

SEEA Policy Highlights

October 2015



Utility and Public Service Commission Initiatives

Cyrus Bhedwar Named SEEA Policy Director

SEEA is pleased to announce that Cyrus Bhedwar has been named Policy Director. In this role, he will provide strategic leadership and support for SEEA's portfolio of regulatory and utility, energy codes and energy equity programs.

Cyrus has been with SEEA since 2012, previously serving as Program Manager. Before joining SEEA, he held positions with ICLEI - Local Governments for Sustainability, the Georgia Environmental Facilities Authority and Southface Energy Institute. Congratulations, Cyrus!



Arkansas Utility Collaborative Files Recommendations on Portfolio Savings Targets, Financing Options

Arkansas' utility stakeholder group, the Parties Working Collaboratively (PWC), has filed two recommendations since late summer on issues relating to the trajectory and delivery of utility-administered energy efficiency programs in the years ahead:

- In July, the PWC filed proposed targets for the next cycle of the statewide energy efficiency resource standard (EERS). This included a consensus recommendation of a flat 0.50% net savings goal for the natural gas utilities in PY 2017-2019, as well as two different recommendations for electric utilities: a flat 0.9% savings goal, and a flat 1% savings goal.
- In September, the PWC has also filed recommendations for next steps on energy efficiency financing programs that support utilities' existing programming.

Both filings are available in Docket No. 13-002-U via the PSC website search, <http://goo.gl/zFIEbV>.

Georgia Power Continues to Develop Efficiency Portfolio for 2016 IRP

Work continues on Georgia Power's 2016 Integrated Resource Plan (IRP). The Company and advocate stakeholders are presenting alternative energy efficiency portfolios for the next IRP, which will be filed January 1, 2016 and finalized by June 2016. The Company is modeling both base and aggressive portfolios, as well as an advocates' case, which represents a "moderate" level of investment.

Little Rock Hosts ACEEE Energy Efficiency as a Resource Conference



In late September, the American Council for an Energy-Efficient Economy (ACEEE) hosted its biennial National Conference on Energy Efficiency as a Resource in Little Rock. This conference, which focuses on the role of energy efficiency as a resource to the utility system, incorporated numerous speakers, success stories and case studies from southeastern utilities.

SEEA President Mandy Mahoney represented the Southeast on the conference’s “regional roundup panel,” and SEEA Policy Manager Abby Fox presented on southeastern considerations regarding the role of energy efficiency in EPA’s Clean Power Plan. Policy Director Cyrus Bhedwar moderated a panel on energy efficiency developments in the Southeast.

Presentations are available at <https://goo.gl/UFi0Zd>.

Thanks to ACEEE for a terrific conference!

Alabama PSC Approves CHP, Renewable Projects

In September, the Alabama Public Service Commission (PSC) approved Alabama Power’s request to build or purchase up to 500 MW of small-scale (less than 80 MW) combined heat and power and renewable energy over the next six years. Projects will be competitively selected by RFP.

Principally, Alabama Power stated reasons of customer demand for low-carbon options as a driver for the investment, in addition to consideration of increasingly stringent environmental regulations, such as EPA’s Clean Power Plan.

The final order is available at <https://goo.gl/RS76B5>.

Entergy Submits Decoupling Proposal to New Orleans City Council

On July 13, Entergy New Orleans and Entergy Louisiana - Algiers submitted a draft decoupling proposal to the New Orleans City Council, which was followed by a 30-day comment period. As submitted, the proposal recommends that if the Council does choose to move forward with implementation of a decoupling mechanism, it begin as a three-year pilot, considered in conjunction with Entergy’s 2018 rate case.

Over the last six months, Entergy, the Council Advisors and docket intervenors have engaged in a collaborative process to consider numerous issues related to full revenue decoupling.

Florida PSC Holds Opt-Out Hearings

In November 2014, the Florida Public Service Commission opened Docket 140226-EI to address the issue of allowing large energy users to opt out of the utility-administered energy efficiency programs, as well as Energy Conservation Cost Recovery charges. This issue was originally raised by Walmart and the Florida Industrial Power Users Group during Florida’s 2014 utility goal-setting proceedings. A hearing was held on the matter in July, and an order is expected this fall.

The docket, including a transcript of the hearings, is available at <http://goo.gl/uBgcr0>.

Virginia Receives Competitive Award to Further State Energy-Savings Goals

SEEA congratulates the Virginia Department of Mines, Minerals and Energy (DMME) on its recent award of a \$300,000 competitive DOE grant for implementation of Governor Terry McAuliffe's energy efficiency goals, which call for a reduction in energy consumption 10% from 2006 levels by 2020. Over the coming years, DMME will lead an effort to engage stakeholders, develop actionable recommendations and produce a roadmap for markedly expanding energy efficiency as a resource in its portfolio. Key partners include SEEA, the Virginia Energy Efficiency Council and Clean Energy Solutions, Inc.

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.

Other southeastern states receiving SEP competitive funding include Tennessee, Georgia and Alabama. More information is available at <http://goo.gl/EPStnb>.

Building Energy Codes

SEEA Welcomes Baby Alex Pastore



This summer, Energy Codes Manager Lauren Westmoreland and her husband Nick welcomed their first child, Alexander Nicholas Pastore ("Alex"). Baby Alex is happy and healthy, and Mom and Dad are enjoying getting to know him!

While Lauren was on maternity leave this summer, Energy Codes Associate Amy Dzura spearheaded codes work on behalf of SEEA, leading and managing multiple high-priority projects and technical assistance efforts.

Congratulations to Nick and Lauren on their new addition, and thanks to Amy for her leadership and hard work!

Residential Energy Code Field Study Moves Forward in Arkansas and Georgia

SEEA's residential energy code field study continues to progress. Data collection is ongoing in Arkansas and Georgia, and is expected to be completed by the end of 2015. The project team is collecting additional data for Georgia Power and TVA's Georgia footprint, in order to develop a robust, statistically significant compliance data set in each of their respective territories.

Project partners (SEEA, Southface, Advanced Energy, the Georgia Department of Community Affairs and the Arkansas Energy Office) met in Atlanta in August to begin development of the priorities for the next phase of the project, which focuses on increasing the ability of the residential construction industry to better comply with the state-specific energy codes through education, outreach, training and resource deployment.

The 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 New Energy Codes

Alabama has recently updated its statewide energy codes, which will become effective on October 1, 2016. On the commercial side, the state will now follow ASHRAE 90.1- 2013 as written. On the residential side, Alabama will follow a 2009 IECC-based code with the addition of mandatory performance testing, taken from the 2012 IECC, and a third compliance pathway called the Energy Rating Index (ERI), taken from the 2015 IECC.

Arkansas Explores Development of Code Collaborative

On January 1, Arkansas adopted the 2009 IECC for residential construction. In order to facilitate effective implementation of the new code, and to foster dialogue around future iterations, the Arkansas Energy Office is exploring the development of a formal code collaborative. SEEA has provided resources and technical assistance, in coordination with the Southface Energy Institute, to help the state evaluate various structures and options.

Florida Energy Code Circuit Rider Provides Technical Support on Implementation of New Code

SEEA's Florida Energy Code Circuit rider, Arlene Stewart, continues to support implementation of Florida's new code. Initially, Stewart's work focused on assessing implementation needs; however, over the coming months, her work will transition to direct technical assistance, including:

- Answering questions on the new code;
- Providing individual jurisdiction trainings; and
- Facilitating the scheduling of Infiltration and Duct Leakage (IDL) trainings around the state. This training will create more workforce capacity for homes to meet performance requirements in the new version of the code.

The circuit rider model has met with great success improving compliance rates in other states like Idaho. SEEA's Florida Circuit Rider Program is the first of its kind in the Southeast. To learn more, visit <http://goo.gl/UHgQlp>.

Georgia Launches Building Performance Association

The Georgia Building Performance Association (GABPA) is currently being formed to provide Georgia's home and building performance companies and professionals support and representation in the marketplace. SEEA's Lauren Westmoreland will be serving on the Board of Directors as the association's Secretary. The GABPA official launch event was held at the end of September.



Georgia Residential Energy Code Amendments Proposed

In Georgia, stakeholders have recently raised a handful of new code amendments to the Georgia State Codes Advisory Sub-Committee. These amendments were intended as a "bridge" between the state's current code (the 2009 IECC with strengthening amendments), and its next iteration. They includes:

- A proposal to update the air infiltration testing to be reduced from 7 air changes per house, to a new standard of 5 air changes per hour. The Committee rejected this amendment.
- A proposal to include the Home Energy Rating System (HERS) compliance path. This path would allow the use of a RESNET HERS score to demonstrate that a home is code compliant. The Committee denied

the proposed change due to a lack of the necessary computer software to show state specific compliance achieved or not in the compliance tool REScheck software used by code officials.

Georgia is expected to begin consideration of the 2015 IECC when the residential energy codes field study (see above) comes to a conclusion.

SEEA Supports Continued Implementation of Mississippi Commercial Code

In 2013, the Mississippi Legislature passed HB 1281, updating Mississippi's statewide commercial energy code to ASHRAE 90.1-2010, and making it the first state in the Southeast to do so. The code has been in place since July of 2013, but due to a repealer in the legislation, will be retracted in July 2016 unless further action is taken. SEEA is working with the Mississippi Development Authority (MDA) and other key in-state stakeholders to determine next steps.

Clean Power Plan

SEEA Releases New Resources on the Role of Energy Efficiency in EPA's Clean Power Plan

On August 3, the U.S. Environmental Protection Agency (EPA) issued a final rule regulating carbon dioxide (CO₂) emissions from the nation's power sector under Section 111(d) of the Clean Air Act. The final rule articulates a prominent role for energy efficiency as a compliance strategy. Since its release, SEEA has developed a number of resources for states and other key southeastern stakeholders involved in the rule's implementation. These include a primer document (available at <http://goo.gl/gX2u33>), and a member webinar (slides available at <http://goo.gl/9Ojooy>).

SEEA is currently conducting ongoing outreach and engagement with southeastern stakeholders to determine needs and priorities around the technical aspects of including energy efficiency as a compliance strategy. In addition, SEEA maintains a Clean Power Plan web portal, available at <http://goo.gl/v90CHy>.

SEEA does not take a position on whether EPA has the authority to or should regulate greenhouse gas emissions from existing sources. 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.