CECLE BAL 2013 EXECUTIVE DIALOGUE REVIEW

SESSION TITLE:

Engaging Champions: How do we drive effective policy and regulation through stakeholder engagement and education?

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SPEAKER SUMMARIES:

Kate Offringa, President, North American Insulation Manufacturers Association

• Ms. Offringa introduced the panelists and asked each of them to discuss an example of successful stakeholder engagement and to identify a strategy that might be useful going forward.

Governor Bill Ritter, Director, Center for the New Energy Economy at Colorado State University

• Governor Ritter opened the session by introducing a tool created by the Center, called the Advanced Energy Legislative Tracker, at <u>www.aeltracker.org</u>. This tracker has followed 2500 state-level bills related to energy, of which 180 relate to energy efficiency. Governor Ritter explained that the majority of these bills have been introduced in states that have already implemented the top twenty-five most effective energy efficiency programs. Governor Ritter identified several categories of bills that reflect emerging policy trends, including legislation on building performance disclosure , bills on modification of the cost-benefit analyses used by state public utility commissions, and bills relating to utility decoupling.

Susan Stratton, Executive Director, Northwest Energy Efficiency Alliance

• Ms. Stratton highlighted the success that the Alliance has had in its role as a regional energy efficiency marketing agent. She explained that the critical capability of this regional alliance is its ability to scan the market for emerging technologies and to help market those technologies while educating stakeholders on eliminating barriers to the implementation of those technologies.

Lisa Jacobson, President, Business Council for Sustainable Energy

• Ms. Jacobson discussed some of the top findings of a tool created in collaboration with Bloomberg New Energy Finance. This tool tracks renewable energy sectors and the dynamics of the natural gas sector. She explained that this collaborative effort is intended to provide policymakers and decisionmakers with the basic facts on these sectors. The key findings to date are that:

(1) These renewable energy and natural gas sectors are undergoing dramatic change, and a result, information older than six months may not be accurate enough to be reliable;
(2) In the past five years, energy demand has declined by 6.4%, largely as a result of a decoupling between GDP and energy use;

(3) In the past five years, \$7 billion has been spent in the U.S. on energy efficiency programs;

(4) Demand response has increased by 250% since 2011; and

(5) 46 million smart meters have been installed in the western states, up from 1.3 million in 2008.

Mark Brunner, Senior Advisor for National Security and Energy, Office of Senator Mark Warner

 Mr. Brunner_discussed collaboration between energy efficiency advocates and the U.S. Congress. Senator Mark Warner is the Co-Chairman of the Commission on National Energy Efficiency Policy, established by the Alliance to Save Energy, and Mr. Brunner discussed this Commission's bipartisan efforts and its consensus on how to move forward. The Commission has set the goal of doubling energy productivity over the next 20 years, an intentional rebranding of energy efficiency into a set of goals that have the support of a broader coalition of stakeholders than "energy efficiency." These energy productivity goals are to be accomplished by investing in energy efficiency technology and modernizing



energy efficient equipment and infrastructure across the country. The intent of this new branding of EE measures is to create programs that will engage a broader spectrum of participants, particularly in the private sector.

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SESSION WRAP-UP

Governor Ritter focused on the message that states are playing a critical role in experimenting and leading the way with EE policy agendas. As a trend, states with the most effective EE programs already in place are the ones that are making the most progress with new programs. It should not be surprising that "success breeds success," but other panelists agree that even small gains in less progressive states would raise awareness that will lead to additional progress. Several of the panelists agreed on the importance of tools, such as the Advanced Energy Legislative Tracker discussed by Governor Ritter, in providing reliable information and a forum for sharing the types of policy experimentation that states are pursuing.

Susan Stratton stressed another important theme of many panel members: the value of collaboration. She explained that the achievements of the Northwest EE program are the result of collaborative efforts involving more than 100 public and private utilities, federal utility districts, and state and local governments. As a result of this collaboration, NEEA has been very successful as a regional marketing agent for EE technologies and programs by learning how to scan the market for emerging technologies and how to design programs to reduce barriers that impede the most promising technologies. One important approach that NEEA has implemented is a 5-year program reassessment to ensure that it is focusing its efforts on the most effective strategies.

The Business Council for Sustainable Energy (BCSE) has found that what is most needed to inform policymakers and stakeholders are basic facts that are *current*. Energy markets and technologies are undergoing dramatic change, and as a result, data greater than six months old is not reliable. BCSE has set up a mechanism for international engagement so that EE program leaders can engage with global partners to exchange ideas and lessons learned. BCSE also has concluded that progress on EE programs is dependent on private sector partnerships with both governments and NGOs, and it would like to facilitate the global exchange of information on these partnerships.

ACTION ITEMS & TAKEAWAYS

- Enact Legislation and implement cutting-edge measures at the state level, including legislation requiring disclosure of building energy performance and modification of the cost-benefit tests that are typically used at state utility commissions to evaluate the costs of EE programs;
- Conduct periodic reassessment of the strategies and needs of state and regional EE programs to ensure that policies are having the greatest possible impact in the changing marketplace;
- Ensure that policymakers, stakeholders, and public are all working with current data that reflects the dynamic changes impacting energy markets;
- Develop a robust forum for international gathering and sharing of information on policies and partnerships contributing to successful EE programs;

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• Rebrand energy efficiency as energy productivity to engage more private sector stakeholders (since EE must be seen first and foremost as a vehicle to reduce operating costs for businesses and consumers, not as government intervention); and

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• Develop efforts to win legislative battles at the state level by focusing on both policymakers and the grass roots level, to force EE into becoming a bottom-up conversation that legislators must confront.