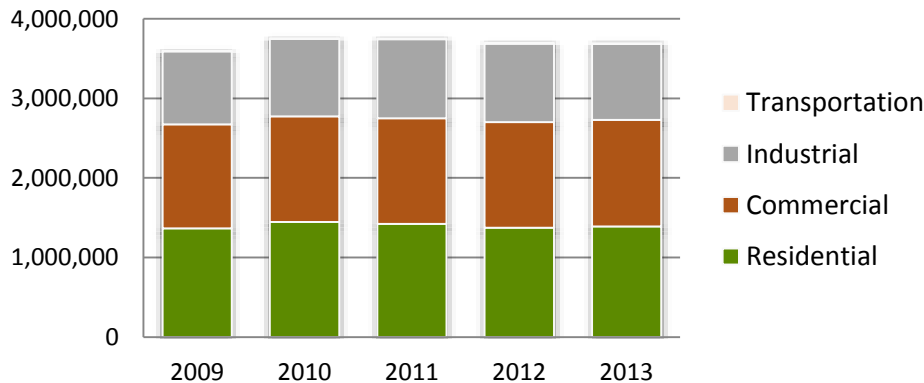
- National Picture & Priority for Energy Efficiency
- WIP Mission, Goals & Program Approach
- Deployment Pathways
- Program Updates
 - State Energy Program
 - Weatherization Assistance Program
- Challenges, Opportunities and Resources

National Picture

PRIMARY ENERGY USE BY SECTOR



ELECTRICITY USE BY SECTOR (million kWh)

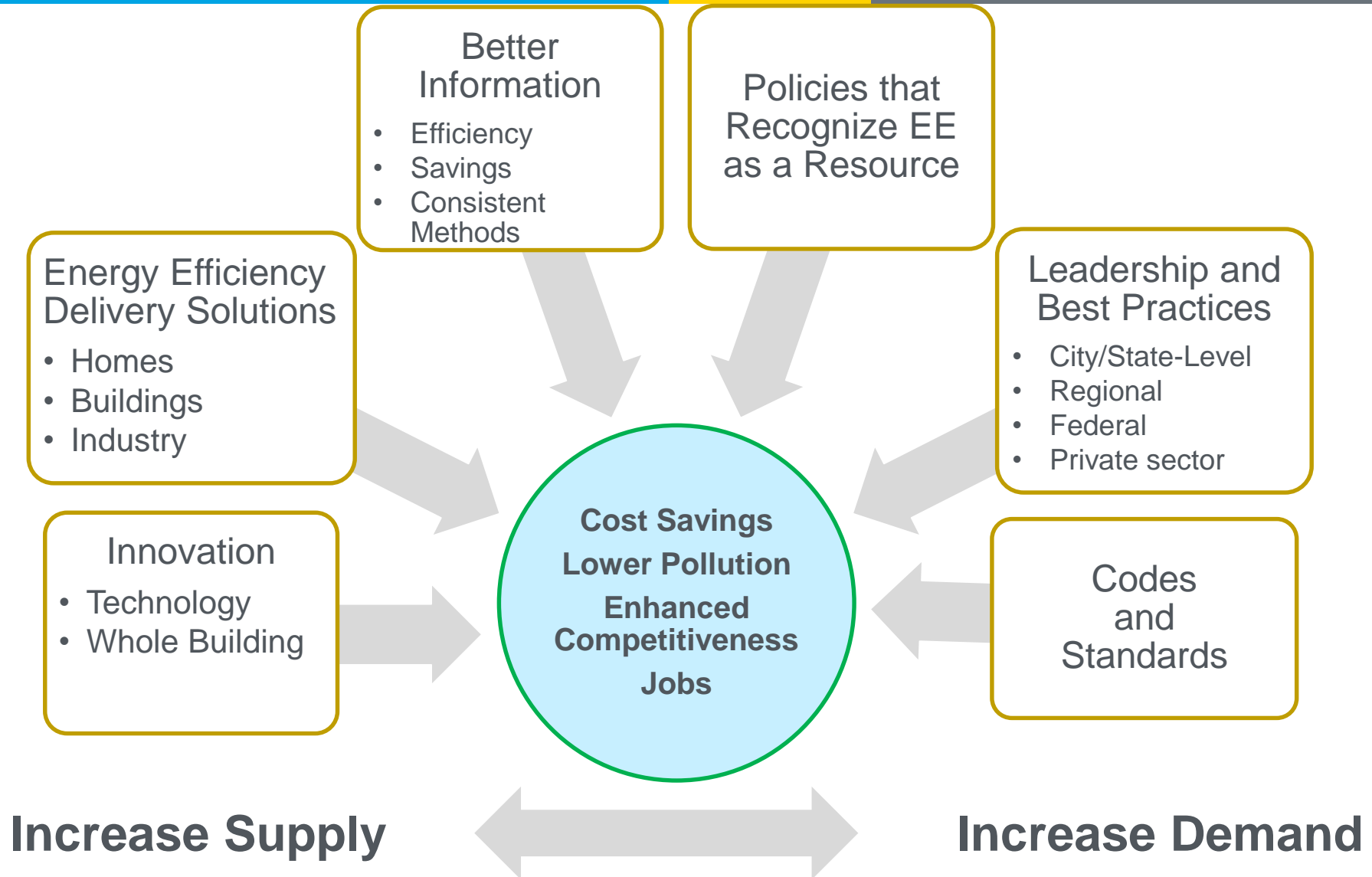


Built Environment

- Residential 21%
- Commercial 19%
- Industrial 32%
- Electricity Use 38 Quads
- Energy Bill >\$600 B
- CO2 Emissions

Benefits

- Environment
- Jobs
- Savings
- Energy security
- Lower costs with less need for energy infrastructure



WIP is part of EERE's balanced Research, Development, Demonstration, and Deployment (RDD&D) approach to accelerate America's transition to a clean energy economy.

- **Mission: Significantly accelerate deployment of EE & RE technologies**
 - In partnership with States and local entities and with a wide range of government, community, and business stakeholders.
- **Strategic Objective: “Deploy the clean energy technologies we have.”**
 - Through near-term activities that produce almost immediate results in greater energy efficiency, lower energy use, expanded renewable energy capacity, and economic development.

- Foster economic development and job creation through successful deployment of EE and RE technologies;
- Reduce energy demand and expand renewable energy supply in the built environment and vehicles; and
- Assist in growing national and self-sustaining markets for energy efficient building upgrades.

- Weatherization Assistance Program (WAP): State/local agencies carry out residential energy retrofits in low –income residences that reduce energy consumption while concurrently reducing energy costs for these families.
- State Energy Program (SEP): State-led energy programs and projects serve as an important foundation for reducing energy use and costs, developing clean energy state economies, and increasing renewable energy generation.
- Policy & Technical Assistance Team (P&TA): Assist in developing tools and solutions to barriers facing state and local government expansion of energy efficiency policies and programs and replicating successful efforts demonstrated by public sector leaders.

FORMULA FUNDING

Ensure strong state energy and weatherization networks with core capabilities to advance adoption of energy efficiency and renewable energy technologies are actively maintained across the country



COMPETITIVE AWARDS

Catalyze innovative and high impact projects and policies in a few states that are self-sustaining and replicable



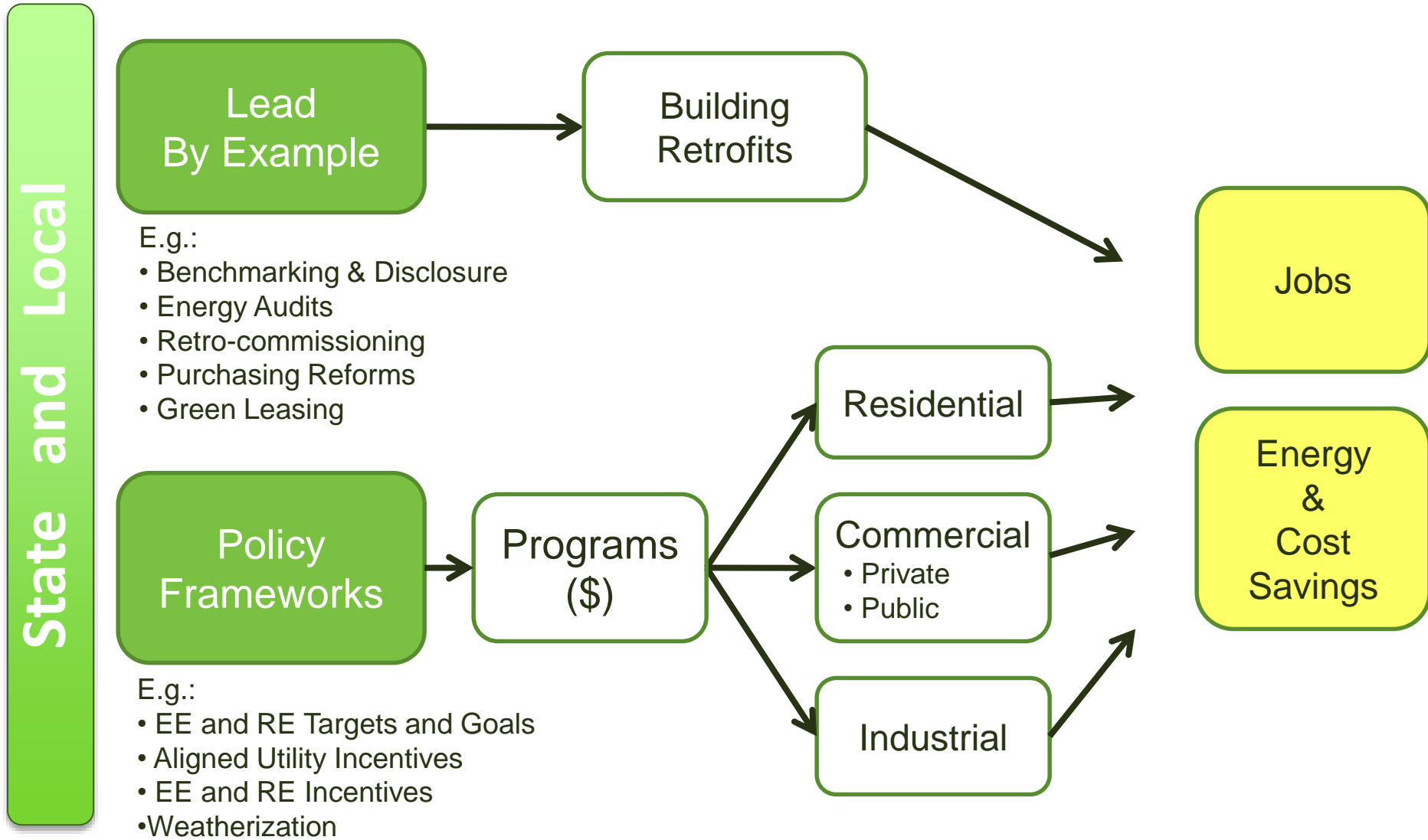
TECHNICAL ASSISTANCE

Achieve scale by applying “best practice tools” & “lead by example” methods (Solution Center, Peer exchange, BB Challenge, Strategic partnerships)



TRANSFORM MARKETS

WIP Deployment Pathways: State & Local Levers Create Jobs and Savings



- Maintain the viability of the State Energy Office network and capacity to develop, improve, and implement state energy plans, including state energy emergency assurance plans;
- Assist in reducing government facilities and operations energy use by 2% per year by 2020;
- Accelerate investment in public sector use of energy service performance contracts by \$1 - 2 billion by 2016;
- Support transformative projects focused on developing and utilizing self-sustaining financing models, and state policy implementation;
- Facilitate self-sustaining markets for energy efficient residential, commercial and industrial building upgrades; and
- Promote clean energy, energy efficiency and economic development hand-in-hand.

Non-ARRA Funding Profile FY08-14

	FY 2008	FY 2009*	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Formula	33	25	25	39	30	39	39
Competitive	7	7	21	5	14	5	5
Technical Assistance	4	18	4	6	6	6	6
TOTAL	44	50	50	50	50	50	50

*ARRA not included - All amounts shown in millions of dollars

As of July 2014:

- 13 of 56 Recovery Act grants contractually retired.
- 41 of 56 Recovery Act grants are now inactive and going through close-out.
- 42 formula grants with July 1, 2014, start dates awarded on time and without conditions.
- FY14 Competitive Award applications have been received.

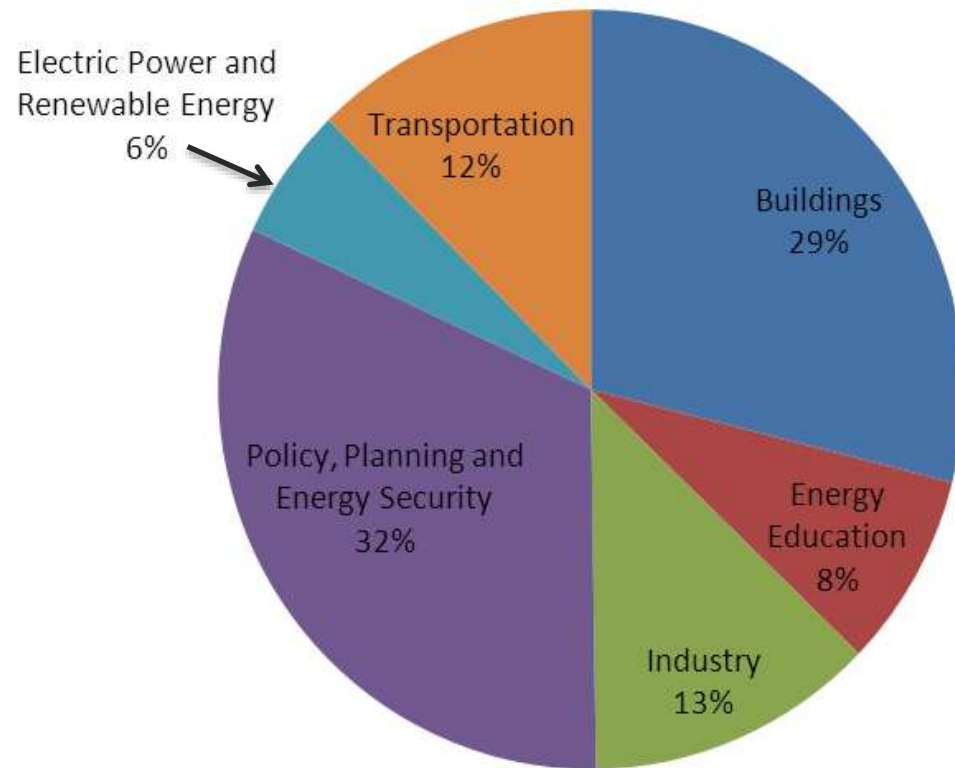
Eligible Activities

- Demonstrations of EE & RE technologies
- Public education on EE & RE
- Increasing transportation efficiency
- Financing for EE & RE projects
- Energy audits & retrofits of buildings and industrial processes
- Emergency Planning
- Demand reduction
- Training & incentives for builders & building designers

Ineligible Activities

- Research
- Utility rate demonstrations
- New construction
- Purchase land or buildings
- Loan guarantees

Formula Grant Program Areas 2010-2014



Approximately \$39 M per year allocated to 50 states, DC, and 5 U.S. Territories

2010 through 2013

*\$45.0 M in 50 Awards to 30 States
over 4 Years*

Areas of emphasis:

- Statewide energy efficiency targets/goals
- State lead by example programs for public buildings
 - Performance contracting
 - Market segments:
- Policies and programs for industrial energy efficiency and distributed resources.
- Clean energy economic development roadmaps

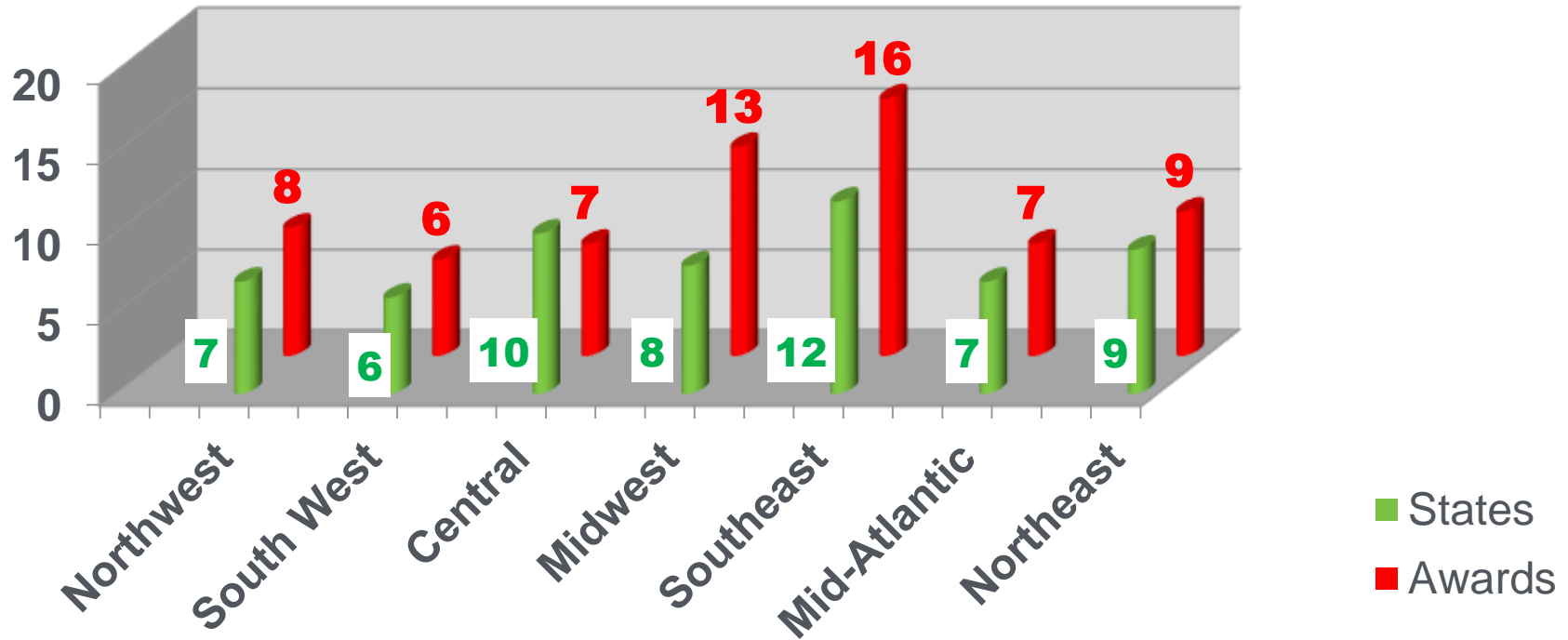
2014 Competitive

\$5.0 M in Awards to States

Areas of emphasis:

- State energy planning
- Statewide EE and RE targets/goals
- Policies/programs for distributed resources
- Frameworks for EM&V of energy and emission reductions
- Public facilities – financing mechanisms
- Partnerships with local governments and others to remove barriers, including developing financing mechanisms
- Building energy performance information for decision-making, including benchmarking and disclosure, aggregation of whole building usage data and data access

SEP Competitive Awards 2010 – 2013 by Region

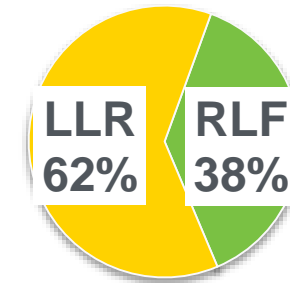


SEP ARRA-funded Financing Programs (RLF & LLR)

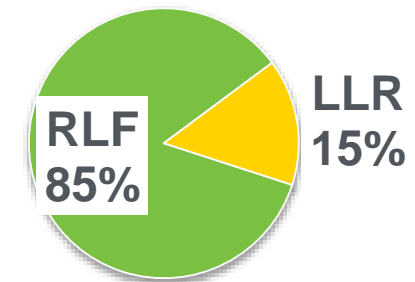
- \$673 million in SEP ARRA funding has been budgeted to 40 state-run loan programs (RLF & LLR).
- 95% of funds of loans have been loaned out to date.

Sector breakout	Number of Loans Given	Amounts of Loans Given	Percent
Agricultural	32	\$1,504,998	<1%
Commercial	218	\$86,738,161	17%
Industrial	84	\$103,690,316	20%
Institutional	20	\$20,091,621	4%
Other (Ohio)	8	\$19,502,298	4%
Public	1,123	\$239,693,533	46%
Residential	3,201	\$49,395,243	9%
Transportation	2	\$2,817,430	1%
Total	4,688	\$523,433,600	100%

Program Type, by loan count



Program Type, by loan value



Weatherization Assistance Program (WAP)

- WAP 's mission: To reduce energy costs for low-income households by increasing the energy efficiency of their homes, while ensuring their health and safety
- The network for delivery of WAP is mandated by enabling legislation as follows:



- Eligible households are those with annual incomes less than 200% of the OMB Poverty Guidelines. Families produce evidence of income for all wage earners.
- Eligible homes receive an energy audit to determine which cost effective measures should be installed and energy related health and safety measures that need to be installed prior to WAP work.
- Energy efficiency measures include air infiltration reduction, water system treatment, building envelope insulation, furnace repair and/or replacement, and other minor energy repairs. Every home receives a quality control inspection.
- Grantees report expenditures and production on a quarterly basis.

- Completion of 20,000+ low-income residential energy retrofits;
- Improvements in workforce training and quality standards;
 - Requiring crew labor, crew leaders, contractors, energy auditors and QC inspectors to meet minimum training requirements set forth by DOE;
 - Requiring Home Energy Professional certification credentials for quality control staff who inspect field work;
 - Providing third party accreditation for training curricula, training facilities, and instructors who serve the WAP;
 - Ensuring that each WAP retrofit meets or exceeds the quality of work standards after the work is completed;
- Assisting grantees to implement best practices related to management, leveraging of additional resources, and quantifying energy efficiency improvements made by the Program; and
- Developing a suite of multi-family building tools including an on-line investment grade audit and standard work specifications for those staff who provide energy efficiency services for this building type.

Non-ARRA Funding Profile FY08-14

	FY 2008	FY 2009*	FY 2010	FY 2011	FY 2012	FY 2013**	FY 2014
Formula	\$222	\$428	\$177	\$171	\$65	\$135	\$176
Technical Assistance	\$5	\$13	\$3	\$3	\$3	\$3	\$3
WIPP			\$30				
SERC		\$9					
TOTAL	\$227	\$450	\$210	\$180	\$68	\$138	\$179

All amounts shown in millions of dollars

*Includes \$250 million Supplemental Appropriations

**Includes \$77 million provided by DOE EERE to supplement Appropriations

As of July 2014:

- WAP spent **\$4.84B (99.8%)** of its \$5.0 Billion Recovery Act allocation.
- 7 of 58 WAP Recovery Act grants are retired; 35 grants are in closeout; and 16 grants remain active.
- To date, 34 formula grants with April 1 or July 1 start dates awarded without conditions.



- FY 2015 and 2015 Budgets
- Federal and State Leadership Changes
- New Rules & Requirements
 - DOE Codes and Standards
 - EPA's 111(d)
- Others??

- NASEO and other N-Groups
- National Lab, ACEEE Scorecard and Other WIP-supported Projects & Products
- Solution Center
- SEEACTION
- Better Buildings Initiative & Summit

NASEO

- Facilitate WIP-SEO Coordination and Cross-Cutting Initiatives
- State Energy Planning Guidelines & Development/Implementation TA
- Project-level Data Quality
- Regional SEO Peer Exchanges
- Research, Issue Analysis, Peer Learning and TA on Financing – PACE, QECBs and ESPC
- Task Force on Energy-Air Integration
- EERE in Wastewater Treatment Catalyst Project
- Building Energy Code Support to States, including M&V Approaches

NGA

- EE Primer for Governors
- Learning Labs on Lead by Example,
- Industrial Efficiency Brief
- East and West Regional Workshops on State Innovations in EE Policy (Chapel Hill, NC and San Diego, CA)
- EE Retreats in HI, MI, MO, NY, TN and WI
- Policy Academy on Clean Energy Economic Development
- New Energy Business Model Workshop
- Energy and Air Workshop

NCSL

- Online EE Policy Clearinghouse & Legislative Database
- Meeting Session at Fall Forum, Legislative Summit
- NCSL Energy Supply Task Force

LBNL

- e-Project Builder Database
- On Bill Financing/Reimbursement Paper - SEEAAction
- Secondary Markets Paper – SEEAAction

NREL

- WAP Standard Work Specifications Online Tool

ORNL

- WAP Training and TA on Single Family Audit Instruments and Tools
- WAP Multi-Family Tool for Energy Audits

Others

- ACEEE State Scorecard and EE Policy Database
- ESPC Model Documents
- SEP Competitive Implementation Models
- Data for Energy Management Best Practices – 5 REEOs
- High Performance Outdoor Lighting Retrofit TA – MEEA, NEEP, SWEEP
- Finance for Clean Energy Investment – SEEA on RUS, SWEEP on PACE

<http://www1.eere.energy.gov/wip/solutioncenter/>

State and Local Solution Center

HOME

ABOUT

TECHNICAL ASSISTANCE RESOURCES

EVENTS

ONE-ON-ONE ASSISTANCE

[EERE](#) » [WIP](#) » State and Local Solution Center

The State and Local Solution Center and Technical Assistance Program (TAP) provide resources, events, and assistance to state, local, tribal, and K-12 school district leaders working to unlock a clean energy economy.

PROGRAM HIGHLIGHTS

Resources in the State and Local Solution Center are organized into five categories. Learn more about clean energy solutions for your community by exploring one of the following focus areas:



Strategic Energy Planning ▶



Policies & Programs ▶



Data Management & Evaluation ▶



Financing Solutions ▶



Energy Technologies ▶

Stay Current by Subscribing to TAP Alerts

SIGN UP

ATTEND A TAP WEBINAR

TAP sponsors monthly webinars for state, local, K-12 school and tribal officials to improve their clean energy programs. Webinars highlight lessons learned in the field and attendees have the opportunity to ask questions of the presenters.

[Learn more and register.](#)



State and Local Energy Efficiency Action Network

- Network of 200+, led by state and local policymakers, bringing EE to scale
- Provides best practices and recommended approaches on key EE policy/program areas based on state/local experience
- Facilitated by DOE and EPA

Recent Highlights

Credit Enhancement Strategies Webinar

Greater Energy Savings Through Building Energy Performance Policy: Four leading policy and program options

Coming Soon

Energy Efficiency Finance Programs

Insights from Smart Meters: The Potential for Peak-Hour Savings from Behavior-Based Programs



Sign up for news alerts

www.seeaction.energy.gov

Better Buildings Initiative: Leaders Developing Replicable Models



- 190+ partners and allies
- Represent 3+ billion square feet; \$2+ B
- 70+ showcase projects
- 40+ implementation models
- Saving more than 2% / year

20% Savings Goal

- Establish baseline
- Showcase project
- Implementation model
- Report results

Better Buildings Accelerators

- 60+ participants
- 3 focus areas: Energy Data, Performance Contracting, Industrial SEM

Problem-Focused

- Demonstrate specific innovative approaches,
- Improve consistency
- Accelerate investment

Better Buildings Alliance

- 200+ public & private sector members
- Control 10+ billion square feet
- States, local govts, higher ed, K-12, commercial real estate, hospitality, retail, food service, grocery, healthcare

Better Buildings, Better Plants

- 120+ companies; 1,800 plants
- Companies represent 8% of total US manufacturing footprint
- Saving more than 2.5% / year

20% Savings Goal

- Participate in at least one Alliance activity each year
- Share successes with peers

25% Savings Goal

- Establish baseline
- Energy management plan
- Report results

Thank You!

Questions??