

Green Energy Ohio Policy Statements –2015-16

Collaborative Approach to Energy Development

Given current and future technical requirements for energy production, we acknowledge that no one entity has total control over all aspects of generation, transmission and distribution for fuel and electricity. We support a collaborative process where government, utilities, energy service providers, research institutions, manufacturers and community stakeholders can share strategies and resources that help all consumers enhance sustainability and control energy costs. Accordingly, an energy development process that incorporates a “freeze” strategy is not a viable option.

Energy Development Rights

Green Energy Ohio (GEO) recognizes the rights of home and business owners to pursue effective partnerships and agreements with renewable energy technology and related service providers. Interested parties are encouraged to responsibly use property and resources to develop energy conservation, generation and distribution projects that control their energy costs, reduce their carbon footprint and/or benefit the local community.

Ownership of Energy Credits

GEO recognizes that home and business owners who invest in on-site energy generation resources have direct ownership of any and all environmental attributes created in operating such technology. Environmental attributes include, but are not limited to renewable energy credits (RECs), carbon trading credits, emission trading credits, emission allowances, and or green tags. These owners have first opportunity to work with accredited aggregators and brokers to realize financial benefits related to their sale.

GEO encourages owners to use these proceeds to invest in other technologies and programs that help them and their communities create additional opportunities to control their energy costs.

Consumer Awareness Efforts

GEO encourages collaborative education and planning efforts between energy service providers and potential consumers. Collaborative steps that can help home and business owners purchase technology that help them control energy costs include:

- Investing in an energy audit. To maximize the savings potential for an on-site energy generation unit, consumers should first identify ways to reduce total energy demand. In some cases, those savings alone could impact the immediate need to invest in other systems.
- Checking local zoning regulations. Townships where there are greater concentrations of people may have rules regarding the size, scope and placement of on-site energy generation systems.
- Talk with the local utility company to ensure that an on-site energy generation system meets its requirements for interconnection with the electrical grid.

- Support use of multiple references to find a renewable energy service provider that will take time to sit down with a potential consumer; understand their requirements and make recommendations about appropriate equipment for their situation.
- Learn about renewable energy credits. Working with an aggregator to bundle and sell the credits produced by several homes and small businesses may result in additional savings. Be sure that consumers unwillingly give away rights to these credits in any contracts.
- Don't hesitate to talk to a lawyer to understand the terms of a contract including rebates, energy credits and potential non-delivery penalties.

Diversified Energy Portfolio Strategy

Using provisions of the Federal Energy Security Act of 2007 and Ohio's Advanced Energy Initiative (SB 221 - 2008), community leaders are being challenged to create *Diversified Energy Portfolios* - Unique strategies and policies to help individual consumers, neighborhoods, communities, and regions control aspects of their energy costs.

GEO defines an effective *Diversified Energy Portfolio* as one that provides environmental, economic and societal benefits. Strategy need to employ a variety of resources and technologies that work in concert to meet full energy requirements for individual consumers and respective communities.

Strategic considerations for creating an effective *Diversified Energy Portfolio* include:

- **Natural Resources:** Local geography and climate, raw materials for fossil fuel production (petroleum, coal and natural gas), attributes to support renewable energy production (wind, solar, geothermal and hydrologic features), as well as biomass/raw material production capabilities (biofuel feed stocks).
- **Available Technologies:** Mineral extraction and utilization (mining, drilling, coal and natural gas fired generation), nuclear, wind, solar, fuel cells, geothermal, hydroelectric, on-site generation/production facilities, energy generation-transmission-distribution networks at megawatt and kilowatt levels, advanced metering infrastructure (AMI), demand-side management and energy efficiency (DSM/EE) systems.
- **Community Features:** Topography, land use, population density, commerce, infrastructure requirements (utility systems, pipelines, transportation assets and upgrades), local government/planning (zoning, economic development, schools and services), environmental and sustainability interests/objectives.
- **Technology Trends:** Consumers will need to move from very large, centralized energy/fuel creation, transmission and distribution systems to smaller, decentralized systems. This transition, replacement, phase-out, phase-in, enhancement and adoption of these systems will take decades of constant, careful planning.

No technology will be able to act as a stand-alone system. As larger, centralized systems (many dependent on fossil fuel technology) are decommissioned, more decentralized systems using renewables (wind, solar, biomass, fuel cell, geothermal and other emerging technologies) must be fully developed to provide base load power requirements to achieve this end.

- Education: Curriculum standards governing elementary, middle, and high schools, community colleges, technical schools, adult education and job training programs, as well as higher education at four-year college and graduate levels will need to incorporate work covering technical, economic, environmental, and societal aspects of energy use and change.
- Evaluation and Input: A variety of people and interests need to be involved in creating a *Diversified Energy Portfolio*. Working groups should include interested residents, businesses, service organizations, economic, educational, and environmental groups, utilities, as well as government representatives at local, state and national levels.

Energy Diversification

We agree that there is no single technology that will address our energy needs. The United States has access to a variety of energy resources, both fossil and renewable. GEO endorses the inclusion of effective and economically feasible renewable technologies as key parts of a balanced *Diversified Energy Portfolio*.

We support that Congress establish an energy policy with a goal of energy efficiency and self-sufficiency through use of cleaner /renewable sources.

Energy Efficiency

We support continued development of the Energy Star Program and similar policies and projects focusing on energy efficiency.

We support eliminating regulatory and economic barriers that inhibit the development of affordable, reliable and safe energy efficiency practices and renewable distributed generation.

We encourage research & development and educational programs promoting sound energy conservation and renewable energy production.

Market Development

We support financial incentives and capital investment to maximize commercial deployment of renewable energy and energy efficiency technologies, such as tax incentives and/or low interest and linked-deposit loans.

We recommend the adoption of both national and state energy policies that stimulate development of renewable energy sources such as wind, solar, fuel cell, biomass, hydro and other clean technologies.

We support modifications to Property Assessed Clean Energy (PACE) programs and Special Improvement Districts (SIDs) to enable cities, counties and eligible urban townships to use bonds or grants to pay for the installation of Demand Side

Management/Energy Efficiency (DSM/EE) and renewable energy generation equipment on eligible homes and businesses.

Program offerings must allow recipients to pay back the cost of the system and installation through an assessment on their property taxes. To address first lien mortgage concerns with lenders, program offerings and options need to expand from the individual dwelling/business unit level to encompass entire neighborhoods and communities. An eligible technology must show that it will pay for itself in energy savings in less than a bond's customary 25 year payback period.

Electric Power Generation

We support the use of renewable technology and its associated fuels for electric power generation whenever environmentally and economically feasible.

We support the exploration of renewable generation development, especially by communities wanting to invest/financially support renewable resources.

We encourage communities, utilities and renewable energy developers to consider and deploy "community solar" projects to provide access to solar power by consumers who cannot easily install solar on their property.

We support increased electrical generation capacity and co-generation efficiency by updating existing generating facilities, and establishing distributed generation featuring cleaner fuels.

Energy Delivery

We encourage the development and adoption of one uniform, effective, consumer-friendly interconnection standard and improved transmission infrastructure which would provide energy customers increased access to renewable energy supplies.

We support the establishment of renewable energy cooperatives and self-help groups for investing in, purchasing and/or sharing the creation of projects and/or products allowing delivery of renewable energy to consumers.

We encourage local, state and federal governments to provide incentives that improve the abilities of investor-owned, municipal and cooperative utilities, as well as private service providers, to enhance energy delivery.

Biomass/BioFuel Development

We encourage research into all types of alternative energy and fuel development using renewable resources. All tax incentives for renewable energy production should be calculated on a standard Btu/kWh equivalent basis.

We encourage local, state and federal governments to develop capital investment and incentive programs for the development of alternative fuels.

We support continued testing and development on fuel cells, biodiesel, ethanol, other bio-based fuels and additives that lower particulates in fuel emissions and increase fuel/energy efficiency. We take no position on whether food crops should be used as a source for production of biofuels.

We encourage the use of biomass as a feedstock and/or fuel for the production of methane and electricity to address individual customer, community and large-scale utility needs for energy.

We support use of biofuels for power generation using renewable resources from hydrocarbon rich feed stocks that are obtained in a manner that incorporates recycling, ensures natural resource conservation, lessens the introduction of ancient sequestered carbon into the carbon cycle, meets all applicable emission standards and enhances sustainability.

We support the use of proven Waste to Energy (WTE) technology as endorsed by the American Society of Mechanical Engineers for the production of energy in compliance with all applicable emission standards.

Ohio Energy Loan Fund

We support the Ohio Development Service Agency's *Energy Loan Fund* as a program providing low-cost financing to small businesses, manufacturers, nonprofits, and public entities for improvements that reduce energy usage and associated costs, reduce fossil fuel emissions, and/or create or retain jobs.

We recommend that the following additions be incorporated to increase program acceptance and effectiveness:

- Recipients: Expand program eligibility to include homeowners and multi-family resident housing.
- Resources: Reestablish the original program's utility service riders to provide another avenue of program resources that compliment Advanced Energy Fund, Federal State Energy Program and American Recovery and Reinvestment Act funding for the program.
- Eligible Activities: Along with supporting cost effective retrofits and energy distribution systems, prioritize installation of on-site renewable energy generation technologies as eligible project funding options.
- Associated Programs: Create a grant funding mechanism to compliment current loan fund initiatives.

Utility Program Service Options

We support creation of programs that support public utility requirements to establish demand side management/energy efficiency (DSM/EE), advanced metering infrastructure (AMI), customer friendly interconnection, on-site generation using renewables, and other PUCO-approved initiatives focused on helping consumers control energy costs as detailed in SB 221-2008.

Customer Friendly Interconnection

We support efforts to create a more customer-friendly interconnection application process for small business and residential energy consumers. Program attributes should include:

- **Equipment Certification/Recognition:** Basic recognition and installation approval of on-site generation equipment that meets Underwriters Laboratories (UL) and the American Council of Electrical Engineers (ACEE) requirements for safety and reliability.
- **System Capabilities:** Basic rules of acceptance for systems designed to generate ninety percent of the location's on-site power requirements; coupled with a provision that allows the customer to receive credit if and when they deliver ten percent of their power requirements back into the local distribution system as excess generating capacity.
- **Credit/Reimbursement:** Crediting bills of an interconnected customer for safely delivered, agreement-approved excess power generation into the local distribution system reflective of the customer's utility approved tariff rate at a 1:1 ratio.
- **Efficiency without Penalty:** Review and readjustment without penalty of an interconnected customer's credit/reimbursement provisions after the customer installs additional, utility approved DSM/EE measures.

Green Manufacturing

We support national and state legislative initiatives that encourage research, development and deployment (RD&D) of renewable energy technology. The initiatives should include creation of grant and loan programs for RD&D, acquisition of intellectual property, workforce training, expansion of renewable technology manufacturing capacity, brownfield reclamation and expansion of energy efficient products and services. Finance programs should be made available through the Ohio Development Service Agency (ODSA), Ohio Air Quality Development Authority (OAQDA) and similar federal programs.

Climate Change

We support effective programs to address climate change issues that incorporate consumer and government participation on local, state, national and international levels. Such programs acknowledge the need to create scientific, environmental and economically balanced approaches, ensuring emission reductions and access to essential energy supplies.

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