

What is STEAB?

The State Energy Advisory Board (STEAB) was established by Public Law 101-440 (The State Energy Efficiency Programs Improvement Act of 1990) to advise the Department of Energy on operations of its Federal grant programs. The Board's statutory charge is to develop recommendations regarding initiation, design, evaluation, and implementation of energy efficiency and renewable energy programs, policies, and technologies. The Board is legislatively mandated to advise and make recommendations to the Assistant Secretary for Energy Efficiency and Renewable Energy (EERE) on efforts relating to EERE programs, with a specific focus on technology transfer and State issues.

The Board is comprised of State energy directors, Weatherization directors, other State officials, representatives of State and local interests, and recognized experts in energy-related disciplines. In its capacity as an advisory board, STEAB serves as a liaison between individual States and the Department of Energy with regard to energy efficiency and renewable energy programs. STEAB is in an advantageous position due to the fact that, unlike other EERE FACA committees, it is not program specific. They offer a forum for the exchange of ideas and information through which Federal, State, and local voices can be heard at the Department of Energy.

In compliance with STEAB's enabling Statute, the Board submits an annual report to the Secretary, the U.S. Congress, and the General Services Administration (GSA) on the activities carried out within the previous fiscal year. This report contains not only a summary of the Board's activities for FY 2010, but also a copy of all of the Board's Resolutions to the Assistant Secretary, as well as outlines of the Board's Sub-Committee's and Task Forces.

U.S. Department of Energy
State Energy Advisory Board (STEAB)

Annual Report

For Period October 1, 2011
Through September 30, 2012



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FY 2012 EXECUTIVE SUMMARY

In FY 2012, the State Energy Advisory Board (STEAB), a congressionally mandated advisory committee, maintained its goal of supporting energy efficiency and renewable energy growth throughout the United States and focused efforts on the areas established by the Board's "Priorities Through 2012." These include activities that will actively support energy efficiency and renewable energy market growth throughout the United States.

At the first meeting in November of 2011 while the Board was visiting Oak Ridge National Laboratory (ORNL), the Board critically reviewed and updated the priorities document to reflect the successes and accomplishments of FY 2011, as well as the critical areas of focus through the end of FY 2012. The new priorities, adopted on November 17, 2011, include: 1) Accelerate development of jobs at state and local levels; 2) Enhance state and regional EE & RE capacity in terms of financial, intellectual, manufacturing and technology; 3) Facilitate the development of more active relationships between Federal and state and local programs and support improved regional coordination; 4) Accelerate the deployment of clean energy resources across all segments of the economy consistent with principles of equity and affordability; 5) Seek ways to continue momentum developed as a result of Recovery Act; 6) Seek sufficient Federal funding to maintain necessary human resources and other infrastructure at the state and local level; and 7) Support expansion of commercialization and technology transfer out of the National Labs and increase coordination with State Energy Offices.

The Board focused on these priority areas throughout FY 2012 and utilized them as a way to drive the focus and discussion during monthly Board calls and the subsequent two live Board meetings. The two other live meetings held during FY 2012 include one in Arlington, VA in March, and another in Washington, DC in June 2012. Both of those meetings involved high-level interaction with EERE senior staff, as well as updates from various EERE Program areas of interest to the Board and to the states.

STEAB conducts much of its work through Task Forces comprised of Board members. Task Forces were established in FY 2010, but during FY 2012 the Board modified the number and scope of the Task Forces to reflect the needs of EERE and new priorities of the Board. The active Task Forces during FY 2012 for STEAB were the SEP Task Force, the USDA/DOE Task Force, the Weatherization Task Force and the Lab Task Force. The Deployment Task Force, which was very active during FY 2011, continued to meet sporadically but many of the members of

that group lent their expertise to other Task Forces in need of assistance or advice on certain issues.

In FY 2012, the STEAB conveyed two separate and distinct resolutions to Assistant Secretary for EERE, Dr. David Danielson. Resolution 12-01 recommended enacting the Resolutions from the Energy Efficiency and Conservation Block Grant (EECBG) Sub-committee as compiled since June of 2010. The EECBG Sub-Committee met only twice in FY 2012, in Texas and in Virginia, but the recommendations had been developed by the group since August of 2010 when the group held its first meeting. The second resolution of FY 2012, Resolution 12-02 recommended the establishment of a State and Local Energy Efficiency Action Network (SEE Action) Sub-Committee.

Resolution 12-02 created SEE Action Sub-Committee during the June 2012 meeting in Washington, DC. The SEE Action Subcommittee is comprised of STEAB members who also are members of the larger State Energy Efficiency Action Network. The purpose of the sub-committee is to bring to the full STEAB Board any recommendations for federal action made by the greater SEE Action Network. The State and Local Energy Efficiency Action Network (SEE Action) is a state- and local-led effort facilitated by the U.S. DOE and the U.S. Environmental Protection Agency to take energy efficiency to scale and achieve all cost-effective energy efficiency by 2020. SEE Action offers information resources and technical assistance to state and local decision makers as they provide low-cost, reliable energy to their communities through energy efficiency. The members of the SEE Action Sub-Committee interact with the larger network and liaise with the DOE and EPA staffers to bring forth recommendations to STEAB for consideration and conveyance to DOE as policy or program recommendations.

Coupled with the success and activities of the Task Forces and the recommendations in the two Resolutions, the STEAB also provided feedback to DOE on a variety of other issues throughout FY 2012. For example, the STEAB sent a letter to Secretary Chu expressing the Board's strong support for the reauthorization of the DOE's State Energy Program. STEAB urged the Secretary to help secure SEP's continuation by asking him to address this important issue with Congress and particularly Senator Jeff Bingaman, Chairman of the Energy and Natural Resources Committee. The letter noted how SEP is the only cost-shared program administered by DOE that provides resources directly to the states for energy efficiency and renewable energy demonstration and deployment opportunities which support DOE's national energy goals.

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SUMMARY OF FY 2012 MEETINGS

November 15 – 17, 2011 – Knoxville, TN

The first meeting of FY 2012 occurred in Knoxville, TN in order for the STEAB to meet with and engage with Oak Ridge National Lab staff and tour the Spallation Neutron Source (SNS), the National Transportation Research Center, and the Manufacturing Demonstration Facility. The Board also received an updated status of EERE activities and funding concerns as it was made aware the budget is the biggest hurdle for FY 2012 within EERE and on the Hill and no significant movement or solutions had yet been found. It was indicated there would be large cuts made, so it would be difficult to make progress as the EERE Program areas do not know what the budget will be. Specifically, WAP was dealing with difficulties of spending all the American Recovery and Reinvestment Act (ARRA) funding by the March 2012 deadline and DOE was looking at this on a case-by-case basis to see what could be done. The Weatherization Task Force indicated its frustration with these budget concerns, but noted it would continue working on this issue with EERE as the most important aspect moving forward is to preserve the existing network and work with DOE to maintain the network instead of focusing efforts on alternative forms of financing schemes.

While on the campus of ORNL, the Board heard from Tom Rogers, Director of the Industrial Partnerships and Economic Development. He told the Board about the mission of ORNL and the goal of the Lab to increase economic competitiveness by deploying ORNL technologies, capabilities and resources into the private sector. The goal of his department is to bridge the gap between scientific discovery and deployable technology. Technology transfer at ORNL occurs via a combination of collaboration, technology licensing, work-for-hire programs and access to user facilities. A presentation on the State Energy Program (SEP) National Evaluation were given jointly by ORNL and their contracting partner, KEMA. The impetus for the evaluation was at the request of OMB which wanted evaluations of the programs to occur but were concerned that Labs were too closely connected to DOE and would not be able to be independent enough to be objective. The SEP evaluation is looking to evaluate and understand energy savings, job creation, renewable energy generation and carbon reduction. A variety of activities are being looked at by ORNL and KEMA to create a comprehensive look at the program from 2008 through ARRA funding. Some of the program areas of SEP being evaluated include building retrofits, loans, grants and incentives, renewable energy market development and technical assistance.

The Board then departed ORNL and went to the National Transportation Research Center, where they were led on a tour by Ron Graves, and continued on to the Manufacturing Demonstration Facility where Craig Blue led a tour and highlighted recent technological advancements and current projects occurring at the facility. The Board saw demonstrations of new technology, were given ample time to ask questions about collaborative efforts between the facilities, the lab and states.

At this meeting the Board discussed their “Priorities Through 2012” document and decided to revise and remove some of the items which were either no longer relevant or had been accomplished since the creation of this document. The Board discussed the current Priorities and highlighted the continuing need to emphasize technology transfer from EERE and the Labs out into the marketplace, as well as maintaining momentum and the existing infrastructure of the SEP and Weatherization Assistance Program (WAP) as ARRA funding comes to an end. There was continued discussion about how to better have DOE and the Labs interact with the public and the EERE Programs as well. On the commercialization and deployment side, the Board recognized that EERE’s Programs are focusing on engagement, but the State Energy Offices (SEO’s) do not truly interact with other local agencies to promote the use of EE and RE technologies. A new priority which was included in the document was the idea of facilitating the development of more active relationships between Federal and state and local programs and support improved regional coordination in an effort to enhance EE and RE deployment as well as promote energy education in local communities. As ARRA funding comes to a close in March of 2012, the group was concerned about the impact to low-income families and the existing WAP network so a priority was amended to indicate that any deployment of clean energy resources would be across all segments of the economy consistent with principles of equity and affordability, in order to make sure low-income families would benefit from clean energy deployment. Along the lines of maintaining existing networks once ARRA funding ceases, the Board felt it was important to emphasize seeking sufficient Federal funding to maintain necessary human resources and other infrastructure at the state and local level. The revised “Priorities Through 2012” document was unanimously approved by the STEAB on November 17, 2011.

March 13 – 15, 2012 – Arlington, VA

The second meeting of the STEAB during FY 2012 was held at the Key Bridge Marriott in Arlington, VA during March of 2012. The focus of the meeting was on technology deployment, technology transfer, and the future of programs like SEP

and WAP once ARRA funding ceased to flow from DOE. Henry Kelly, Acting Assistant Secretary for EERE, gave an overview of the EERE programs and deployment activities. Energy efficiency and renewable technologies are a central interest to the administration and is a driver of the US economy. EERE is interested in working with what states and cities are already doing because it is in the states and at the local level where ideas grow. EERE received a 26% increase in the President's fiscal year FY12 budget and are preparing the FY 13 budget. The US is on the cusp of major changes with all of the new technologies that are emerging, including hybrids and electric vehicles. Through the Clean Cities initiatives they have been funding permitting and other activities to facilitate infrastructure such as charging stations. The Advanced Manufacturing Program is helping existing manufacturers upgrade technologies to be more efficient and is also helping new manufacturers with new technologies through the Advanced Manufacturing Partnership. The Board engaged with Dr. Kelly and noted that SEO's are set up to be good sources of information and bringing people together, so EERE should work closely with the SEOs. As EERE is internally considering how to manage the process they should talk to STEAB for ideas and representatives from states.

Dr. Karina Edmonds also spoke to the Board and noted she was appointed to focus on technology transfer. DOE is trying to find new ways to partner with industry, with a focus on the national laboratory partnerships. The America's Next Top Energy Innovator project is trying to reduce barriers, educate new entrepreneurs, establish mentoring, and facilitate market opportunities. This is part of a larger effort to support new companies and commercialize new technologies. This program is a part of DOE's response to the Presidential Memo on innovation, which asked each Federal agency to set goals and metrics on how they will support innovation. DOE is also working to streamline processes such as setting up a licensing agreement. The national labs have many ways to work with the private sector and DOE is working to improve many of those areas, such as exchanging personnel by allowing entrepreneurial leave. DOE is also working to revamp the Collaborative Research and Development Agreements (CRADA) to improve and expedite the process. David Terry complimented her on the progress made and asked how funds may intersect with state investments with tech transfers. The response was that innovation occurs at the state level, so DOE would like to work with them to facilitate deployment and leverage state partnerships.

The Board also received an overview of DOE's Advanced Manufacturing Office efforts. The Advanced Manufacturing component is one of DOE's key contributions to the effort that bring together a variety of actors around specific

technologies and tries to enhance the tools and partnerships to take the technology to market. The Better Buildings, Better Plants (BBBP) Challenge program has a goal to achieve a 20% savings in commercial and industrial buildings by 2020. To date, there are over 60 partners involved in the program. They have structured the program to have one level with partners striving towards aggressive goals and another level that wants to be involved but cannot commit to specific goals.

Additionally, Sunita Staypal, Program Manager of the Fuel Cell Technologies program, gave an overview of the deployment and tech transfer initiatives in the program. Fuel cells provide much higher efficiency potential because they can convert directly from chemical to electrical energy. The Clean Energy Patent Growth Index shows that since 2009 fuel cells have the most patents, three times more than the second place holder of solar. This shows there is a large investment in this technology. DOE conducted an employment study on fuel cells, which projects that by 2035 it could create 360,000-675,000 jobs, and the Renewable Energy Industry projected up to 925,000 jobs. The DOE program focuses on areas such as research and development, technology validation, and market transformation. The next steps in the program include funding a tool that states can use to evaluate jobs could be created from a project. They are also conducting an analysis of the economic impact from hydrogen fuel cell clusters in the northeast of the US and looking at the potential in specific industries in states.

During general Board discussion, members noted there are a few overarching issues they had heard discussed. One is that EERE should prioritize deployment compared to pure technology development. Another is that deployment, as much as possible, should use limited public funds and leverage private capital. Third, is the markets DOE is trying to penetrate require partnership with states and localities. To meet those principles, EERE needs to build its knowledge base and expertise in these areas. STEAB realizes that federal and state partnership with the private sector needs to happen to really push the market and financing. The focus on the utility market and regulators needs to be expanded to include the governor's office and state energy offices if any real impact is to be made. The question was posed is "partnerships" about money only or about a mission? The STEAB agreed it should focus on what partnerships really looks likes and how to make them work effectively. Strategically, it could be important to show DOE what happens without SEO's and what types of programs and support goes away, and then highlight how to tie in the DOE and EERE missions with activities in the SEO's already before building out new programs.

June 26 – 28, 2013 – Washington, DC

The final meeting of FY 2012 was held in Washington, DC in order to have the STEAB meet with the newly appointed Assistant Secretary for EERE, Dr. David Danielson, as well as build more on the idea of creating partnerships and encouraging stronger collaboration between states and EERE.

Dr. Danielson opened his remarks noting he looked forward to establishing and solidifying the relationship between STEAB and EERE and was anxious to hear from the Board about the key issues EERE should focus on. He indicated EERE has a clear mission; create American leadership in the EE and RE fields, and assist with transitioning the country to a clean energy economy. He believes this can be accomplished in three ways through 1) sustainable transportation, 2) integrating renewable energy into the grid and applying end-use consumer energy efficiency practices, and 3) through buildings and industrial retrofits and manufacturing. Creating green manufacturing jobs is key to these accomplishments.

Dr. Danielson went on to say STEAB can assist him with deployment efforts. His background is mostly in R&D but he recognized the value and importance of deployment. EERE needed to find ways to get ahead of market barriers and make sure technology developed at the Labs and within EERE can get into the marketplace effectively. He noted he wants to see the national labs as successful and entrepreneurial as MIT and Stanford so that the labs have a larger national impact. In order to assist this endeavor he will be hiring a new Director of Commercialization who he hopes will be able to engage with this group. On the commercialization side, Dr. Danielson indicated EERE needs a new model. He is aware of the “valley of death” for commercialization, but encouraged STEAB to look at creating a new sustainable model. If there is a role STEAB or DOE can play to help identify regional competitive advantage and help with economic development by way of state and local deployment, he would appreciate feedback from the Board.

Utilizing the theme of collaboration and partnership, Frank Murray reminded Dr. Danielson that states and SEO’s are not stakeholders of DOE, but partners with the agency and it is key for DOE to understand and recognize that distinction. States can be assets and true partners to EERE and DOE with regards to commercialization because the state has a keen sense of both the technology needed and the economic situation of the times. Dr. Danielson was interested in hearing more about this topic and asked for feedback on key partners are and stakeholders to EERE. It became clear to the members that STEAB needs to

demonstrate to EERE the value of actually creating a lasting and functional partnership with the states. If STEAB can highlight the benefits to both groups, then it can open a dialogue with EERE about how to pursue establishing a partnership with SEO's and other entities.

Johanna Zetterberg and Gil Sperling then spoke to the Board regarding a brief history of the SEE Action Network and what its role is. SEE Action is the State and Local Energy Efficiency Action Network and is a state- and local-led effort facilitated by DOE and the U.S. Environmental Protection Agency (EPA) to take energy efficiency to scale and achieve all cost-effective energy efficiency by 2020. SEE Action offers information resources and technical assistance to state and local decision makers as they provide low-cost, reliable energy to their communities through energy efficiency. In the actual operations of SEE Action, there is an inevitable cross-over between State policy and Federal support of those programs. What is coming out of the working groups of SEE Action are recommendations for how the federal government should be working with the states on energy efficiency activities. Ms. Zetterberg proposed the creation of a sub-committee to STEAB that is a SEE Action Sub-Committee. It would be comprised of those STEAB members already part of SEE Action. That way, recommendations out of the network would come through the Sub-Committee for consideration and eventually through STEAB for full Board discussion and debate. STEAB would focus on those recommendations and pass the most effective ones on to EERE. On Wednesday, June 27th, the Board unanimously voted to create a SEE Action Sub-Committee.

It was also at the June meeting that the Board received updates from EERE Programs such as the Wind and Water Program, the Office of Weatherization and Intergovernmental Programs, the Solar Program, the Office of Strategic Programs, and a follow-up from the November presentation regarding the SEP National Evaluation. Richard Kauffman also spoke about DOE's innovative financing ideas and initiatives, and Jason Walsh participated with the Board in discussions on how DOE and EERE engages with the public and conducts outreach.

As this was the last meeting of FY 2012, the Board looked ahead to FY 2013. They decided the first meeting of FY 13 should be held at a National Lab. Frank Murray told the Board about the collaboration between Brookhaven National Lab (BNL) and NYSERDA, and how the partnership grew out of a need identified by NYSERDA to assist residents of NY become more energy efficient by making minor retrofits to their oil burners. The trick was finding the right technology to make those changes. It was this collaboration between NYSERDA and BNL which allowed the state to solve this issue, cut back on carbon emissions and reduce

energy costs for customers. Pat Looney from BNL was on hand at the June meeting to speak more about this effort, and provide the STEAB with a history of BNL and what the Board can look forward to seeing in FY 2013 when they visit the national lab in October. He promised the group would be taken on a tour of the Long Island Solar Farm, and also get a chance to see the National Synchrotron Light Source (NSLS) II which is currently under construction on the lab campus. Mr. Looney indicated the focus of the meeting in October would be on collaboration and partnership between BNL and the state of NY, as well as with other entities like Stony Brook University and General Electric.

The Board is looking forward to this first meeting in FY 2013 as they see it as a real opportunity to review lessons learned from these partnerships and use that information to showcase to DOE how collaborative efforts not only solve issues at the state level, but how collaboration promotes financial leveraging and allows the federal dollar to go further.

TASK FORCE ACTIVITY SUMMARY

SEP Task Force Activities

In FY 2012 the SEP Task Force continued working closely with ORNL regarding the SEP Evaluation to identify ways to create metrics to measure the success of regular year SEP and American Recovery Reinvestment Act funding. Multiple calls were held between Task Force members and with ORNL and KEMA (spell out) to discuss state concerns over reporting timelines and standards, as well as to address issues of metrics for success. The Task Force provided questions about the process to ORNL and KEMA on July 2, 2012 as requested by the evaluation team and the group hopes to hear more about the final evaluation process and evaluation release date in the early part of FY 2013.

USDA/DOE Task Force Activities

The USDA/DOE Task Force continued working to bring together USDA and DOE to create a joint agency program involving Cooperative Extension Services (CES – spell out) and State Energy Offices (SEO's) in an effort to expand energy efficiency and renewable energy education to consumers. The Task Force acted as the convener for the State Energy Extension Partnership (SEEP) Working Group, which brought together members of the National Institute of Food and Agriculture (NIFA), USDA, DOE, and CES to discuss this effort. This Working Group was established in FY 2011 and continued meeting monthly throughout FY 2012. During these monthly meetings, the SEEP Working Group received updates from the Project Officer in charge of monitoring the three states awarded funding under DE-FOA-0000533, "Area of Interest 3 - Piloting a State Energy Extension Partnership (SEEP)." Kentucky, Wisconsin and Nebraska were the states with pilot programs for energy education via a collaborative effort between SEO's and CES. As of the end of FY 2012 the projects are underway and EERE is tracking progress and assisting the states to move these efforts forward.

The SEEP worked together to develop a Memorandum of Understanding (MOU) to be signed by USDA and DOE. The first draft was complete by October 2011, and sent to both agencies for legal review. By April 2012 a final version was ready for signature, and the MOU was signed by both USDA and DOE in June 2012. At that time USDA became interested in including the Rural Development Mission Area with this SEO-CES Partnership and expanding it to make sure this partnership was as broad as it could be in an effort to make it successful across a myriad of mission areas within USDA. The Rural Energy for America Program

run out of the Rural Development Mission Area is a flagship USDA energy program but by dealing mostly in rural areas it has a limited capacity to reach everyone it would like to reach. The MOU was a good fit for this program and there is a great opportunity for Rural Development to get involved. The Working Group decided it would revise the MOU to include not only NIFA, but also Rural Development in this partnership with DOE. The broader MOU drafted in mid-August is currently with both agencies for approval and signature. It is the hope of the USDA/DOE Task Force that they can announce the official partnership by the first STEAB meeting of FY 2013.

Another successful collaboration grew out of the USDA/DOE Task Force after members of that group heard a presentation at the March 2012 STEAB meeting about EERE's Energy Literacy effort. STEAB Task Force members put EERE staff working on Energy Literacy in touch with the NIFA counterpart to identify opportunities to use this EERE program in conjunction with already ongoing energy programs through CES and NIFA. EERE's Energy Literacy team met with the SEEP Working Group and provided an overview of the program to NIFA and CES staff. Both groups continued meeting and by early September 2012 had created the Energy Literacy Initiative Planning Tool. This matrix is designed to show the relationship of Cooperative Extension programs to the Energy Literacy Essential Principles and Fundamental Concepts for Energy Education created by DOE. The objective of this collaboration is to use both agencies education programs as a guideline to create a single comprehensive nationally-recognized non-credit course on energy education. This initiative would then provide consumers, small-businesses and rural communities easy access to energy information by utilizing the extensive reach of Cooperative Extension networks. A white paper is currently being written outlining this ultimate goal and the SEEP Working Groups hopes to submit this to both agencies in early FY 2013.

Lab Task Force Activities

Concern about the technology transfer and deployment at the national labs arose out of the site visits to ORNL. The Board believed communication, coordination with other labs, feedback from the states and DOE, allowing the public better access to lab expertise, and deployment activities of labs are areas for improvement. The Lab Task Force focused on ways to improve the efficacy and functionality of deliverable from the labs. The Task Force met several times via teleconference and corresponded with staff from Brookhaven National Lab about their partnerships with NYSERDA and the Long Island Power Authority (LIPA) and how those collaborative efforts led to successful deployment of both a new oil

burning technology to assist consumers in the northeast, as well as the creation of the Long Island Solar Farm on Long Island, NY. From these discussions the Task Force determined that forging a meaningful connection between states and the labs leads to both innovation and commercialization.

From previous visits to labs the Board determined that engagement between labs and State Energy Offices is relatively rare and sufficient. The Task Force has determined this as an area for focus. It is believed that connecting SEO's to labs will help create new opportunities for developing technologies to be tested in the marketplace, and allow for SEO's to address energy problems by working with the labs to create a lasting solutions through research and development. Out of this focus for engagement and partnerships between states and labs, the Board determined the first meeting of FY 2013 should take place at a lab where these types of partnerships have been successful. This should allow STEAB to use lessons-learned and best-practices when reaching out to other labs and SEO's to begin a collaborative dialogue. The Board is looking forward to a visit at Brookhaven National Lab in the fall of 2013.

Weatherization Task Force Activities

At the beginning of FY 2012 the Weatherization Task Force met to continue discussions about the need for additional funding to be provided to states without remaining ARRA funds so states may continue to support existing weatherization networks and delivery infrastructure while maintaining jobs created under ARRA. In October of 2011 the Task Force worked with Board Chair, Janet Streff, and wrote a letter to Dr. Kathleen Hogan discussing DOE's and STEAB's mutual interest to ensure households in need of weatherization benefit from the funds and services available under ARRA, regardless where they are located, even if that means additional time is required beyond the grant term deadline of March 31, 2012. In the letter the STEAB recommended DOE afford flexibility to consider contract extension requests from ARRA Weatherization Grantees.

At the large December 2011 National Weatherization meeting, the Task Force members engaged with DOE and other stakeholders as part of the newly convened Weatherization Plus 2015 Working Group. This working group was convened by DOE and consisted of four small groups to discuss weatherization issues such as leveraging, quality and performance, communication, and markets. Each member of the Task Force chose a different small-group to be a part of and lent their expertise as STEAB representatives to this larger WAP Plus 2015 Working Group. The members continue working closely with DOE by way of this Working Group

and have been provided comments and feedback to DOE about the current Weatherization Plus 2015 Strawman document which outlines the vision developed by the committee to move the Weatherization Assistance Program forward. The report provides an overview of the results of the work of each of the four small-groups thus far and breaks down the goal, strategies, metrics and next steps for each of the subcommittees. At the close of FY 2012, this document was being edited and discussed by the Task Force and the larger Working Group, with the goal to present the edited document at the upcoming NASCSP meeting.

When the Weatherization budget numbers were announced in early 2012, the Weatherization Task Force convened to discuss the impact of funding cuts to the program. They determined that an effort is needed to ensure that EERE fully understands the value of the Program as a whole and what it accomplishes for both low-income and middle-income families. In order to showcase the successes of Weatherization and the benefits to local communities, the Task Force drafted and STEAB Chair Janet Streff sent a letter to EERE Assistant Secretary Danielson outlining the major successes of WAP over the last few years, as well as inviting him to one of the states represented by the STEAB to celebrate the national milestone of the one millionth home weatherized and see first-hand the impact of weatherization. As of the end of FY 2012, the Task Force was awaiting to hear the final plans from Dr. Danielson's office.

Strategic Planning Task Force Activities

A newly formed Strategic Planning Task Force arose from a presentation given to the Board at the March 2012 STEAB meeting in Washington, DC. At that meeting then Acting Assistant Secretary Henry Kelly asked the STEAB for their input to EERE on behalf of states about the direction EERE and its various technology areas should head. Dr. Kelly asked for specific feedback about state goals and the perspective from DOE stakeholders such as utilities, energy offices, and Weatherization programs so EERE could create a comprehensive strategic plan of how best to move forward toward reaching the goals of an American clean energy economy. The Task Force met via phone in both July and August to discuss and develop a few key areas of focus, and met in person on September 11, 2012. At this meeting the Task Force reviewed the priorities of new Acting Assistant Secretary David Danielson, and determined the STEAB's goals and his priorities were aligned. Dr. Danielson and the STEAB both agreed that deployment and innovative financing were key to moving the country closer to a clean energy economy and promoting energy efficiency practices among consumers. The STEAB had a third goal of partnership. The Task Force that a small-group

consisting of both staff from EERE and members of the Task Force should be formed to outline clear strategic objectives for how to move forward in each of these areas. A letter to this effect was sent to Dr. Danielson on July 12, 2012.

STEAB FY 2012 RESOLUTIONS

In FY 2012 the STEAB developed two separate and distinct Resolutions that were conveyed to Assistant Secretary Danielson. Resolution 12-01 recommended enacting the concepts outlined by the Energy Efficiency and Conservation Block Grant (EECBG) Sub-committee since June of 2010. This Resolution included a recommendations to expand the Green Button Initiative, create a searchable database of EECBG closeout profiles that can be used as a future resource for project planning, create a national/regional EE loan facility, continue funding for the EECBG Program, recommend recipients without energy management expertise form or join Regional Energy Management Networks, create a more iconic brand for energy efficiency to combat the bad press surrounding the stimulus, and that DOE share best practices regarding the Energy Manager role, qualifications and organizational structure at the local level. These recommendations came after 2 years of study and visits to local EECBG projects as part of the EECBG Sub-Committees activities. The Sub-Committee operated under the oversight of STEAB and was enabled the EECBG Program to fulfill the regulatory requirement of 42 USC 17153(f), which directed DOE to establish a state and local committee to advise on the administration, implementation, and evaluation of the EECBG Program. This Resolution was transmitted to EERE in April of 2012.

Resolution 12-02 was created at the June 2012 meeting in Washington, DC and adopted in July. It proposed the establishment of a State and Local Energy Efficiency Action Network (SEE Action) Sub-Committee. This Sub-Committee would be comprised of the current STEAB Board members participating in the SEE Action Network. The purpose of the Sub-Committee would be to bring to the full STEAB Board any recommendations for federal action made by the greater SEE Action Network for consideration and future action. The STEAB participated with staff from a couple of the larger SEE Action Network's Working Groups to gain a better understanding of the current status of SEE Action and has met via teleconference with the SEE Action Coordinator from DOE to keep abreast of the current and future activities of this group. The sub-committee has yet to meet formally, but do plan on engaging during the first meeting of FY 2013 and looking at areas where they see the possibility for federal action based on recommendations coming out of the greater network.

Both Resolutions from FY 12 can be found in Appendix C.

Looking Ahead to FY 2013

Near the end of FY 2012 the Board reached out to EERE Assistant Secretary, Dr. David Danielson, via a letter noting the nation's energy challenges cannot be met solely by EERE, and must rely on the assistance and resources of the states together with EERE.

STEAB, on behalf of the states and the broader constituency it represents, offered to work with EERE to identify key strategic thrusts to solidify this partnership. The Board's hope is that a sub-committee, tentatively proposed as the Strategic Issues Sub-Committee, is established consisting of a few STEAB members and a small number of key EERE staff to look at developing broad policy and program development initiatives. As STEAB consists of and interacts with many groups of stakeholders and industry leaders, and EERE is looking for input from these groups, the STEAB is an appropriate resource to convene meetings and begin dialogues among the various groups. The goal of this potential sub-committee is to look across programs and technologies and create a place where useful and effective dialogue occurs to create sustainable policy changes, and institutionalize the idea of bringing federal, state and local partners to the table to effect change.

This is an opportunity to create a process of engagement, and look at a variety of areas such as the integration of renewable energy technology into the grid, changes to utility regulatory policy with respect to energy efficiency and renewable energy technologies, etc. The Board expects to hear from Dr. Danielson about the creation of a group by early FY 2013.

Appendix A

**State Energy Advisory Board
Sorted by Term Expiration Date
Membership as of FY 2012**

Name	Category	State	Term Expires
Dan Carol	State Employee	OR	11/30/2012
William Vaughn Clark	SEO	OK	11/30/2012
Peter Johnston	SGE	AZ	11/30/2012
Maurice Kaya	State Employee	HI	11/30/2012
Steve Payne	WAP	WA	11/30/2012
David Terry	Other Representative	VA	11/30/2012
Daniel Zaweski	State Employee	NY	11/30/2012
Susan Brown	WAP	WI	11/30/2013
John Davies	SEO	KY	11/30/2013
Paul Gutierrez, Vice Chair	State Employee	NM	11/30/2013
Duane Hauck	State Employee	ND	11/30/2013
Elliott Jacobson	WAP	MA	11/30/2013
Janet Streff, Board Chair	SEO	MN	11/30/2013
Tom Carey	WAP	NY	11/30/2014
Cris Eugster	Other Representative	TX	11/30/2014
David Gipson	SEO	GA	11/30/2014
Philip Giudice	SGE	MA	11/30/2014
Robert Jackson	SEO	MI	11/30/2014
Ashlie Lancaster	SEO	SC	11/30/2014
Louise Moore	SEO	MT	11/30/2014
Frank Murray	SEO	NY	11/30/2014

Appendix B

State Energy Advisory Board United States Department of Energy

Advisory Board Charter

1. **Board's Official Designation.** State Energy Advisory Board (STEAB)
2. **Authority.** This charter establishes the State Energy Advisory Board pursuant to Public Law 101-440, the State Energy Efficiency Programs Improvement Act of 1990. The State Energy Advisory Board is being renewed in accordance with provisions of the Federal Advisory Committee Act (FACA), as amended, 5 U.S.C., App 2. This charter establishes the STEAB under the authority of the U.S. Department of Energy.
3. **Board's Objectives and Scope of Activities.** In accordance with Section 365 of the Energy Policy and Conservation Act (42 U.S.C. 6325; the "Act"), as amended by Section 5 of the State Energy Efficiency Programs Improvement Act of 1990 (Pub. L. 101-440), the Board shall:
 - (a) Make recommendations to the Assistant Secretary for Energy Efficiency and Renewable Energy on the energy efficiency goals and objectives of programs carried out under Parts D and G of the Energy Policy and Conservation Act and under Part A, Title IV, of the Energy Conservation & Production Act, and make administrative and policy recommendations to improve these programs, including actions that should be considered to encourage non-Federal resources (including private resources) to supplement Federal financial assistance;
 - (b) Serve as a liaison between the States and the Department of Energy on energy efficiency and renewable energy resource programs;
 - (c) Encourage transfer of the results of the energy efficiency and renewable energy activities carried out by the Federal government; and
 - (d) Submit an annual report to the Secretary and Congress on the activities carried out by the Board in the previous fiscal year.
4. **Description of Duties.** The duties of the Board are solely advisory in nature.
5. **Official to Whom this Board Reports.** In accordance with Section 365 of the Act, the Board will report to the Secretary through the Assistant Secretary for Energy Efficiency and Renewable Energy.

6. **Agency Responsible for Providing the Necessary Support for this Board.** The U.S. Department of Energy (DOE). Within DOE, primary support shall be furnished by the Office of Energy Efficiency and Renewable Energy.
7. **Estimated Annual Operating Costs and Staff Years.** The estimated annual operating costs associated with supporting the Board are approximately \$175,000, including 1.0 work year (FTE) of staff support.
8. **Designated Federal Officer.** A full-time or permanent part-time DOE employee, appointed in accordance with agency procedures, will serve as the DFO (or designee). The DFO or designee will approve or call all of the advisory Board's and subcommittees' meetings, prepare and approve all meeting agendas, attend all Board and subcommittee meetings, and adjourn any meeting when the DFO determines adjournment to be in the public interest. The DFO will be the Senior Management Technical Adviser for the Office of Energy Efficiency and Renewable Energy.
9. **Estimated Number and Frequency of Meetings.** The Board shall meet approximately twice each year, once each six months, or as deemed appropriate by DOE. As required by FACA, the Board will hold open meetings unless the Secretary of Energy determines that a meeting or a portion of a meeting may be closed to the public in accordance with subsection (c) of section 552b of title 5, United States Code.
10. **Duration.** The Board's statutory responsibilities, as set forth in Section 365 of the Act, are continuing in nature and shall continue until terminated by law.
11. **Board's Termination Date.** The Board is subject to biennial review and will terminate two years from the date the charter is filed, unless, prior to that time, the charter is renewed in accordance with Section 14 of the Federal Advisory Committee Act.
12. **Membership and Designation.** The Board shall consist of no fewer than 18 or more than 21 members, appointed by the Secretary. At least eight members shall be directors of the State office responsible for developing State energy conservation plans pursuant to Section 362 of the Energy Policy and Conservation Act, and at least four members shall be directors of State or local low-income weatherization assistance programs. Other members shall be persons who have experience in energy efficiency or renewable energy programs from the private sector, consumer interest groups, utilities, public utility commissions, educational institutions, financial institutions, local government energy programs, or research institutions. Other members may include State, local, county, and city government officials who meet one of the statutory categories. Of the members initially appointed to the Board, one-third shall serve a term of one year, one-third shall serve a term of two years, and the remainder shall serve a term of three years, as specified by the Secretary. Thereafter, members of the Board shall serve a term of three years. The Board shall be nonpartisan. In accordance with Public Law 101-440, a Chair and Vice Chair shall be appointed by the Secretary. Each shall serve in his or her respective office no longer than two years. The Board may elect one of its members Secretary of the Board.

The Board may adopt administrative rules and procedures.

Members of the Committee serve without compensation. However, each appointed member may be reimbursed for per diem and travel expenses incurred while attending Board meetings in accordance with Federal Travel Regulations.

- 13. Subcommittees.** To facilitate functioning of the Board, subcommittee(s) may be formed. The objectives of the subcommittee(s) are to make recommendations to the parent Board with respect to matters which are related to the responsibilities of the parent Board. The subcommittee(s) shall be comprised of such members of the parent Board as may be determined by the Chairman of the parent Board. All actions of the subcommittee(s) shall be consistent with the Federal Advisory Committee Act (P.L. 92-463), the Department of Energy Organization Act (P.L. No. 95-91), and any germane implementing directives.
- 14. Recordkeeping.** The records of the Board and any subcommittees shall be handled in accordance with General Records Schedule 26, Item 2, and Administrative Record, Schedule 16, Item 8b(1.1) and approved agency records disposition schedule. These records shall be available for public inspection and copying, subject to the Freedom of Information Act, 5 U.S.C. 552.

15. Filing Date.

Date filed with Congress: 7/29/10

signed
Carol A. Matthews
Committee Management Officer

Appendix C

United States Department of Energy State Energy Advisory Board (STEAB) Resolution 12-01

Subject: Recommendation to enact the Resolutions from the Energy Efficiency and Conservation Block Grant (EECBG) Sub-committee as compiled since June of 2010.

Background: On June 10, 2010, the STEAB adopted a resolution to form the Energy Efficiency and Conservation Block Grant Sub-committee (EECBG Sub-committee). The EECBG Sub-committee was to operate under the oversight of STEAB and was intended to enable the EECBG Program to fulfill the regulatory requirement of 42 USC 17153(f), which directs the Department of Energy to establish a State and Local advisory committee to advise the Secretary regarding administration, implementation, and evaluation of the EECBG Program for the duration of the EECBG Program.

Below are the provisions that were adopted with respect to the structure and organization of the committee:

The EECBG Sub-committee objectives are to:

1. Make recommendations to the Assistant Secretary for Energy Efficiency and Renewable Energy on the goals and objectives of the EECBG Program;
2. Make administrative and policy recommendations to improve the EECBG Program;
3. Serve as a liaison between the EECBG recipient Cities, Counties, Tribes and States and the Department of Energy on the EECBG Program;
4. Encourage transfer of the results of the EECBG activities carried out by the Federal Government; and
5. Report on the activities carried out by the EECBG Sub-committee in the previous fiscal year.

The EECBG Sub-committee consists of a minimum of six (6) members, plus the EECBG HQ Federal employee, currently Ted Donat, as the Chairperson. Members are geographically diverse with not more than one person from the same State, along with gender and ethnic diversity. The EECBG Sub-committee meets in-person at least twice per fiscal year. Mark Johnson served as EECBG Sub-committee Chair until his departure from DOE in March 2011. At that time, Ted Donat, Program Lead for EECBG, took over as Chair.

The current members of the EECBG Sub-committee are:

- **Aaron Klemm**, Energy Project Manager, City of Huntington Beach, CA
- **Angela Fyfe**, Associate Director, Operations, Governor's Energy Office, Denver, CO
- **Peter Johnston**, Project Manager, Burns & McDonnell Engineering Company, Phoenix, AZ
- **Roy J. Estell**, Facilities & Transportation Services, Fulton County, Atlanta, GA
- **Samuel C. Steele**, Sustainability Administrator, City of Fort Worth, TX
- **Sara Stiltner**, EECBG Manager, City of Seattle, WA

The following EECBG Sub-committee meetings were convened and it was out of those meetings that the following recommendations were developed:

- **Meeting 1:** August 11th, 2010, Seattle, WA (Chair: Mark Johnson)
- **Meeting 2:** November 17th, 2010, Huntington Beach, CA (Chair: Mark Johnson)
- **Meeting 3:** March 16th, 2011, Phoenix, AZ (Chair: Mark Johnson)
- **Meeting 4:** June 15th, 2011, Denver, CO (Chair: Ted Donat)
- **Meeting 5:** September 14th, 2011, Atlanta, GA (Chair: Ted Donat)
- **Meeting 6:** February 1st, 2012, Ft. Worth, TX (Chair: Ted Donat)
- **Meeting 7:** Scheduled for May 15th-16th in Arlington, VA (Chair: Ted Donat)

Recommendations: The State Energy Advisory Board recommends that EERE adopt the below recommendations of the EECBG Sub-committee:

- **Expand Green Button Initiative:** Many utilities have been reluctant to share usage information, citing confidentiality concerns. This lack of transparency significantly hampers innovation in energy management and is akin to having a code enforcement program where the locations of the infractions are unknown. The Green Button initiative has shown that government can bring stakeholders together in a meaningful way to encourage data sharing. Over \$1 billion in EECBG funds were invested in building energy upgrades. DOE has an opportunity to add a large public sector component to the Green Button initiative. This would encourage another round of innovation by making energy consumption data available to third parties. It would also facilitate transparent tracking of the energy savings that obtained from the large Recovery Act investment.
- **Disposition of EECBG Data Post-ARRA:** Create a searchable database collection of EECBG closeout profiles that can be used as a future resource for project planning. Resource information should include items listed on grantee EECBG Activity Worksheets, as well as second-tier information, as available, such as Building Project Type (e.g., roofs, windows/doors, lighting, HVAC, water); Funding Source/Amount (e.g., grant, leverage, financing); Incentive Source/Amount.
- **Financing Standards and Facilities:**
 - Create a national/regional EE loan facility. Potential vehicles include: Infrastructure Bank model, Community banks or credit unions, Regional QECBs (*Source: EECBG Sub-Committee Meeting 5, Atlanta, GA, September 14, 2011*)
 - Internal Services Departments need some top level guidance with Finance & Budgeting and evolving Governmental Accounting Standards Board (GASB) standards. The guidance should be directed towards devising a budget-neutral means of managing utility costs. OMB should create a working group to work with DOE to come up with Best Practice Guidelines for financing energy efficiency and sustainability via debt-financed energy savings. (*Source: EECBG Sub-committee Meeting 6, Ft. Worth, TX, February 1, 2012*)

- **Continued Funding of EECBG:** Continuously fund EECBG program as HUD does CDBG so local communities can count on a recurring revenue stream and plan for it. Communities have been reluctant to spend money on any programs that would be ongoing without local dollars to contribute. (*Source: EECBG Sub-committee Meeting 1, Seattle, WA, August 11, 2010*)
- **Regional Energy Networks:** Create case studies, best practices and recommend that recipients without energy management expertise form or join Regional Energy Management Networks, or that EECBG recipients of a certain size (perhaps less than \$500,000 award) be managed by the State Energy Office, or its delegate – a Regional Energy Network. These offices provide public sector energy management expertise at a scale that is responsive to local practices and budgets. (*Source: EECBG Sub-committee Meeting 1, Seattle, WA, August 11, 2010*)
- **Define Best Practices in Energy Management:**
 - Encourage the addition of the words “Energy Efficiency” or “Sustainability” to the titles of Energy Managers.
 - DOE should share best practices regarding the Energy Manager role, qualifications and organizational structure at the local level. The organization chart location of Energy Managers within the local government structure should encourage cross-cutting activities. Ideally these positions should be located in the City Manager’s Office. Energy Managers are well served by being general management matter experts, not just engineers. DOE should create a survey to capture current qualifications for public sector Energy Managers to enable communities to be well served when creating or filling these types of positions.
- **Better Energy Efficiency Branding:** DOE should create an iconic brand for energy efficiency to combat bad press surrounding the stimulus. DOE needs to do a better job of highlighting indirect jobs created. Need to expand the success story beyond speed of deployment, jobs and dollar value spent. Community impact and ancillary societal benefits should be highlighted.
- **Continue Bi-Annual Meetings of the EECBG Sub-committee through September 30, 2013:** As grants will be continuing at least through September 30, 2013 because of Period of Performance Modifications and Revolving Loan Funds, the EECBG Sub-committee should continue to meet bi-annually to provide continued guidance and advice to EERE on management of the EECBG program. (*Source: Ad Hoc EECBG Sub-committee Recommendation*)

Unanimously adopted by the STEAB on April 19, 2012

**United States Department of Energy
State Energy Advisory Board (STEAB)
Resolution 12-02**

Subject: Recommendation to establish a State and Local Energy Efficiency Action Network (SEE Action) Sub-Committee comprised of the current STEAB Board members participating in the SEE Action Network in order to bring to the STEAB for consideration any recommendations for federal action made by the SEE Action Network convened by DOE and EPA.

Background: The State and Local Energy Efficiency Action Network (SEE Action) is a state and local effort facilitated by the federal government that helps states, utilities, and other local stakeholders take energy efficiency to scale and achieve all cost-effective energy efficiency by 2020.

SEE Action, a partnership between the U.S. Department of Energy and the Environmental Protection Agency, looks for opportunities to catalyze and transform the market and foster the emergence of a sustainable energy efficiency industry by providing technical assistance.

The Executive Group consists of more than 30 stakeholders from across the country, including state and local governments, associations, business leaders, non-government organizations, and others who provide visionary leadership, strategic direction, and drive to ensure SEE Action achieves its goal.

SEE Action's Executive Group works with eight smaller working groups, which are staffed by DOE and EPA representatives. Each of the working groups is developing a blueprint (or roadmap) for achieving near- and long-term aggressive goals critical to capturing all cost-effective energy efficiency within the respective sectors.

- Building Energy Codes
- Customer Information and Behavior
- Driving Ratepayer-Funded Efficiency through Regulatory Policies
- Evaluation, Measurement and Verification
- Existing Commercial Buildings
- Financing Solutions
- Industrial Energy Efficiency and Combined Heat and Power
- Residential Retrofit

Recommendations: The State Energy Advisory Board recommends the establishment of a State and Local Energy Efficiency Action Network (SEE Action Sub-Committee comprised of the current STEAB Board members participating in the SEE Action Network. The Sub-Committee will review outcomes from the SEE Action Network and their eight working groups that are directed at federal policy and action and consider, discuss and debate these actions. The SEE Action Network Sub-Committee would report directly to the STEAB and bring all recommendations pertaining to federal policy or actions from the larger SEE Action Network to the Board for consideration.

Unanimously adopted by the STEAB on June 27, 2012

Appendix D

STEAB's Priorities through 2012

To actively support energy efficiency and renewable energy market growth throughout the United States:

- Accelerate development of jobs at state and local levels
- Enhance state and regional EE & RE capacity:
 - Financial
 - Intellectual
 - Manufacturing
 - Technology
- Facilitate the development of more active relationships between Federal and state and local programs and support improved regional coordination
- Accelerate the deployment of clean energy resources across all segments of the economy consistent with principles of equity and affordability
- Seek ways to continue momentum developed as a result of Recovery Act
- Seek sufficient Federal funding to maintain necessary human resources and other infrastructure at the state and local level
- Support expansion of commercialization and technology transfer out of the National Labs and increase coordination with State Energy Offices

Adopted 11-17-11, Knoxville, TN