

**DRAFT – DRAFT – DRAFT**

**August 11, 2009**

**TO:** Energy Efficiency and Sustainable Energy Board  
**FR:** Richard Ober, Chairman  
**RE:** Strategic Plan

We have done a lot of spade work together and it is time to put it all together. In the next three months, my objective is for the EESE Board is to develop and adopt a comprehensive and concise strategic plan. The plan will consist of programs and policies that, taken together, will achieve our statutory charge and advance a cleaner energy economy for New Hampshire. It will be closely tied to the Climate Action Plan. It will include specific metrics and benchmarks.

The plan should include:

1. A clear set of **findings**
2. A compelling **vision** and measurable **goals** for EE and SE
3. No more than 5 high leverage **programs** to reach the vision and goals
4. Recommendations on high leverage **policy** changes to lower barriers
5. Steps to **strengthen the EESE Board** (funding, membership, statutory changes)

I hope we can move at a steady pace to approve the plan by the October board meeting. It will comprise the bulk of our annual report to the Governor, Legislature, and PUC, which should be submitted by November 1.

In each of the upcoming board meetings we will reserve sufficient time to make progress on the following schedule:

<u>Section</u>	<u>August</u>	<u>September</u>	<u>October</u>
<b>1. Findings</b>	Review draft	Approve final	--
<b>2. Vision / Goals</b>	Review draft	Approve final	--
<b>3. Programs</b>	Review draft list	Review details	Approve final
<b>4. Policies</b>	Review 7/ 10 notes	Review draft list	Approve final
<b>5. EESE Support</b>	--	Review draft	Approve final

In preparation for our August 14 meeting, please read the following **draft** of the first three sections. This builds on our deliberations in the past 6 months and, especially, our July 10 planning session. It is intended as a starting point. Additions, suggestions, criticisms needed.

**Section 1.**

## DRAFT – DRAFT – DRAFT

### FINDINGS

The N.H. Energy Efficiency and Sustainable Energy Board finds that ...

- New Hampshire residents, businesses, and governments unnecessarily waste public and private money and produce high levels of greenhouse gases because of inadequate access to EE and SE programs, financing, and technical assistance.
- The NH Climate Action Plan's goal to reduce carbon dioxide by 80% cannot be achieved without dramatic advances in EE and SE for electric and thermal needs
- There is enormous untapped potential for providing significant portions of New Hampshire's energy needs through increased efficiency. An estimate prepared for the Public Utilities Commission, and considered by many to be conservative, suggests that between 8% and 15% savings are achievable.
- Clean energy was the fastest growing job sector in the first half of 2009 nationally; increasing access to efficiency and renewables will keep more money in New Hampshire, employ workers across the spectrum of skills and needs, and have a range of other positive public benefits
- Significant assets are in place to increase access to efficiency and renewables. They include:
  - An influx of federal funding through the American Recovery and Reinvestment Act
  - Significant state funding available through the Greenhouse Gas Emissions Reduction Fund
  - Well-researched and broadly supported recommendations in the Climate Action Plan
  - Forums for stakeholders to develop consensus solutions – the EESE Board, the Energy and Climate Collaborative, and others
  - Strong interest and dedicated leaders in legislature, state and local government, business, and nonprofit sectors.
- Significant barriers also exist. These include:
  - Energy pricing
  - High initial investment costs
  - Access to capital
  - Competing incentives and disincentives
  - Consumer confidence and complexity
- Lowering these barriers and taking most advantage of the assets will require a coordinated approach that includes:
  - Statutory and regulatory policy
  - Codes and standards
  - Workforce and infrastructure

**DRAFT – DRAFT – DRAFT**

- Education and awareness
- Research, development, and demonstration

**Section 2.  
VISION AND GOALS**

**Vision 2025**

In the year 2025, New Hampshire is a recognized leader among states in realizing progress toward a clean, sustainable and economically advantageous energy future.

Through public policy initiative, private entrepreneurship, and civic engagement, our state has fully capitalized on cooperative ventures, advanced renewable energy technologies and efficiency to achieve the following major milestones:

- A 20% reduction in greenhouse gas emissions relative to 1990 levels<sup>1</sup>
- Over 25% of all energy consumption (electric, thermal, transportation) derived from renewable and sustainably sourced resources and technologies<sup>2</sup>
- A robust energy economy that circulates fuel and technology expenditures as much as possible in the New Hampshire economy, and has created clean energy jobs at a rate \_\_\_% greater than overall job growth since 2010<sup>3</sup>
- A 20% reduction of state, county and municipal government expenditures for energy (vs. 2010 expenditures) through investment in renewable energy and energy efficiency<sup>4</sup>
- A broad and competitive array of energy options to ensure affordability and reliability of energy to citizens in all socio-economic strata
- Strong central planning, cooperation at all levels of government and with the private sector, and effective utilization of incentives, subsidies, grants, and technical assistance to ensure efficient delivery of services and solutions for residential, commercial and industrial energy consumers

As a result of progress in meeting these milestones, New Hampshire retains the healthy environment and unique quality of life that makes our state an outstanding place to live, work, and raise a family.

<sup>1</sup> NH Climate Action Plan [http://des.nh.gov/organization/divisions/air/tsb/tps/climate/action\\_plan/nh\\_climate\\_action\\_plan.htm](http://des.nh.gov/organization/divisions/air/tsb/tps/climate/action_plan/nh_climate_action_plan.htm)

<sup>1</sup> Governor John Lynch's August 2006 endorsement of 25x'25 <http://www.25x25.org/>

<sup>1</sup> Pick a number!? Pew Study may provide basis – haven't had chance to read fully [http://www.pewglobalwarming.org/cleanenergyeconomy/Clean\\_Energy\\_Economy\\_Report.pdf](http://www.pewglobalwarming.org/cleanenergyeconomy/Clean_Energy_Economy_Report.pdf)

---

<sup>1</sup> NH Climate Action Plan

[http://des.nh.gov/organization/divisions/air/tsb/tps/climate/action\\_plan/nh\\_climate\\_action\\_plan.htm](http://des.nh.gov/organization/divisions/air/tsb/tps/climate/action_plan/nh_climate_action_plan.htm)

<sup>2</sup> Governor John Lynch's August 2006 endorsement of 25x'25 <http://www.25x25.org/>

<sup>3</sup> Pick a number!? Pew Study may provide basis – haven't had chance to read fully [http://www.pewglobalwarming.org/cleanenergyeconomy/Clean\\_Energy\\_Economy\\_Report.pdf](http://www.pewglobalwarming.org/cleanenergyeconomy/Clean_Energy_Economy_Report.pdf)

<sup>4</sup> Pick a number!?

**Section 3.**

**PROGRAM PRIORITIES: 2009 – 2011**

*(Initial draft list for review. Complete descriptions pending EESE Board discussion)*

The EESE Board believes that the following programs are necessary to achieve the vision and goals. The Board will focus its energy on advancing these programs through guiding investment of public funds, encouraging private capital, increasing access to technical expertise, recommending policy changes, and collaborating on program design and development. Several of these programs will require testing and expansion of new financing mechanisms – bank programs, utility bill programs, special assessment, mortgage-based, etc.

It is essential that these programs be:

- Coordinated
- Measurable
- Sustainable

**1. Enhanced Delivery System for EE and SE Programs**

New Hampshire would benefit by significant expansion and enhancement of the primary delivery systems for EE and SE programs. The CORE utility programs should be strengthened and more effectively coordinated, measured, and integrated with other EE and SE initiatives that provides all New Hampshire customers and communities a flexible and responsive set of services.

The EESE Board recommends, and will help coordinate and advance, a comprehensive review of the potential for expanding and enhancing these programs, including exploring innovative models that could better meet changing needs, expectations, and demands.

**2. Clean Energy Jobs**

Through the first half of 2009, the fastest growing employment areas in the U.S. were health care and clean energy. New Hampshire will put more people to work more quickly in a high variety of clean energy jobs if we develop a comprehensive energy sector strategy. This would require a new level of shared vision and cooperation between state agencies, business and trade associations, educational institutions, labor groups, and employers.

The EESE Board recommends, and will help coordinate and advance, a comprehensive energy sector workforce strategy that would integrate training, apprentice and on-job training, placement, continuing education, standards, and other components. The strategy must embrace a variety of jobs, from entry level vocational to high technology.

**3. Coordinated Municipal Energy Program**

## **DRAFT – DRAFT – DRAFT**

There is a unique opportunity to make long lasting energy reductions within municipal government. The benefits of reducing municipal energy use would have far reaching financial and environmental benefits as well as increase the public's awareness on the need to reduce energy use. Given the limited resources and varying levels of expertise in municipal government, communities will be best served through a coordinated and integrated program that offers a logical path and easy way to access a multitude of services and programs and assistance.

The EESE Board recommends, and will help coordinate and advance, a comprehensive program that is accessible and comprehensible to municipal staff, public boards and concerned citizens. This program will build upon existing efforts, making it easier for municipalities to access services and implement energy saving measures.

### **4. Beacon Communities**

Even as the Coordinated Municipal Energy Program above achieves steady and incremental improvements throughout the state, it would be beneficial if certain communities could demonstrate dramatic improvements. This could be accomplished by geographically concentrating certain investments and services to achieve deep reductions in fossil fuel use and sharp increases in economic activity. Services could include data collection, education and marketing, installations of distributed generation facilities, smart metering, fast tracking of various EE and RE programs , and incentives to drive competition.

The EESE Board recommends, and will coordinate and advance, a “Beacon Communities” program to accomplish this goal. Through an open and competitive process, a limited number communities would be selected. Criteria for selection would ensure that communities of all sizes and resources would be competitive. One criterion might be presence of an overloaded circuit; through increases in EE and RE, the cost of upgrade could be avoided.

### **5. Marketing and Education**

A substantial information gap undermines our ability to transform the way we use energy in New Hampshire. Far too many consumers and businesses lack basic information regarding: the urgent need for energy efficiency and conservation, renewable energy and distributed generation; the link between investments in clean energy and job creation/economic development; the environmental and public health benefits associated with such investments; the cost-effectiveness of investments in energy efficiency across all sectors.

The EESE Board recommends, and will help coordinate and advance, a comprehensive and coordinated public education campaign on EE and RE. This should include a robust and flexible “portal” as the go-to place for consumers and decision makers to access information on incentives and public programs, education programs, trusted vendor information, technical advice from neutral entities, accurate and independent assessments

**DRAFT – DRAFT – DRAFT**

of energy and carbon savings from various EE and RE investments through easy-to-understand data models to show paybacks, et al. This effort has begun through a GHGRF grant to the NH Carbon Challenge, but needs to be expanded. IT also requires aggressive marketing to drive consumers to the portal.

**Section 4.**

**POLICY PRIORITIES 2009 – 2010**

*(To be discussed at September / October board meetings, in close consultation with legislative leaders on and off EESE Board)*

**Section 5.**

**EESE BOARD SUPPORT**

*(To be determined at September / October board meetings)*