# LOCAL SUSTAINABILITY: MENU OF OPTIONS

## A REPORT FROM POLICY MATTERS OHIO

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POLICY MATTERS OHIO, the publisher of this study, is a nonprofit, nonpartisan policy institute dedicated to researching an economy that works for Ohio. Policy Matters seeks to broaden debate about economic policy by doing research on issues that matter to working people and their families. With better information, we can achieve more just and efficient economic policy. Areas of inquiry for Policy Matters include work, wages, education, housing, energy, tax and budget policy, and economic development.

#### **Executive Summary**

Our economy, our communities, our workforce, and our environment are at a crossroads. Past practices and policies of the conventional energy economy produced an economy with vast amounts of waste and low road economic development that left our workers behind, our communities impoverished, our residents dependent on fossil fuels imported from out of state, and our environment polluted. Ohioans spent more than \$54 billion on energy in 2008—created from fossil fuels purchased largely from outside Ohio. Our nation's energy productivity—the amount of goods and services we produce per unit of energy consumed—continues to trail both Japan and NW Europe, and is the lowest of all developed nations. Among states, Ohio ranks 30th for our level of energy productivity. As a result, more than \$40 billion leaves our state each year to purchase fossil fuels from outside Ohio. For a state beleaguered by a decade of economic downturn, these are dollars we cannot afford to waste. This is why the City of Oberlin, in partnership with Oberlin College and the city's municipal utility have launched "The Oberlin Project" to make Oberlin the greenest little city in the U.S., grow the local economy in the process, and become a national model for sustainable economic development. This report is meant to assist stakeholders participating in the Oberlin Project, and other communities interested in replicating their efforts.

Examine Energy Use and Emissions. To develop a sustainability strategy, a community must first understand the way it uses energy and where its emissions come. According to a greenhouse gas inventory conducted for the City of Oberlin, its commercial and industrial sector account for the largest share of Oberlin's energy use (28%); local government combined with Oberlin's anchor institution, Oberlin College, amount to 1/3 of total energy use; transportation 24%; and, 15% is by residents in their homes. According to the same study, over half of Oberlin's emissions were due to the use of electricity. Of the non-electricity related emissions, transportation-related energy use accounted for the next largest share (15% of total). These numbers demonstrate Oberlin needs a strategy to reduce emissions from the electric power sector, green its commercial and industrial sector, enable the college and local government to reduce energy use and lead by example, develop a sustainable transportation system, and promote energy savings opportunities among residents.

Reduce emissions in the Electric Power Sector. In Ohio, nearly 70 percent of all energy generated at centralized electric power plants is lost during generation or transmission, resulting in a waste of scarce resources and unnecessary toxic and carbon emissions. Communities across the nation are using policy levers to encourage more distributed and efficient generation in the electric power sector such as employing municipal power authority to promote clean energy development, setting renewable energy targets, conducting community outreach, providing technical assistance, organizing bulk purchasing for discounted rates, engaging in comprehensive long-term planning to guide local energy decisions; and streamlining permitting processes and utility interconnection standards. One of the most exciting policy developments is the utility use of CLEAN contracts (Clean Local Energy Accessible Now), or a feed-in tariff, a set of published rates at which a utility company buys clean energy from local developers.

*Green the Commercial and Industrial Sector*. Across Ohio, the commercial and industrial sectors, combined, account for half of all energy used and over \$18 billion in energy

expenditures (2008). By targeting the commercial and industrial sector for energy savings, we can increase the productivity of our energy inputs, resulting in increased competitiveness, more jobs, and reduced emissions. To do so, cities are creating eco-industrial parks, where they bring together local businesses and manufacturers to share services, transportation infrastructure, energy, and waste streams; as well as engaging in public awareness campaigns, creating revolving loan funds accessible by businesses for clean energy purposes, and incentivizing or requiring new or existing buildings to meet green building standards. Property Assessed Clean Energy (PACE) is an innovative approach using the public works assessment model, typically used for sewers, sidewalks, and other public improvements to finance clean energy projects.

**Local Government and Anchor Institutions in the Community:** An Opportunity to Lead by **Example.** The most successful sector thus far in adopting sustainability measures is known as the MUSH market (Municipalities, Universities, Schools, and Hospitals). Local Governments and anchor institutions in the community, like Oberlin College, are leading by example: Examining their own energy use, setting goals, developing strategies to reduce energy use and increase use of alternative energy, encouraging energy saving behavior among employees, faculty and students, and developing green, local, and efficient purchasing guidelines. Many cities and campuses are employing the use of power purchase agreements to purchase renewable energy systems, and Energy Service Companies (ESCOs) to capture energy savings.

**Develop a more sustainable transportation system.** While many of Ohio's transportation problems require state and regional solutions, there are steps local governments can take to make it easier and safer to walk, bike, use mass transit, and purchase more efficient and alternative-fueled vehicles. Going forward, there are also ways to grow our communities in a more sustainable fashion: promoting rural products in urban areas, supporting farms and the value-added processing of rural resources, and preserving natural land; investing in existing assets downtown and on Main Street, existing infrastructure, and places the community values; and, encouraging low-impact development that utilizes natural landscaping for storm water management.

**Promote energy savings opportunities among residents.** There are four major barriers in the residential market for clean energy: uncertainty in length of ownership; rental property owner may not pay utility bills; a lack of motivation, or ability, to undertake the hassle of learning, organizing, financing, and implementing a project. Successful efficiency programs engage the community, subsidize the cost of energy audits, offer rebates for clean energy products and services, make low- to no-interest loans accessible with longer payback periods, and make efficiency easy. Well-informed contractor networks, community energy action groups, and "energy advocates" are being employed to engage their communities, increase participation rates, and walk consumers through the process. Some of the more innovative financing options involve repayment of equipment installation through the customer's utility or property tax bill.

#### **Conclusion**

Achieving the aggressive goals of the Oberlin Project will require a holistic approach addressing all energy-using and emissions-producing sectors. This document details many options, not all of which will make sense for any particular community. The next step in the research process will be to sort through the options, identify what makes sense for the city,

assess the impact of those options, and identify any barriers to adopting policy options and potential solutions. A green job sketch and workforce development strategy also needs to be flushed out as well to ensure jobs created from green investments are good jobs accessible by local residents.

#### Introduction

Our economy, our communities, our workforce, and our environment are at a crossroads. Past practices and policies of the conventional energy economy produced an economy with vast amounts of waste and low road economic development that left our workers behind, our communities impoverished, our residents dependent on fossil fuels imported from out of state, and a polluted environment. Since the last recession in 2001, from which Ohio never fully recovered, more than 377,000 manufacturing jobs and nearly 63,000 construction jobs disappeared. Five of Ohio's cities are among the nation's top ten list for having the biggest increases in poverty over the prior year. Ohioans spent more than \$54 billion on energy in 2008—created from fossil fuels purchased largely from outside Ohio—roughly \$4,700 per person and 11.5 percent of our gross state product, putting additional pressure on our already strained budgets and economy. Ohio ranks sixth in the nation for the total amount of energy we use, and a shameful third for pollution emitted by our electric power industry.

Historically, fossil fuel energy was cheap and pollution was ignored, in order to grow our industrial economy. In recent decades, fossil fuel prices have become volatile and emissions have become harder to ignore. Our nation's energy productivity—the amount of goods and services we produce per unit of energy consumed—continues to trail both Japan and NW Europe, and is the lowest of all developed nations. Among states, Ohio ranks 30th for our level of energy productivity. More than \$40 billion leaves our state each year to purchase fuels from outside Ohio. For a state beleaguered by a decade of economic downturn, these are dollars we cannot afford to waste.

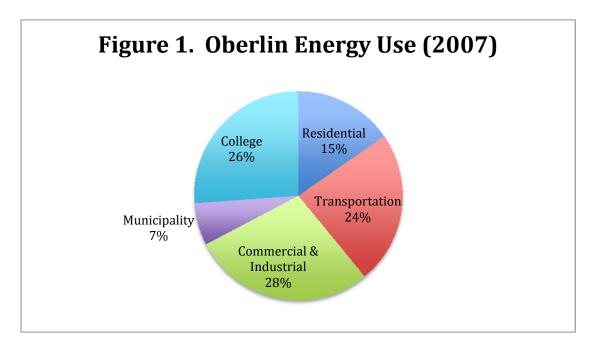
This is why the City of Oberlin, in partnership with Oberlin College and the city's municipal utility have launched "The Oberlin Project" to make Oberlin the greenest little city in the U.S. In the process, they will grow the local economy and become a national model for sustainable economic development. The City of Oberlin, a small town in Ohio, is a deeply loved college community with a lively campus. It's appealing town square has the cafes, boutiques, and book stores you would expect in a college town, but it also has an old-time hardware store, candy shop and ice cream parlor. However, Oberlin share's the state's history of economic distress. In fact, Oberlin's poverty rates are higher than those found in the state as a whole, with more than one in four of its residents in poverty, approximately double statewide figures. Leaders in the Oberlin community hope to preserve what is so compelling about Oberlin while reversing negative economic and environmental trends in Oberlin and surrounding areas. The Oberlin Project will promote the economic and environmental sustainability of the community and surrounding areas by increasing energy independence, reducing fossil fuel use and the harmful pollutants emitted from them, increasing access to renewable energy sources, and promoting energy savings for local businesses, the college, the city and its residents. If this can be done in a small city in Ohio, it can be done anywhere.

**Oberlin Energy Use.** In order to develop a sustainability strategy, a community must first understand the way it uses energy and where its emissions come from. According to a

Youngstown, Toledo, Dayton, Columbus, Akron are in the top ten for fastest growing poverty.

<sup>&</sup>lt;sup>2</sup> Energy Information Administration <a href="http://www.eia.gov/cneaf/electricity/st\_profiles/e\_profiles\_sum.html">http://www.eia.gov/cneaf/electricity/st\_profiles/e\_profiles\_sum.html</a>

greenhouse gas inventory conducted for the City of Oberlin, <sup>3</sup> 170,000 mbtus of energy were used in 2007 to meet the needs of Oberlin businesses, college, residents, and the local government. The cost of that energy, at the average rate of \$20.30 per btu in Ohio (2009), amounts to nearly \$27 million in energy expenditures. The figure below breaks down that energy use by sector, and shows that Oberlin's commercial and industrial sector, not including Oberlin college and local government operations, accounts for the largest share of Oberlin's energy use (28%). The combined energy use of Oberlin college and local government operations amount to 1/3 of total energy use, making the City and its anchor institution, Oberlin College, important players in an effort to lead by example. Transportation accounts for 24% of energy use in Oberlin, and the remaining 15% is by residents in their homes. <sup>4</sup>

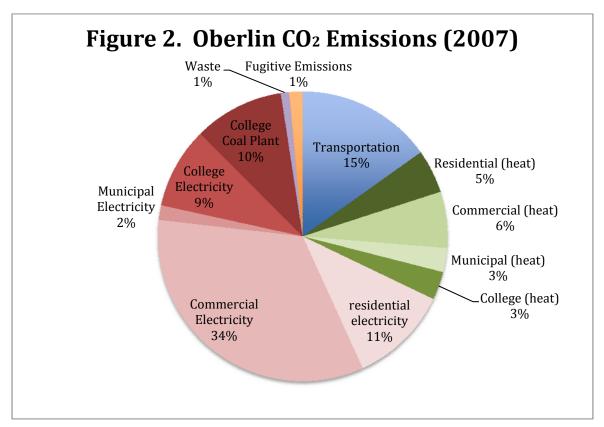


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<sup>&</sup>lt;sup>3</sup> Nathaniel Flashchner Meyer, A Baseline Greenhouse Gas Inventory for Oberlin: Stepping Up to the Challenge of Climate Neutrality (2009).

<sup>&</sup>lt;sup>4</sup> Oberlin College and local government operations accounting for half of that sector's energy use.

**Oberlin Emissions.** According to the same study on Oberlin greenhouse gases, cited above, Oberlin emitted 174,391 tons of carbon dioxide in 2007. Over half of Oberlin's emissions were from the combined use of electricity by the college, local government, residents, and businesses. Electricity and on-site fossil fuel use of the commercial and industrial sector resulted in the largest share of total carbon emissions (commercial heat plus commercial electricity - 40%). Oberlin College, combined with local government operations for the City of Oberlin, accounted for the second largest share of emissions (college coal, college electricity, municipal heat and municipal electricity - 27%), followed by residential heat and power share of emissions at 16%. Transportation-related energy use accounted for 15% of Oberlin emissions.

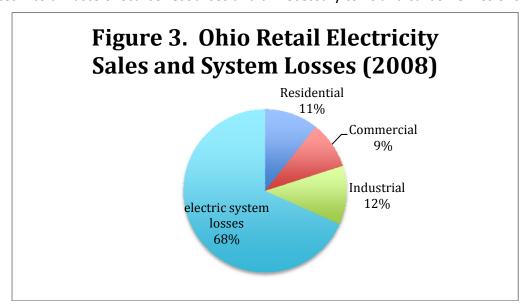


**Energy Strategy.** The figures help to show that to achieve a more sustainable economy and environment, Oberlin needs a strategy to:

- 1. Reduce emissions from the electric power sector
- 2. Green it's commercial and industrial sector
- 3. Enable the college and local government to reduce energy use and lead by example
- 4. Develop a sustainable transportation system that employ smart growth principles
- 5. Promote energy savings opportunities among Oberlin residents

#### 1. Reducing emissions in the Electric Power Sector

Electricity generation is responsible for nearly half of the carbon emissions in Ohio. Ohio's electric power industry ranks third in the nation for the carbon it emits, behind Texas and Pennsylvania. Targeted strategies to diversify the energy portfolio of electric utility companies, to increase local renewable energy use, and to help businesses, residents, and local governments to reduce their electricity use, will significantly impact emissions. Oberlin's municipal electric utility is already on track to secure 85% of their energy from renewable energy, largely from local energy sources. However, a strategy to reduce inefficiencies within the electric power sector itself, a rethinking of the way we generate electricity in Ohio, should also be looked at. The reason the electric power sector is the largest contributor to emissions is that our current system of producing electricity is extremely inefficient. Figure three shows that nearly 70 percent of all energy generated at electric power plants is lost during generation or transmission of electricity through our outdated electrical system. As one company who builds more efficient heat and power facilities says of conventional electricity production, "for every three lumps of coal you put in, you only get one out." Ultimately, this inefficiency translates into a waste of scarce resources and unnecessary toxic and carbon emissions.



Inefficiencies in electricity production are largely the result of heat lost in the electricity production process, a result of our centralized power system. When burning fuels to produce electricity, vast amounts of heat are created and typically discarded through pressure release vents, cooled using lake or river water or cooling towers, or flared. At the same time this heat is being discarded, however, Ohio residents, businesses and manufacturers are purchasing fuel

<sup>&</sup>lt;sup>5</sup> http://eia.gov/state/state-energy-rankings.cfm?keyid=86&orderid=1

<sup>&</sup>lt;sup>6</sup> Nationally, 63 percent of all energy used in the production of electricity is lost during generation. An additional seven percent of net electricity generated is lost during transmission and distribution through our antiquated grid system.

<sup>&</sup>lt;sup>7</sup> Interview with Melissa Mullarkey, Recycled Energy Development (June 19, 2009).

<sup>&</sup>lt;sup>8</sup> See Policy Matters Ohio, *Greening Ohio Industry* (2009)

at <a href="http://www.policymattersohio.org/pdf/GreeningIndustry2009.pdf">http://www.policymattersohio.org/pdf/GreeningIndustry2009.pdf</a>

to create heat on site in order to meet their heating and cooling needs. If we could transfer the heat lost from the electric power sector to consumers in need of that heat, we would reduce enormous amounts of energy waste and related emissions. However, transporting heat requires the use of expensive heavily insulated pipes, with great losses over any distance, and so becomes impractical beyond three miles (and best if done within a half mile). Our centralized electrical power system, located at the far corners of the state, means existing power plants are too remote to transfer heat to most energy consumers. Every kilowatt-hour of renewable energy generated at or near the end user reduces the need for 3.3 kilowatts worth of fossil fuels to be burned at a conventional power plant.

Power generation in a clean energy system is more distributed in nature. In fact, it is often referred to as "distributed energy." Distributed energy can not only serve to reduce the waste heat associated with centralized power production, it can also blur the lines between our now separate systems for heat and power. While solar energy is often thought of as an alternative way to generate electricity, solar thermal energy can be used to heat water, rooms, and floorboards. One often-overlooked component of clean energy, however, is combined heat and power (CHP) technology—a 100-year-old technology that harnesses both the heat and power produced during electricity production. Greater adoption of CHP technology can nearly double the efficiency of our current system of generating electricity, while reducing energy expenditures and emissions. Since CHP technologies often use fossil fuels, but use them wisely, it is often referred to as grey power (frequently natural gas is used but biomass use is growing).

Table one describes some of the policy levers cities are using to encourage distributed generation. Table two describes utility-related efforts to support the development of clean energy. There are many compelling possibilities out there and these tables are meant to give an overview of the myriad options, not to suggest that Oberlin could move forward simultaneously or immediately with all of these ideas. The most exciting policy development, described in greater detail in table three, are CLEAN contracts (CLEAN stands for Clean Local Energy Accessible Now), formerly referred to as a feed-in tariff or perhaps more aptly termed feed-in rates. CLEAN contracts are a set of published rates at which a utility company buys clean energy from local developers. Aside from the general benefits of investing in clean energy, CLEAN contracts put local energy dollars towards community-based infrastructure, make projects more financeable since there is a guaranteed revenue stream for the project, and create a standardized process for developing projects. Appendix 1 provides examples of goals and activities of 25 "Solar Cities" participating in the Department Of Energy's Solar America Communities program.

<sup>&</sup>lt;sup>9</sup> Department of Energy, Oak Ridge National Laboratory, *Combined Heat & Power: Effective Energy Solutions for a Sustainable Future* (2008) at http://apps1.eere.energy.gov/news/progress\_alerts.cfm/pa\_id=131.

Table	1. How Cities can Support Local Investments in Renewable	Energy
Employ Municipal Power Authority	Publicly- and community-owned power utilities across the country are leading efforts in sustainability, operating in the long term interests of the communities they serve. Some places without public power entities are considering the creation of a public clean energy utility.	Oberlin, OH; Gainesville, FI; Sacramento, CA
Pass renewable energy standard	A majority of states and some cities require utility companies to secure a minimum percent of energy from renewable energy sources. Ex. Ohio requires its Investor-owned Utilities to procure 25% of their energy from "advanced energy sources" by 2025, 12.5% of which must be "renewable energy" sources.	Columbia, Missouri requires 15% by 2017; Maine requires 40% from renewable energy by 2017
Establish Targets	Shoot for X # of solar installations, X MW of solar installed capacity; 20% Combined Heat and Power technology capacity adoption.	Milwaukee, WI;
Support CHP development	Fund site-specific feasibility studies and demonstration projects; financial incentives; feed-in tariff policy (see table below); tradable CHP certificates; implement CHP interconnection standards	NYSERDA; Germany (biogas CHP); Ontario; Belgium
Commitment to increase resident's renewable energy	Ex. Sign up 500 customers to purchase renewable energy systems	Boulder
Provide community outreach and technical assistance	Help local businesses and residents understand renewable energy options. Seattle developed and implemented education and outreach programs to Seattle City Light customers and industry professionals. Sacramento created a solar self-assessment web site.	Seattle, WA; Chicago, IL; Tucson, AZ; Sacramento, CA
Community Aggregation Program and Renewable Energy Purchasing Coop	Solar aggregation, bulk purchase. Cities and coops can get a discounted rate for bulk purchase and pass on savings to groups of individuals or businesses. Allows city governments, regional entities representing multiple governments, and coops acting on behalf of residents to negotiate bulk power rates and leverage bargaining power of city residents.	Northeast Ohio Public Energy Council; San Jose; Trico Electric Cooperative (AZ)
Renewable Energy friendly zoning and planning	Integrate solar into local or regional planning efforts: resource planning, economic development, sustainability goals. Pass ordinance allowing renewable energy systems on private property in commercial, residential, and industrial zones (but require permits and set limitations); solar easements; solar access permit; solar rights. Establish a Clean/Green Technology Incentive Zone.	Seattle, WA; Tucson Solar Energy Integration Plan, Greater Tucson Solar Energy Development Plan; Mason City, IA; Sacramento, CA
Rent out solar equipment	Renters pay installation and monthly utility fee	Santa Clara Solar Utility
Streamline permitting and interconnection processes	Seattle conducted a gap analysis between codes and best practices, evaluating and overcoming barriers to interconnection by auditing and reporting on interconnection practices, developing a Customer's Guide to interconnection, and revising City Light's interconnection standards for a more streamlined approach	Seattle, WA; Philadelphia;
Permit fee waivers or Discounts	Reduce or waive local building permit fees, plan-checking fees, design review fees	
Pollution Tax or Health Impact Fee Sources: http://www	Charge for the negative externalities from fossil fuel use and use the funds to invest in clean energy.  v.sustainablecitynetwork.com/topic_channels/finance	

Sources: <a href="http://www.sustainablecitynetwork.com/topic channels/finance">http://www.sustainablecitynetwork.com/topic channels/finance</a>
The Apollo Alliance, New Energy For Cities, at <a href="http://www.policymattersohio.org/pdf/new energy for cities.pdf">http://www.policymattersohio.org/pdf/new energy for cities.pdf</a>; and http://solaramericacommunities.energy.gov/solaramericacities/;

www.policymattersohio.org

	Table 2. Clean Energy Policies and Programs for Utility Companies	
Renewable Energy Standard	A majority of states, and some cities, require utility companies to secure a minimum percent of energy from renewable energy sources over time. Ohio requires IOUs to procure 25% of their energy from "advanced energy sources" by 2025, 12.5% of which must be "renewable energy" sources.	Columbia, Missouri requires 15% by 2017; Philadelphia, 20% by 2015: Maine requires 40% from renewable energy by 2017.
Smart Grid Expansion	Phase in real-time monitoring of energy consumption through smart meters and thermostats. Provide consumer access via web. Enables use of smart appliances, response to price spikes and grid issues, distributed energy, monitoring portfolio of sources.	Austin Energy; Southern California Edison
Microgrid	Small, locally generated power systems. Eliminates need for heavy transmission infrastructure, and reduces energy losses.	Horizon is working with San Diego Gas & Electric; military bases; UC San Diego
Power Purchase Agreements	Long-term fixed-rate agreements between utility and large energy user for clean affordable power provided by utility or 3rd party producer. Concept can be applied to energy efficiency as well.	See table 9 below
CLEAN contracts (feed-in tariff)	Utility engaged in long-term contracts with renewable energy developers for renewable energy generated at published rates that are guaranteed. Rates can differ depending on type of renewable energy produced, whether locally produced/made. Helps local farmers and community members compete with large developers. Amount procured can be capped.	See table 4 below
Efficiency Power Plant	Utility purchases a MW of efficiency like it would power. 3 <sup>rd</sup> party aggregates several efficiency projects to achieve savings.	Oberlin Municipal Light and Power Systems
Decoupling	Sever link between utility profits and sales quantity, a regulatory approach whereby utilities index retail rates to sales volume to reduce profit motive.	Gainesville, FI; Oregon
Clean Energy	Public Benefits Funds can be created from a small surcharge on electricity usage typically based on kw-h use, some flat fee.  Money collected supports wide range of clean energy programs.	Nineteen states require of IOUs; a few cities
Funds	Optional tax-deductible contribution to clean energy  Set aside of % of ratepayer funds	Sacramento Municipal Utility District Sacramento Municipal Utility District
Green pricing programs	Allow customers to choose to pay rate premium for clean energy. Premium based on difference between fossil fuel price and clean energy; allows customers to buy clean energy without producing themselves; Austin Power provides a long-term fixed rate for clean energy while the fossil fuel rate remains variable (advantage to manufacturers)	Austin Power, Xcel energy (nation's cheapest RE program)
Demand-side management	Programs designed to reduce or modify customer energy use.  Cash rebates for lighting, appliances; free energy audits; shift usage from peak to off-peak.	Austin Power, Pacific Gas and Electric, Nevada Power
Net Metering	Allow consumers producing renewable energy for own purposes put excess energy onto the grid, roll back their meter accordingly.  Wisconsin Strategy, New Energy for Cities, at	Oberlin Municipal Light and Power Systems

Sources: Center on Wisconsin Strategy, New Energy for Cities, at

http://policymattersohio.org/apollo/new\_energy\_cities\_2006.htm; Database of State Incentives for Renewable and Energy Efficiency Programs at http://www.dsireusa.org/

#### Table 3. CLEAN Contracts, or Feed-in tariff (rate). 10

CLEAN contracts, aka feed-in tariff, or feed-in rate, is a published rate paid by a local utility company for clean energy sold on the grid. The rate is typically determined by the average cost of the technology plus a reasonable rate of return for the project developer. The utility engages in a long-term power purchase agreement with a clean energy project developer, at the pre-established rate, for the energy that project produces over a set period of years. Unlike the net metering concept, projects under feed-in rate contracts are developed solely for selling power onto the grid. The process for developing a feed-in tariff is outlined below<sup>11</sup>:

- 1) Determine cost of renewable energy (different technologies, different costs);
- 2) Use cost data to set rates, rates will decline over time;
- 3) Develop standardized long-term contracts for generators (15-25 years);
- 4) Utilities roll costs into rate base;
- 5) Monitor installation and cost data constantly.

Additional considerations to meet community needs may include: 1) Consumer protections such as a total program cap, a cap on electric rate increases, exemptions for low-income consumers or refund rate increases to low-income consumers; 2) multipliers or carve-outs for local ownership, small projects, projects installed by organized labor, and for Ohio-made, or American-made resources. CLEAN Contracts may need the approval of the Federal Energy Regulatory Commission (FERC), but not in the case of municipal utilities.

	The City of Gainesville Feed-in Rate Program (CLEAN contracts)
The City of	Gainesville, Florida is the home of University of Florida, has 250,000 residents, and a municipal utility
Gainesville,	serving both the city and suburban area (including electric, gas, water/wastewater, telecom).
Florida	Gainesville's energy supply strategy focuses on building biomass and solar capacity through solar heater
	and solar photovoltaic (PV) rebates, net metering at retail rates, and creation of a feed-in rate.
	Gainesville feed-in rate program. Gainesville is the first city in the U.S. to create a feed-in rate program.
Gainesville	Projects are developed to feed all power generated into grid. No rebates are available for project.
Program	Instead, developers are offered a flat rate based on expected cost to the developer plus a reasonable
	rate of return. Currently, Gainesville is offering 32 cents per kWh for rooftop solar projects, and 26
	cents per kWh for ground mounted projects. There is a cap on the amount of renewable energy the
	utility will purchase of four MW per year, in order to manage the rate impact to consumers. The queue
	for these projects is now filled through 2016 for a total of 32 MW.
	The customer impact of the feed-in rate program is \$.70 per customer. Prior to enacting the program,
Gainesville	the utility conducted a representative customer survey of 400 customers (based on service territory, so
Feed-in Tariff	not just voters). The survey essentially asked "if \$1 or less, would you support solar?" The response was
Impact on	75% "yes." Separately, a sales tax survey was done in the community. This included 28 different items,
Customer	including solar among other things, and asked what would you support a sales tax increase for: schools
	were #1, solar was #3.
	Impact of Gainesville FIT. Prior to starting their aggressive clean energy program, Gainesville's fuel mix
Economic	was 60% coal, 20% gas, 1% renewable, 15% purchased power, 5% nuclear. By 2013, however,
Impact of FIT	Gainesville will cut its natural gas use in half, 22% of electric power will come from renewable energy
in Gainesville	sources in lieu of purchasing power from elsewhere. The city estimates the impact of their feed-in rate
	to include: \$5 million in private funds spent to date by feed-in rate customers, and \$24m estimated
	annually going forward (with 261 estimated jobs created); \$240,000 has thus far gone to 25 owners in
	payments; First 16 months of feed-in rate led to 1000kW installed PV, there are 3.8 MW currently under
	construction (2 large projects, one commercial-sized rooftop); and indirect benefits include location of
	solar companies in Gainesville, capital infusion, solar-friendly zoning rules, and dramatic improvement in
	\$/watt from competition created in the solar market, and a new market was created in leasing rooftops.

<sup>&</sup>lt;sup>10</sup> For more resources on the topic, see the guide to FITs put out by the National Renewable Energy Laboratory (NREL) at <a href="http://www.renewableenergyworld.com/rea/news/article/2010/08/nrel-releases-feed-in-tariff-guide">http://www.renewableenergyworld.com/rea/news/article/2010/08/nrel-releases-feed-in-tariff-guide</a> (144 pages).

<sup>&</sup>lt;sup>11</sup> Presentation by Richard Caperton, Center for American Progress, ICLEI conference

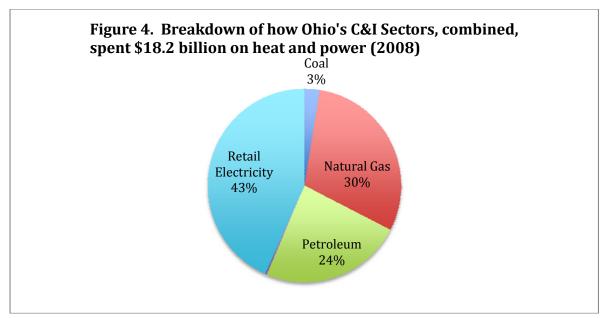
	Other Feed-in Rate Examples
Ontario, Canada	The Ontario Power Authority (OPA) has 20-year feed-in rate contracts for nearly 400 megawatts of community-owned renewable energy projects within the province. The policy was designed to enable farmers, community groups, Native Americans, and Native Canadians to participate directly in the production and development of their own renewable resources, by putting them on equal footing with commercial-scale power producers. Nearly one-third of the capacity will be built by Ontario's aboriginal population. The feed-in tariff program pays varying rates for generation from the wind turbines, solar, biomass, and small hydro. Most recently, they launched a new FIT program for capturing waste heat (200 MW, \$90/mwh). Ontario also includes per kilowatt-hour bonus payment for projects owned by native Canadians, and a per kilowatt-hour bonus payment for community-owned projects. Ontario's separate microFIT program, developed for homeowners and farmers wanting to generate electricity with smaller-scale solar panels, currently has 20,000 applications for microFIT contracts. Within a few years, Ontario will have the largest installation of community-owned renewable resources outside Denmark and Germany. http://www.powerauthority.on.ca/
Michigan	Consumers Power offers pilot FIT program (2010) which was quickly oversubscribed. Traverse City Municipal Power & Light proposal targets 1% solar generation, prioritizes industrial customers.
Minnesota	Nearly all of Minnesota's community-owned wind generation, which amounts to 239 MW or 10% of the state's total generation capacity of 2500 MW, was installed under its Community-Based Energy Development (CBED) program.
California	US. California Assembly Bill (AB) 1969 of 2006 created a feed-in tariff requirement for all California's investor-owned utilities. California's tariff rates are based on time-of-delivery, rather than the generation cost of individual technologies (Unlike German Feed-in Tariffs).
Oregon	Oregon passed a small solar FIT-like program in 2009 (Public Utility Commission finalized rules in 2010), with a 25 megawatts (MW) cap, a requirement the solar photovoltaic (PV) systems be installed by 2014, 15 year contracts. For projects under 100kw, grid connection is guaranteed and the price paid by the utility for the power is cost based.
Maine	The Maine Community Based Renewable Energy Production Incentive, a pilot project launched in 2010, focuses on community-owned projects (requiring projects to be at least 51% locally owned). The program involves 20 year contracts that pays \$.10 per kWh, 1.5 times the cost of a renewable energy credit, or the "cost of the project" for wind, solar, or hydro energy projects that are one MW or smaller.
Vermont	Vermont has a small FIT program, involving 15-20 years contracts for biomass, wind, hydro, landfill methane, and agricultural methane and 25 year contracts for solar power. Costs are based on production costs plus a reasonable rate of return. There is a total program cap of 50 MW.
Wisconsin	Public interest prompted several utilities in Wisconsin, municipal and investor-owned, to launch feed-in rate programs. Alliant Energy offers ten-year contracts for solar, landfill gas, wind, biomass and anaerobic digestion. Madison Gas & Electric (investor-owned public utility) offers ten-year contracts for solar projects. River Falls Municipal Utilities (municipal utility) does ten-year contracts for small systems (up to 4 kW) with a 10 kW program cap. We Energies (a subsidiary of Wisconsin Energy Corporation) does 15-year contracts for biogas from anaerobic digestion. Xcel Energy offers production incentives for wind, biogas and biomass systems between 20 and 800 kW, systems that are too big to qualify for their net metering program with the program capped at .25% retail sales.
Many	Germany. One-half of all wind generation in Germany, or more than 12,000 megawatts, is owned by
European Countries	local investors. The percentage of local ownership is even higher in Denmark and the Netherlands.  Nova Scotia. The Nova Scotia Utility and Review Board will determine feed-in tariffs for large and small wind, biomass, and tidal power that will go into effect on April 4, 2011. Projects in the 100 megawatt program are set aside for Nova Scotians.
Sources: For	mer Mayor of Gainesville Pegeen Hanrahan, Feed-in Tariff panel at ICLEI conference on Sustainability; John

Sources: Former Mayor of Gainesville Pegeen Hanrahan, Feed-in Tariff panel at ICLEI conference on Sustainability; John Ferrell, Institute for Local Self-Reliance; Paul Gipe, Provincial feed-in tariffs spurring community power (NOV 2010) at http://www.grist.org/article/2010-11-04-provincial-feed-in-tariffs-spurring-community-power; http://solveclimatenews.com/news/20100122/states-look-feed-tariffs-boost-renewable-energy; New Rules Project http://www.newrules.org/energy/rules/feedin-tariffs-renewable-energy

#### 2. Greening Ohio's Commercial and Industrial Sector

The commercial sector includes offices, stores, schools, and hospitals. Energy is used by this sector for space heating and cooling, lighting, heating water, and to run appliances. <sup>12</sup> The industrial sector is made up of manufacturing, construction, agriculture and mining, but more than 90% of energy used in the industrial sector can be attributed to manufacturing. Manufacturers consume energy mostly in two ways: they burn fuels on-site, largely to heat chemicals, metals, and glass in industrial processes and for drying paint, but also to provide heating and cooling of buildings and to power vehicles; and they access the electric power grid largely to run electric motors that drive metal cutting tools and conveyer belts, but also to power welding tools, electric furnaces, and electric forklifts. Manufacturers also use electricity to light, heat, and cool buildings. Both sources of energy—on-site fuel burning and electricity—produce carbon dioxide emissions.

Commercial and Industrial Sector Energy Use. Across Ohio, the commercial and industrial sectors, combined, account for half of all energy used and over \$18 billion in energy expenditures (2008). Figure 4 breaks down Ohio's commercial and industrial enterprises non-transportation energy spending. In Oberlin, the commercial and industrial sectors, together, account for 61% of all energy use in the community. 14



<sup>&</sup>lt;sup>12</sup> The Need Project, *Intermediate Energy Infobook: Energy Consumption*, p. 44-48 at <a href="http://www.need.org/needpdf/infobook">http://www.need.org/needpdf/infobook</a> activities/IntInfo/Consl.pdf.

<sup>&</sup>lt;sup>13</sup> Energy Information Administration (2008).

<sup>&</sup>lt;sup>14</sup> Oberlin has a high percentage of people employed in professional occupations, with 45% of Oberlin's labor force employed in education, health care, or social assistance (double the levels of elsewhere in the region and state). The City of Oberlin is less manufacturing intensive than the state and region as a whole, with a smaller percentage of residents currently employed in manufacturing (10% compared to 16% employed in manufacturing jobs across Ohio and 19 percent in Lorain county as a whole).

Saving energy is cheaper than producing it. By targeting the commercial and industrial sector of our economy for energy savings, where large amounts of energy are concentrated in the hands of relatively few users, we can make significant progress towards reducing emissions while increasing the productivity of our energy inputs. Since most Ohio companies are not in the energy business, they are typically not experts on energy production or energy management and may be unaware of energy-saving opportunities. Even for a company thoroughly educated on energy savings investment opportunities, capital financing may be difficult to procure and efficiency not the highest priority. Nonetheless, most companies could realize significant permanent energy savings that more than pay for themselves within a short amount of time. It is in both our society's interest to dedicate public resources toward achieving energy savings, and that of our commercial businesses and manufacturing firms, and their employees. The achievement of significant energy savings would allow Ohio's businesses to invest more to increase their productivity, wages, profits, or jobs. The result will be increased competitiveness, more jobs, and reduced emissions. Table four describes how cities are encouraging and supporting the greening of our commercial and industrial sectors.

	Table 4. Cities are supporting energy savings in the Commercial Sector	
Building Performance Disclosure	There is an emerging trend to require or encourage disclosure of buildings energy performance, often limiting disclosure to time of sale or lease of building. However, some communities are creating on-line database accessible by public. Most apply to non-residential buildings, public buildings, and multi-family units. Florida applies to new residential	Austin, TX; Berkeley, CA (RECO); New York City; D.C.; Seattle; California; Florida; Washington
Public awareness campaign	Provide free or low cost energy audits and information on incentives, financing. City can partner with green businesses: offer inspections, auditing services, financial support to Green Business program to promote green business certification. Green Technology Incentive Zone.	Chula Vista, CA; Oakland, CA; Sacramento, CA
Revolving loan fund	Revolving Loan Fund for local businesses	Miner County, SD
	Fee reductions or waivers	Babylon, Ny
Croon building	Grant programs, rebates, offer zero or low-interest loans	King County, WA
Green building incentives for the private sector	Modifications to city's zoning regulations; reward LEED buildings with benefits beyond those typically allowed under zoning standards  Expedited permit review for qualified green building projects	Arlington, VA Gainseville, Fl
	Technical and marketing assistance	Oakland, CA
Green Building Requirements	Green requirements in building permit process. Require efficient building checklist in building permit process. If remodel or demolition, require deconstruction plan. Require minimum points for project.  Adopt new construction code. *The State of Ohio sets code "ceiling.".	Aspen, CO; Chandler, AZ; El Paso; Tampa; Monterey, CA; Fairfax County, VA; Starkville, MS
Local Government Bonding	Fund large-scale initiatives, or loan out funds to businesses for renewable energy or energy efficiency; energy efficiency projects can payback via energy savings. Can fund utility-scale renewable energy project; Repower coal plants with locally-sourced biomass. <i>Climate Neutral Bonding</i> involves using the bonding process as an opportunity to encourage environmentally-friendly practices by only using them to subsidize projects where there is no net increase in GHGs.	Lamar, CO; Hibbing, VA; MI
	ding Incentive Strategy <a href="http://www.usgbc.org/DisplayPage.aspx?CMSPageID=20">http://www.usgbc.org/DisplayPage.aspx?CMSPageID=20</a>	
The Apollo Alliance,	New Energy For Cities, at http://www.policymattersohio.org/pdf/new_energy_for	or cities.pdf;

14

Table five details an innovative concept – Eco-industrial parks, where cities are bringing together local businesses and manufacturers come to share services, transportation infrastructure, energy, and waste streams. Indigo Development defines an eco-industrial park as "a community of manufacturing and service businesses seeking enhanced environmental and economic performance through collaboration in managing environmental and resource issues, including energy, water, and materials."

	Table 5. Elements of Eco-Industrial Parks	
Network of green businesses, green manufacturers, and/or services companies	Some parks are a mix of residential, office, and retail (mixed-use) model supporting green tech and consulting groups. Others focus on distributors warehouse/distribution companies, heavy and light manufacturers, companies that focus on environmental services, and industries that re-manufacture and re-use existing products.	Chattanooga, TN- The Volunteer State; The Green Gold Initiative (Buffalo, NY); Red Hill Ecoplex (Choctow County, MS); Coffee Creek Center (Chesterton, IN)
Access to landfill gas, biomass, local renewable resources, or colocation with power plant	Energy is an important element in industrial ecology. A number of eco-parks incorporate energy systems. Examples include parks that convert landfill into energy system, run a biomass electricity generation plant for manufacturing company, co-locate with a gasfired power plant; demonstrate and promote technologies that effectively use indigenous renewable resources. Can develop green industry network around anchor power plant.	Berks County, PA; The Cabazon Resource Recovery Park (Indio, California); Intervale Food Center (Burlington, Vermont); Red Hill Ecoplex (Choctow County, MS)
Offer businesses lower overhead costs, access to infrastructure, incentives	Some attempt to bring new industry into town by offering infrastructure, lower overhead costs, and incentives. Some house companies or organizations in a solar-powered or eco-enterprise building. One marine-based park includes an oil recycling business, an ecologically-designed water reclamation system, solar and renewable energy, and a compost business	Brownsville Eco-Industrial Park (TX); Port of Cape Charles Sustainable Technologies Industrial Park (VA); Franklin County Eco- Industrial Park (NC); Shady Side Eco-Business Park (MD);
Resource Recovery Facility and Joint operations	Nearly all the eco-industrial parks facilitate opportunities to identify where one industry's waste can serve as another industry's raw material. Many of the parks incorporate resource recovery facilities, or re-use centers, for reuse, recycling, remanufacturing, and composting purposes. Some redistribute usable materials to public. One park revolves around selling and marketing salvaged building materials. Can ID businesses with certain core capabilities that could benefit from coordinating activities, sharing resources, and participating in joint operations, such as water treatment, reduce dependence on transportation and increase competitiveness.	East Shore Eco-Industrial Park (Oakland, CA); Green Institute Eco-Industrial Park (Minneapolis, MN); NWLCC-Northwest Louisiana Commerce (Shreveport, LA); Trenton Eco-Industrial Complex (NJ); Civano Environmental Technologies Park (Tucson, Arizona)
Maximize use of intermodal transportation of raw materials and waste streams	Transportation is treated as an important element in a number of eco-parks. One site's superior port, rail, and interstate access will be used to maximize the intermodal transit of raw materials and waste streams, and facilitate creation of industrial "closed loop" production process.	Fairfield Park (Baltimore, MD); Plattsburgh Eco-Industrial Park (NY)
Process waste streams on site	One park, located within a sustainably harvested forest, processes waste streams on site to avoid transporting waste to overloaded wastewater and solid waste facilities.	Raymond Green Eco-Industrial Park (WA)
Develop on vacant industrial sites/brownfields	Redevelop a brownfield, former military base, or existing industrial park into an eco-industrial park. Can include both new development land and redevelopment of former industrial land.	The Green Gold Initiative (Buffalo, NY); Fort Devens (Devens, MA); Port of Cape Charles Sustainable Technologies Industrial Park

Commercial Financing Option: Property Assessed Clean Energy. <sup>15</sup>An innovative way to finance green projects in the commercial sector via property assessments. Property Assessed Clean Energy (PACE) financing applies the public works assessment financing model, typically used for sewers, sidewalks, and other public improvements to help finance clean energy projects such as solar panel and energy efficiency retrofits. This approach was first initiated in California, where state-enabling legislation passed in 2008 and the first PACE bond was issued in 2009 in Berkeley, California. Subsequently, PACE legislation has passed in 23 states altogether, including Ohio.

How PACE works. <sup>16</sup> Owners of private property located within a designated special improvement district, referred to as an "energy SID," have the option of the city covering their upfront costs for a clean energy project. The property owners then repay the "loan" in regular installments over an extended period of time, from five to twenty years, via a special assessment on tax bills. In theory, the special assessment stays with the property, or "runs with the land," regardless of whether the property undergoes a transfer in ownership, creating "solar" or "green buildings." Cities must use their taxing authority to create the vehicle that this possible. Property owners will issue a request to their city for a voluntary tax. The city will bundle tax requests of all interested property owners and pass an ordinance. The funds to cover upfront costs often come from the issuance of municipal bonds.

Ohio PACE legislation. Ohio PACE enabling legislation, passed in 2009, allows cities and townships to create Energy Special Improvement Districts (energy SIDs) where solar PV, solar thermal, geothermal, customer generated wind, biomass or gasification, and energy efficiency projects can be financed via a tax assessment on the property. To provide for upfront project funds, cities and townships can use general or special obligation bond financing, or federal loan guarantee programs.

Northeast Ohio Advanced Energy District. The Northeast Ohio Advanced Energy District takes advantage of the state legislation passed in Ohio. The 1<sup>st</sup> ring suburbs group of cities created a regional initiative that currently encompasses 15 cities all of which are in Cuyahoga County. By going regional and centralizing services, the communities were able to pool their risk, share

<sup>15</sup> http://www.greeninstitute.org/programs/green-

buildings.htm http://www.smartcommunities.ncat.org/articles/basicfct.shtml; http://www.devenscommunity.com/about\_us/massdevelopment.html

and <a href="http://www.ecostardevens.com/index">http://www.ecostardevens.com/index</a> files/Page591.htm; <a href="http://clinton2.nara.gov/PCSD/Publications/Eco">http://clinton2.nara.gov/PCSD/Publications/Eco</a> W orkshop.html#v-b; <a href="http://greentogold.wordpress.com/about/">http://greentogold.wordpress.com/about/</a>; <a href="http://www.thriveinlondonderry.com/londonderry-advantage/eco-park.aspx">http://www.thriveinlondonderry.com/londonderry-advantage/eco-park.aspx</a>

Sources: http://pacefinancing.org/about-us/; http://pacenow.org/blog/ [stating also "the following states have recently passed enabling legislation: CA, CO, FL, GA, IL, LA, ME, MD, MN, MO, NV, NH, NM, NY, NC, OH, OK, OR, TX, VT, VA, WI, and legislation is pending in Arizona. Florida and Hawaii have existing ability to launch PACE programs."]; http://greenlandlady.com/site/business/defying-the-fhfa-fannie-freddie/; the state of California v. FHFA (July 2010); http://californiagreenbuildingblog.files.wordpress.com/2010/10/state-of-california-v-fhfa-complaint.pdf; NRDC complaint http://docs.nrdc.org/energy/files/ene\_10100601a.pdf); http://www.dsireusa.org/incentives/incentive.cfm?Incentive\_Code=OH41F&re=1&ee=1; Notes of interview with Mike Emancipator, Executive Director NE Ohio Advanced Energy District (11/15/2010); Notes from interview with Tom Bullock, Lakewood City Council (11/11/10). ORC §1720. http://www.bricker.com/publications-and-resources-details.aspx?Publicationid=2125

legal and administrative costs, and in turn, provide cheaper loans (based on going to bond market together). By limiting their focus initially to the commercial sector, they plan to avoid FHFA issues which apply to residential buildings.

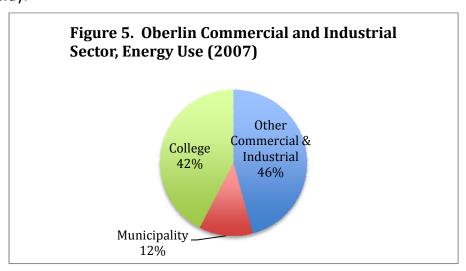
PACE v. Federal Housing Finance Agency (FHFA). Public works assessments have been a long-standing practice for municipal projects such as sewers and sidewalks. However, clean energy assessments can be much larger than the typical public works assessment and are often financed by a private entity and not the municipality itself. It is the price tag of these projects that raised red flags with the Federal Housing Finance Authority (FHFA) where PACE loans are in first lien position (meaning investors backing clean energy projects take priority in line over mortgage lenders in collecting on bad debt). In May of 2010, Fannie Mae and Freddie Mac, who together own or guarantee half of all residential mortgages, issued letters advising lenders not to finance properties with PACE loans. In essence, FHFA believes the currently unregulated form of PACE may present risk to the stability of the "fragile" housing market.

Response to the FHFA position. A number of communities suspended PACE programs, including Berkeley. Some are moving forward, but focusing on the commercial market. A few are continuing to offer PACE options in the residential market. Maine's authorizing legislation put PACE investors second to the senior lien position and so they continue to move forward with their PACE program with \$30 million in federal funding. Vermont went further and extinguished the loan altogether on foreclosure. The problem with this approach, however, is that this increases the risk for clean energy project investors, thereby increasing the cost of these loans (via the interest rate) and reducing the competitiveness of the price for the loan. Vermont's program essentially creates an unsecured loan, and may have trouble finding any investors. In July 2010, the State of California filed suit against FHFA (and others followed suit will similar arguments). California took issue with FHFA characterization of PACE "assessments" as "loans," when California clearly defined PACE as an assessment with a public purpose, a financing mechanism that has been used for well over a century.

Standards for PACE loans. Communities are already applying existing standards for special assessments such as the requirement that property taxes for the property in question be up to date, and that the property be free of certain types of liens such as delinquent tax liens. The first city to create a PACE program is also leading in the development on standards for their program. The project's loan to value ration may not exceed 10%, and consent from the mortgage lender is required for project loan amounts exceed \$30,000. DOE guidelines are here <a href="http://www1.eere.energy.gov/wip/pdfs/arra">http://www1.eere.energy.gov/wip/pdfs/arra</a> guidelines for pilot pace programs.pdf.

### 3. Local Government and Anchor Institutions in the Community: An Opportunity to Lead by Example

The most successful sector thus far in adopting sustainability measures is known as the MUSH market (Municipalities, Universities, Schools, and Hospitals). Local governments and anchor institutions in the community, like Oberlin College, are leading by example. Figure 5 shows the energy use for Oberlin's local government and Oberlin College, combined, accounts for more than half of all energy used in the commercial and industrial sectors, creating important opportunities to lead by example. And aggressive efforts to do so are already underway.



Local Governments and anchor institutions in the community can start their effort to lead by example by:

- Examining their energy use (buildings, transportation, electricity, etc.)
- > Setting Goals: An effective strategy is setting an amount of energy use to be reduced (efficiency first), and goals for percentage or amount of clean energy to be used. 17
- Developing strategies to reduce energy use and increase use of alternative energy. 18
- ➤ Passing a Climate and Environment Protection Resolution or Pledge: Highlight importance of clean energy/ energy efficiency, and support for adoption; outline existing measures and future commitments to these purposes.

Table 6 describes policies cities and campuses are adopting to lead by example. Table 7 describes power purchase agreements, the mechanism which many cities and campuses are employing to purchase renewable energy systems, and Energy Service Companies (ESCOs), the mechanism being used to capture energy savings in local government operations and on campuses.

<sup>&</sup>lt;sup>17</sup> For example: Reduce GHG by X%; Upgrade X number of buildings over 10 years; Powered by 100% clean energy; Reduce energy use by 15%; Achieve X MW in self-generation.

<sup>&</sup>lt;sup>18</sup> Such as adopting high-performance building (LEED) policies; exploring and taking advantage of water conservation, recycling, passive solar opportunities and innovative transportation solutions; employing deconstruction practices; using storm water collectors and more efficient lighting; and encouraging employees to reduce energy consumption in their daily practices and commute.

Table 6. Strategies for Cities and Campuses to Lead by Example		
Encourage energy saving behavior among city and campus employees, faculty and students.	Public awareness or "power down" campaigns; Friendly competition with rival community, between departments, buildings, or dorms; allow some energy savings to be paid back to department. Create "green teams," peer education program, appoint energy coordinators across departments. Encourage energy-saving behavior, use efficiency monitoring software, work with schools to integrate solar education into the curriculum.	Gainseville, FL; Oberlin College
Generate Energy from and purchase Renewables. Retrofit Existing Buildings with renewable energy.	Purchase renewable energy through power purchase agreements (see table below), utility green choice program; purchase Renewable Energy Credits. Set Goal such as Get 15% of power in City-Owned Buildings from renewable sources in 15 years, or, all new facilities will be equipped with 25% renewable energy; Put renewable energy in City Hall or other high-profile location; retrofit subsidized housing. Allow students to monitor.	Albequerque, NM; Oroville, CA; Oakland, CA; N. Bonneville, WA; Stark County, OH; Sacramento, CA
Use Fossil Fuels wisely	When using fossil fuels, employ most efficient technology available. Install or contract for combined heat and power technology.	Honolulu, HI
Municipal biomass collection, Community methane digesters	Convert waste wood to fuel using co-generation technology; use renewable fuel for power; biodegradable bags in dog park; retrofit local dairies and food processors with methane digesters; collect manure from small to midsize farmers; use byproduct as fertilizer	St. Paul, Minn; Phillips Coop in Minneapolis
Energy Improvement Program	Conduct Energy audits and upgrade public and campus buildings and technologies. Conduct energy audits of buildings; develop energy improvement program; Establish a 10-year schedule for audits, building upgrades and optimization. Reduce energy footprint of technology, equipment, appliances, heating, cooling, and lighting, use occupancy sensors and centralized environmental control system.	San Diego, CA; Springfield, MA; Chula Vista, CA; Los Angeles; Seattle, WA: City Light's Five-Year Energy Efficiency Action Plan
Green Building Standards	Adopt green building standards for both existing and new public buildings and on publicly-funded projects. Require new municipal buildings, additions, and renovations to meet green standards. Can limit to buildings over a certain size. Require any publicly funded project to meet green building requirements.	New York City; Dallas, Tx; Chicago, Ill.; Seattle; Minnesota
Green, Local, and Efficient Purchasing Guidelines	An environmental procurement policy is a system for choosing products with minimal impacts that favors recycled content, minimum packaging, local, energy-efficient, % from local farmers, environmentally-friendly, and durable products. Require departments and agencies to use or give preference to companies employing sustainable practices, incorporate green principles in RFP process, educate suppliers; require carbon disclosure from suppliers. Implement training across departments. Create interdepartmental purchasing partnership.	Dallas, TX; Portland, Seattle; U. of Louisville; Berea College; Carnegie Mellon University; Ithaca College; Lansing Community College; Univ. of Pennsylvania
Pension Fund Investments	Invest pension fund money into energy efficiency and clean energy projects. Retrofit of portion of pension funds into comprehensive retrofit of city buildings. Direct excess funds for equity investment in clean energy technology.	Los Angeles, CA (0.5%); California Green Wave (ROR=14%)
Community reuse & recyling	Community "Garage" Sale timed with semester end to encourage students to sell furniture instead of discarding. Institute recycling and composting programs.	
	ce, New Energy for Cities; The Apollo Alliance, New Energy for Campus nlyres/E663/Writing <b>Green</b> Policy.ppt	es;

**Participants** 

#### **Table 7. Power Purchase Agreements**

A Power Purchase Agreement (PPA) is a financial arrangement in which a third-party developer owns, operates, and maintains the renewable energy system, and a host customer agrees to site the system on its property and purchases the system's electric output from the service provider for a predetermined period. See Power Purchase Agreement Checklist for state and local Governments at http://www.nrel.gov/docs/fy10osti/46668.pdf.

Host customer- enters a long-term contract (usually between 6-25 yrs) with a renewable energy service provider to purchase generated power. Property can be owned or leased (if leased, long-term leases are recommended). Purchase price of the generated electricity is less than or equal to host customer's usual electric service fee. Fixed or adjustable rate (PPA's often contain an annual price escalator in the range of one to five percent). Only pays for what the system produces. Solar services provider- acts as project coordinator. Purchases the solar panels for the host customer from a PV manufacture. PV manufacture provides warranties for system equipment. Installer- designs the system. Installation takes 3-6 months. May conduct follow-up maintenance of the PV system. Investor- provides equity financing and receives the federal and state tax benefits for which the system is eligible. Utility (serving the host customer) – interconnects the PV system to the grid. Continues its electric service with the host customer to cover the periods during which the system is producing less than the site's electric demand.

Benefits Receive stable and sometimes lower cost electricity; Visibly demonstrable environmental commitment; Potential increase in property value; Support for local economy and job creation Campus Smith College- Northampton, Mass; Anne Arundel Community College- Rockville, Md.; College of **PPAs** Wooster- Ohio; Clatsop Community College- Oregon; Southwestern University- Georgetown; East Los Angeles Community College (ELAC); San Diego Community College; William Paterson University- NJ **Public Sector** Galt, CA; Thousands Oaks, CA; Santa Clara County; Boulder County, CO; Denver, CO; Calif DOT; Federal PPAs entities are also taking advantage of these models, such as Wright Patterson Air Force Base Private Utility Companies like American Electric Power, Private companies like Ford Motor Co. and Shearer sector PPAs Potato Chips (1<sup>st</sup> LEED platinum food manufacturing facility in the world, located here in Ohio). in Ohio

#### **Energy Service Companies (ESCOs)**

Energy Service Companies (ESCOs) have historically provided opportunities for capturing energy savings in the MUSH market (Municipalities, Universities, Schools, and Hospitals). In essence, ESCOs contract with building owners to make energy efficiency improvements to facilities, guarantee savings from them, secure upfront funding for the work, monitor performance, and maintain the system, in exchange for regular efficiency service payments over a fixed term. Key benefits of this model include reduced energy consumption and energy operating costs, business opportunities and jobs in finance and engineering sector, and a market model to overcome finance barriers. The ESCO model is selffinancing, payments secured for energy savings leverage upfront financing.

Campuses	Kent State University; Owens Tech Community College (OH); Montana State University; University of
with ESCO	California, California Community Colleges, California State University System; Eastern Michigan
contracts	<u>University</u> ; <u>Ferris State University</u> ; <u>Kettering University</u> ; <u>Lake Land College</u> ; ; <u>Lewis &amp; Clark</u>
	College; Pennsylvania State University (PSU)-Altoona; Salisbury University; Sullivan County Community
	College; University of Missouri Kansas City; Arizona State; Eastern Illinois University; Allegheny College
	2
Cities with	Alexandria Sanitation Authority; Arlington County Justice Center; Bridgeport Housing Authority; City of
ESCO	Big Spring; City of Charlottesville; City of Cleburne; City of Conroe; City of Glendale; City of Glens Falls;
contracts	<u>City Of Glens Falls Wastewater Treatment Plant; City of Hillsboro, Ore; City of Jacksonville; City of Kings</u>
	Mountain; City of Kingston; City of Laurel; City of Millbrae; City of Oswego Water Department; City of
	Rosenberg; City of Tulare; County of Fresno; Gulfport Federal Courthouse; McHenry County, IL; Miami-
	<u>Dade County Libraries</u> ; <u>Nashville Housing Agency The Clearwater Cogeneration Wastewater Treatment</u>
	Plant; Three Rivers Solid Waste Authority; Washtenaw County; Wilson County

Sources: National Assn. of Energy Service Companies at http://www.naesco.org/resources/casestudies/default.aspx

#### 4. Develop a more sustainable transportation system

Every year we spend billions of state and federal taxpayer dollars on our roads and highways in order to build and maintain our car-centric culture. For decades now, we have underinvested in alternative transportation options, both as a state and as a nation, making them less reliable, safe, and as convenient as they could be. Less than one percent of the state's transportation budget goes towards public transit, making Ohio 40<sup>th</sup> in the nation for its relative commitment to public transportation, a particularly shameful position given our highly urbanized state. <sup>19</sup> Our distorted allocation of transportation resources, exacerbated by the fact that economic development tends to follow transportation patterns, has spread jobs, homes, stores, child care, health care, schools, universities, and training centers all over the map, making it nearly impossible for Ohioans to get by without cars. But cars are expensive to own, operate, and maintain, and they rely heavily on polluting fossil fuels imported from out of state. Together, Ohioans used almost 118 million barrels of oil in 2009, ranking Ohio sixth in the nation for the amount of motor gasoline we consume, at an annual cost of nearly \$12 billion dollars, 98% of which is imported from outside Ohio. <sup>20</sup>

Ohio needs a strategy to make our transportation sector more economically and environmentally sustainable. A 21st century transportation system includes not only roads and highways, but also a complete network of alternative transportation, including freight and passenger rail within our cities and across the state, hybrid buses, streetcars, and bikable, walkable neighborhoods. While many of Ohio's transportation problems require state and regional solutions, there are steps local governments can take to make it easier and safer to walk, bike, and use mass transit, and to encourage use of more efficient and alternative-fueled vehicles (see table 8 for some ideas). Going forward, there are also steps local governments can take to grow their communities in a more sustainable fashion. A report from International City/County Management Association (ICMA), "Putting Smart Growth to Work in Rural Communities" highlights a three-prong smart growth strategy for smaller communities, like Oberlin, that revolves around a vibrant downtown where community events take place and residents shop, a walkable Main Street with compact neighborhoods nearby, a variety of transportation options, and the preservation of open space and farmland (table 9):

- 1. **Support the rural landscape** by enhancing working lands—farms, prairies, forests, and rangelands—and conserving natural lands.
- Make existing spaces a priority for investments. Build on past community investments by
  investing in existing assets downtown and on Main Street, existing infrastructure and places
  the community values. This will promote compact development, keep local infrastructure
  costs down, and preserve land.
- 3. **Create vibrant, enduring new places that people don't want to leave** and that attract young people into the community.

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<sup>&</sup>lt;sup>19</sup>found

at <a href="http://icma.org/en/icma/knowledge">http://icma.org/en/icma/knowledge</a> network/documents/kn/Document/301483/Putting Smart Growth to Work in Rural Communities

http://www.eia.doe.gov/states/ seds updates.html

Table 8. Mak	e it easy and safe to walk, bike, and use mass transit. Promote efficient v	ehicles.
Comprehensive Planning	Engage in comprehensive transportation and land use planning for city and campus, with housing near work places. Ensure adequate lighting, complete network of sidewalks and bike paths, adequate bike racks, a trail system that links neighborhoods with nearby communities and a commuter route that protects riders from high-speed traffic areas, consider fixed route transit service to serve residents, visitors, commuters, students, and faculty within the community and key locations in the region.	Miner County, South Dakota; the Katy Trail;
Sustainable Street Design	<ul> <li>Streetscape improvements to support multiple modes of transportation (walking, biking, transit): street paving; sidewalk improvements; planters; furniture; trash bins. Use EPAs Smart Growth Implementation Assistance program, draw on Metropolitan Planning Association funds.</li> <li>Context-driven street design. Through street design, the city can increase walkability and bikability of streets, slow traffic, incorporate local history</li> <li>Green Street Design. Reduce paved surfaces, use right-of-ways for multiple purposes, plantings (such as tree canopies to reduce road temperatures while encouraging walking/biking).</li> </ul>	Cobblestone Street Interpretive Park (Booneville, Missouri)
Encourage use of alternative transportation	Campus partnership with city/county to improve public transportation. Improve transit service and increase ridership, key partners like college to work with city/county/region for seamless system. Divert state and federal transportation dollars to buses, streetcars, light rail, etc.  Transit incentives. Offer free or low cost transit passes (students, faculty, staff, city employees); or, if forego parking permit, get free transit in county; Offer choice program: bus pass or parking permit.  Encourage biking. Bike-sharing services; tandem bike taxi service; Employee Bike to Work Program. Add bicycles to city fleet. Award credit to city employees, students, faculty, staff who bike/walk to campus/work that can be exchanged for discounts; discounts on bike maintenance; coupons for bikers to local eateries.  Promote less car use. Increase parking fees. Provide preferential parking and incentives for carpooling, carsharing. Registered carpoolers can share parking permit costs.  College can sell parking permits only valid certain days of week (encourage students to weigh costs). HOV lanes. Developer incentives for incorporating carsharing into project plans. Discounts you chars coupons for carsharing members	(Montana State University)  City of Madison & U. of Wisconsin Kent State University; Madison, WI; Cornell  Austin & U. of Texas; Hoboken "surrender your
Alternative-fuel and Efficient vehicles	exemptions from sales tax; parking discounts, preferred parking, or free parking for hybrid vehicles  Encourage private companies to green their own fleets: Grants, rebates, and other incentives; use public benefits funds; incent or require green cabs  Make green transportation easier by building alternative fueling stations; collect citywide waste vegetable oil. Green Buses. Biofuel for buses, or electric streetcars; exclusive bus lanes.  Green City and Campus Fleets. Alter purchasing guidelines to favor fuel-efficient and alternative fuel vehicles. Set goal for 100% clean and green fleet. Require all new vehicles be most efficient technology possible. Evaluate existing fleet for size and fuel	permit" package Albuquerque; Austin; Towson University New York City; Chicago Salt Lake City, Ut; Carmel, IN; Cleveland RTA  Boston, Mass; New York City; Seattle, Wash; Berkeley
	on Wisconsin Strategy, New Energy For Cities; COWS, New Energy For Campuses; ICMA, in Rural Communities	Putting Smart

	Table 9. Smart Growth Policies for Small Cities and Rural Com	munities
Assessment and Planning	<ul> <li>Assess current connections to other communities, assets and challenges within the community. Define the communities' vision using a collaborative visioning process, identifying highest priorities, most valuable resources, and cultural identity.</li> <li>Pass a long-term plan for efficient land use, farmland protection, balanced transportation system, diverse housing options, series of interconnected parks and open spaces. Determine which land to conserve, which land can accommodate growth. Designate growth areas, consider road, transit service, trails and other existing infrastructure. Update community documents to accommodate new growth through compact and contiguous development.</li> <li>Rural Learning Center. Local governments often do not have the staffing resources to develop comprehensive transportation and land use plans, sustainable economic development strategies, and the tools to implement them. Local schools and colleges can support revitalization efforts through a rural resource center.</li> </ul>	Sioux Falls 2035 Comprehensive Master Plan; Miner County, South Dakota; Horton, Kansas; Bozeman, Montana; Portland, OR; Miner County, South Dakota <a href="http://www.rurallearning.center.org/">http://www.rurallearning.center.org/</a>
Preserve rural lands	<ul> <li>Purchase development rights in exchange for deed restrictions. Or, Transfer development rights (TDR) and collect "TDR bonuses" that allow higher density development in growth areas and use funds for conservation easements. Provide Tax credits for donating conservation easements (income, property, and inheritance tax). Or, acquire land. One method of paying for acquisitions and conservation easements would be through a bond package to preserve natural areas and protect water, financed by a small property tax assessment.</li> <li>Pass agricultural, ranching, or forestry zoning, or create urban growth boundary, and pass right-to-farm ordinance (to curtail nuisance lawsuits if operating within regulations).</li> <li>Current Use Value Taxation: Allow land to be assessed based on its current use rather than at its highest market value.</li> </ul>	Arizona Land and Water Trust; Montgomery County, Maryland; Brah Brule River, Wisconsin; Colorado state; Montana, Utah, & Arizona; Larimer County, Colorado; Portland, OR; Washington State; Oregon Exclusive Farm Use Zoning; Pennsylvania and Wisconsin locally-based rural land zoning;
Encourage and support resource- based economy	<ul> <li>Support renewable energy development on rural lands (Rural Renewable Energy Development zone, tax exemptions, connect with federal tax credits, methane digesters for selling electricity to grid).</li> <li>Promote rural products in urban areas. Support and market farmers markets in larger cities, accept food stamps and local currency that can be used at markets and local businesses. Community Supported Agriculture (CSA) provides urban shareholders with regular, farm-fresh produce during growing season. Promote government purchase of local products (schools, prisons, government offices).</li> <li>Assist in marketing, legal, organizational, and financial support for "buy local" campaigns (annual festivals, branding). Downtown Farmer's Markets in small cities to revitalize downtown</li> <li>Encourage value-added processing of resources. Support producerowned cooperatives (furniture, biomass, etc.), such as grant program for cooperatives and market development for rural products.</li> <li>Develop ecosystem service market, for selling carbon credits from carbon sinks, filtering clean water, biodiversity</li> <li>Promote agritourism: Farm association drawing eco-tourists to stay at farm bed and breakfasts and attend events like sheep and wool week, farmhouse kitchen visits.</li> </ul>	Oregon; Minnesota; Ithaca Farmer's Market and Ithaca CSA; Snohomish County, Washington; Lawrence, Kansas; Blue Ridge Forest Coop in Virginia; Oregon; NY Catskill Mountains; Vermont Farm Association; Oklahoma Agritourism Association

Fix-it-First	<ul> <li>Prioritize public funding for repairing, restoring, and maintaining existing infrastructure (buildings, roads, water and sewer lines).</li> <li>Designate priority-funding areas for development in comprehensive plan, preferably areas with existing infrastructure (financial assistance, accelerated project approval, etc.). Redevelop and retrofit existing buildings; incentivize residents to live near jobs and transit hubs. Rehabilitate existing neighborhoods. Encourage historic preservation (connect with state and federal tax credits, market businesses in historic area).</li> <li>Re-use vacant or under-used lots before using undeveloped property. Provide incentives for brownfield or vacant land redevelopment, and disincentives for greenfield development (<i>ie</i> faster project approval and lower impact fees). Adapt existing buildings for re-use rather than demolishing them. Re-use vacant properties for community gardens. Examine codes and ordinances to remove barriers to infill development. Create Redevelopment Readiness certificate program.</li> <li>Because farmland value is initially low, benefits accrue from large "increments" in Tax Increment Financing (TIF) schemes. Reform TIF to focus on redevelopment. Limit use for greenfields.</li> </ul>	El Dorado, Arkansas; Maryland and Connecticut Priority Funding Areas; Youngstown, OH; Cadillac, Michigan; Wood River, IL; Land-of-Sky Regional Council in North Carolina; Michigan Suburbs Alliance 8 step Redevelopment Readiness process
Support more sustainable development	Low-impact development (using natural landscaping to manage stormwater): green roofs, rain barrels, permeable pavement, ponds. Can pass law requiring commercial and residential collection of roof drainage.  Make it easy for developers to build compact, walkable, mixed-use places. Revise city plans to fit the newly established policies. Rural home cluster development, if done right, can reduce infrastructure costs for new developments and preserve open space (ie. require 50% of new development sites to be preserved as open space).  Provide incentives for projects that adhere to aggressive codes for existing buildings - IECC or LEED standards (such as shortened permit schedules, allow higher density than normal).  Acknowledge developers for using sustainable principles to generate buzz among other rural communities in the state and across the country.  Transit-Oriented Development. Allow developers to build fewer parking spaces, demolish unnecessary freeways; and redevelop with community	Santa Fe County, NM;  Crested Butte, Colorado; Littleton, NH; Thurston County, WA; Mashpee, Mass; Wichita, Kansas; Seattle, WA;  Idaho Smart Growth and Grow Smart Vermont
	benefits agreement that includes access to mass transit  Stop subsidizing sprawl. To make town center development more competitive, assess the costs of new development on developers (costs of new schools, utility and sewer lines, roads) via impact fees; distance-based impact fees; assess transportation impact fees	Lancaster, CA
Promote regional collaboration Sources: ICMA,	<ul> <li>Blue Ribbon Commission: Campaign to get cities across region to commit to a suite of local policies.</li> <li>Promote better urban-rural links in the region to take advantage of resources in the region</li> <li>Putting Smart Growth to Work in Rural Communities; The Apollo Alliance, Nev</li> </ul>	v Energy for Cities

#### 5. Promote energy savings opportunities among Oberlin residents<sup>21</sup>

Ohio's older housing and building stock, combined with our cold winters, means home weatherization can yield big returns here from energy use reductions in the form of energy savings. For renters and modest-income Ohioans, those with the least ability to pay who tend to live in inefficient buildings and face large energy bills, efficiency investments can help end a cycle of energy poverty. Plus, retrofitting homes, and building new buildings up to green standards, can create jobs for energy auditors, electricians, heating, ventilation, and air conditioning technicians, insulation installers, and others. Despite clear benefits from efficiency investments, relatively few people take advantage of existing efficiency programs. Four major barriers in the market for residential efficiency have been identified.

First, home-owners are less likely to invest in comprehensive efficiency retrofits if they are uncertain how long they will retain their property, given the relatively longer payback period for larger items such as changing heating systems, installing solar water heaters, and insulating walls. Second, there is a "split incentive" involved in rental units because the owner of a property is often not the same person paying the utility bills. Third, the lack of information and motivation to invest in energy efficiency, combined with the hassle of learning, organizing, financing, and implementing a project, can amount to another barrier even if customers have interest in lowering their energy bills. Fourth, upfront costs for energy upgrades, and the availability of capital financing for these purposes, present a challenge across all energy sectors, including residents.

This section begins to outline some of the ways communities across the nation are approaching large-scale renewable energy and energy efficiency retrofit programming in the residential sector. The bottom line—large-scale residential efficiency programs require motivated customers in order to be effective. Successful efficiency programs are comprehensive: They engage the community, offer rebates for clean energy products and services, make low- to no-interest loans accessible with longer payback periods, and make efficiency easy. Well-informed contractor networks and community energy action groups are being utilized to engage their communities and increase participation rates via block walks and letters to homeowners signed by trusted community leaders. Several programs offer low-cost energy audits and generous rebates to offset initial costs while financing the remaining balance.<sup>23</sup> Some of the more innovative financing options involve repayment of equipment installation through the customer's utility or property tax bill. Table 10 describes the basic elements of a large-scale energy efficiency retrofit program, followed by case studies of several innovative programs. Table 11 details one of the more innovative financing mechanisms for the residential sector, utility bill financing.

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<sup>&</sup>lt;sup>21</sup> Initial synopsis is based on an interview with Satya Rhodes-Conway of the Center on Wisconsin Strategy (COWS).

<sup>&</sup>lt;sup>22</sup> Alan Durning, Grist.com, *Mysteries of on-bill financing revealed* (Dec 2008), at <a href="http://www.grist.org/article/Financing-retrofits-for-all-II/">http://www.grist.org/article/Financing-retrofits-for-all-II/</a>

Mathew Brown, Alliance to Save Energy, *Paying for Energy Upgrades Through Utility Bills* (2009)(citing United Illuminating company).

	Table 10. Large-Scale Residential Efficiency Program
Key	Electric Utility and financial entities. Utilities may need to be involved as the entity to collect (on-bill)
stakeholders	payments, but may also be provider of capital as well as loan and program administrator.
to involve	Retailers and Contractors (set up network of clean energy contractors, or contractor pool meeting certain
	specifications). Community Energy Action Team, Energy advocate. Local government: Municipalities ca
	lead by example by retrofitting local government buildings, paying for efficiency service on their utility
	bill. Representatives of homeowners and renters, landlords
Customers	Several programs have established a target number of homes for retrofit (Portland pilot started out with
Targeted	a target of 500 homes). Some newer programs target both owner-occupied homes and rental units.
	Customers targeted for these programs often include not only residential customers, but also
	commercial, industrial, and government customers. Could ID candidates from utility bills. May want to
	match up when house built, and what electric bills are, to identify good candidates for the program.
	Older houses have higher use. If eligible for low-income weatherization help customer sign up for
	weatherization services. Consider starting with people that have already had audit.
Streamlined	A major barrier to making efficiency investments is the time, effort, and knowledge required (transaction
Application -	costs), so efficiency programs must be easy to use. Can put applications online.
Energy	Successful programs often have an energy agent, or energy advocate, walking customers through the
Agents	audit, recommendations, incentives, contracting, and financing process (Portland, Seattle).
Program	Utilities often run these programs (consumer, public, and investor-owned). Other programs are run by a
administrator	partnership between municipalities and private enterprises with shared responsibilities.
Energy Audits	Energy audits are often the first step in the process. A number of programs offer free energy audits, or
	subsidize the cost considerably. Some do this work in-house using city or utility staff, others use
	independent contractors.
Incentives	Existing incentives from utilities, public benefits funds, tax credits, are typically assembled. Connections
	to instruments that can finance the rest, such as low or no interest loans are also important. On-bill and
	PACE financing can make repayment easy. One program found that by extending the payback period, it
5 / 6	doubled the number of participants by increasing savings during the initial period.
Pool of	Does homeowner find own contractor, or does program administrator work directly with contractors?
Contractors	Programs that have created contractor networks and educated them on financing tools available have
	achieved higher participation rates. The City of Portland picks contractors (homeowners fill out
	paperwork, City handles rest, someone shows up at your house). United Illuminating in Connecticut
	works with a pool of contractors that must abide by strict guidelines on materials, prices, labor, licensing
	and waste disposal. They found the use of a limited pool of well-informed contractors reduced the nee
	for mass marketing of the program. Sempra requires selected contractors to participate in an education
	process, thereby reducing the number of jobs done poorly. A pool of contractors can help identify
Farriage and	training needs.
Equipment covered	When customers undergo their energy audit, they typically get a list of measures that will pay back in a
Lovereu	set number of years (typically 10). Following the audit, the auditor goes through the list of available incentives that will reduce the bottom line to the customer. The homeowner signs over the rights to
	those incentives, and they are subtracted from the total amount needed for financing so that they can
	borrow less to begin with. The final loan amount is then spread over x number of years (ranging from 3
	to 20). In the case of similar programs for renewable energy, payback may be spread over 15 to 20
	years. In general, there should be certification that products are appropriate and savings estimates
	exceed payments. Many programs limit technologies covered, identifying technologies that can be used
	often to ensure maximum participation, and that are hard-wired or not easily removed. Among efficience
	options seen are lighting, refrigeration, insulation, sealing, space heating and cooling. The Hawaii
	program covers solar water heaters.
Data	Data collection is needed to demonstrate efficacy of the program. A program management system that
collection	allows for project tracking, and allows contractors to access it for updates, is encouraged. Energy meters
CONECTION	are recommended.
	r dre recommenacia.

#### **Residential Retrofit Program Case Studies**

**Babylon, NY.** <sup>24</sup> The City of Babylon committed to reducing their carbon footprint 12% by 2012. Since residential housing represented 38% of the town's energy consumption, they launched a Green Homes initiative ("green your house, slash your energy bill, reduce your carbon footprint"). The program is available to all residents, regardless of income or credit history. Because the city determined residents were hesitant to pay for improvements they couldn't see or touch, Babylon offered to finance up to \$12,000 towards improvements. To cover the upfront costs of these retrofits, the city determined carbon is a solid waste which enabled them to tap into a solid waste clean up fund and create a solid waste fee. The city then applied a "benefit assessment" on participating homes, paid through a municipal service bill separate from the electric utility bill and similar to bill for trash. As a result, residents do not need to take on additional debt burden during tough economic times. Since homeowners considering moving are less likely to undertake improvements, the assessment runs with the home and not the owner. A 3% interest rate is incorporated into the fee in order to help cover costs of administer the program. The homeowner pays \$250 for the cost of an energy audit, can choose any licensed contractor, the contractor files the paperwork and signs the contract with the City. Assessment fees are structured in part by estimated savings. The average cost of the retrofits is \$7200 and average annual savings to homeowners is nearly \$1000, with an average payback period of a little less than 8 years. Green jobs in the community increased nearly 25% as a result of the program. For more information, see http://www.thebabylonproject.org/.

**Portland, Oregon.**<sup>25</sup> The City of Portland program includes an extensive consumer support program, low-interest financing, and repayment via the gas & electric bill over a 20-year term. The City of Portland is the program manager, Shore Bank Enterprise Cascadia is the financial manager (a non-profit community development organization), and both entities contributed to the upfront financing of the program, with the City dedicating a portion of its federal stimulus dollars to the pilot project. Funds are secured with a loan loss reserve. The utility serves only as a medium for bill payment through an agreement with utilities that charge is on bill, but utilities are not involved financially other than to assist in marketing of the program. Repayment is not tied to property or meter, it is the individual's responsibility. If the loan is secured by house, then it becomes part of real estate transaction, to be paid off as an outstanding assessment or taken on by the new property owner, with a decision made in the transaction. Portland uses a pool of approved contractors to complete the work, where 80% of employees must be local hires; 30% of work hours completed must be done by persons of color, women, and low-income residents; and new hires must come from designated training programs. Interest rates for borrowed funds are 8% unless the applicant is below 250% of the poverty level, then the interest rate is 4%.

**Kansas rural electric/gas co-op.**<sup>26</sup> Midwest Energy, a customer-owned utility providing natural gas and electricity to customers throughout central and western Kansas, launched its

<sup>&</sup>lt;sup>24</sup> Home Performance Resource Center, Case Study: Long Island Green Homes (2010)

<sup>&</sup>lt;sup>25</sup> Interview with Kat from Green for All; See also Home Performance Resource Center, *Case Study: Clean Energy Works Portland.* 

<sup>&</sup>lt;sup>26</sup> Local Clean Energy Alliance, state on-bill financing and PAYS programs, at <a href="www.localcleanenergy.org/state+on-bill+financing">www.localcleanenergy.org/state+on-bill+financing</a>, and Environmental Defense Fund at <a href="http://www2.edf.org/page.cfm?tagid=39313">http://www2.edf.org/page.cfm?tagid=39313</a>

How\$mart® program in 2007. The customer-owned utility owns, operates, finances, and markets by the efficiency program, and uses utility capital for upfront funds. The program is made available to both residential and commercial customers. Renters can take advantage of the programs with permission from their landlords. Landlords are excited about the program because they benefit from property improvements while tenants pay the energy bill including service payments. Repayment comes as an efficiency surcharge on customer's energy bill, and the surcharge follows the meter rather than the individual so if the occupant moves the new occupant takes over the payment. Full disclosure of surcharge to subsequent customers is required. However, payments are structured so that energy savings are greater than efficiency service payments, for a net gain to the customer. Repayment occurs over an extended period of time to encourage bigger projects, 15 years for residential customers and 10 years for commercial customers, all at low interest rates. The program is now partnering with Efficiency Kansas to lower interest rates using stimulus funds. See Midwest Energy's How\$mart program at <a href="http://www.mwenergy.com/howsmart.aspx">http://www.mwenergy.com/howsmart.aspx</a>.

**Boulder, Colorado**. <sup>27</sup> Boulder is a college town they have a large number of rental properties. To drive demand for efficiency services in rental properties and new buildings, the City developed performance-based codes, SmartRegs, which require a certain level of efficiency to be achieved without prescribing the exact means the property owner has to take to get there. To make efficiency easy, the city created EnergySmart, a one-stop shop for efficiency services and energy consulting handled by a third party (Populus). Energy consultants walk consumers through the process, starting with the energy audit, and even handle contractor bids and rebates. The program is funded with federal stimulus dollars and a local tax on electric bills. Performance requirements revolved around the Home Energy Rating System (HERS), a rating system designed by the mortgage industry to measure the energy performance of a home.

**Green Jobs, Green New York.** The state of New York passed Green Jobs, Green New York Act in 2009, from which came a program administered by NYSERDA that provides access to free or low-cost energy assessments, upgrades, low-cost financing, and green collar career training (launched in 2010). To make the program accessible to modest-income households, the program uses novel underwriting criteria (finding the Fannie Mae loan credit score requirement of 640 too stringent for many NY households). The new program is based on bill payment history of applicants, particularly utility bill payment history. Applicants can qualify for unsecured loans up to \$13,000 at a 4% interest rate.

#### **On-Bill Financing**

On-bill consumer financing for clean energy projects reduces upfront costs to customers for energy efficiency retrofits by stretching repayment over a period of time on the customer's utility bill. Theoretically, energy savings should be greater than the costs for repaying the loan. <sup>29</sup> Many on-bill programs are similar to conventional loan programs but with repayment made via electric and/or gas utility bills. In its purest form, however, a Pay-as-you-save®

<sup>&</sup>lt;sup>27</sup> Rob Kundert, Sustainable Cities Network

<sup>&</sup>lt;sup>28</sup> Lawrence Berkeley National Laboratory, Clean Energy Program Policy Brief.

<sup>&</sup>lt;sup>29</sup> Mark Jewell, Technology Publications, *The Growing Popularity of on-bill financing incentives, zero interest can increase affordability* (September 2009).

program involves the use of a "tariff" that is assigned to a designated meter location for an "efficiency service," with the payment following that meter regardless of transfer in ownership or change in tenancy. Disconnection can occur for non-payment. A similar concept discussed earlier in this document, Property Assessed Clean Energy (PACE) financing, applies the public works assessment-financing model—typically used for sewers, sidewalks, and other public improvements—to clean energy projects such as solar with repayment via the homeowner's tax bill. While PACE debt is classified as an assessment, non-payment of that debt turns into a lien on the property, and it is this aspect that has come under dispute that put PACE programming in the residential sector largely "on pause." However, PACE programs are moving forward in the commercial sector. See table seven in section on commercial sector approach.

Addressing Market Failures. On-bill financing is an approach to consumer financing designed to address market failures in the market for energy efficiency (and in some cases has even been used for renewable energy). It is simple, easy to use, can allow for repayment over longer periods of time to encourage deeper retrofits, the program can reach the rental housing market, it involves working with a trusted source (utility company), and theoretically energy savings should outweigh costs. Plus, repayment can be stretched over long periods with the obligation transferring with ownership/tenancy (obligation follows the meter in a tariff-based system).

Program Administration. On-bill programs vary as to who runs the program, where upfront funds come from, who administers the loans, whether they take a conventional loan or a tariff approach, what incentives are offered, which customers are targeted, and what marketing and outreach strategies are employed. In Portland, for instance, the utility company's only involvement in the on-bill financing program is as a contractual entity to collect payments for the loan. On the other end of the spectrum is Midwest Energy, a customer-owned utility company in Kansas that operates and finances a tariff-based system where customers receive a charge on their utility for an on-going efficiency "service." Most programs are in-house at utility companies, while others are public/ private partnerships. Upfront funds come largely from utility companies via service charges, universal surcharges for public benefit purposes, and/or utility operating revenues. Some programs draw on federal or state funds for clean energy purposes, and occasionally private matching funds.

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<sup>&</sup>lt;sup>30</sup> New Hampshire, Hawaii, and Kansas have tariff-based systems, and Michigan adopted legislation recently that may result in an on-bill tariff program.

Table 11. Examples of On-bill financing Programs		
Alabama	Dixie Electric Cooperative. On-bill <i>loan</i> program	
Arizona	First Electric Cooperative Home Improvement Loan Program. On-bill <i>loan</i> program	
Minnesota and Wisconsin	Alliant Energy Shared Savings program. Energy experts from the utility company help business customers identify savings opportunities, make recommendations, pay initial costs for upgrades, work with contractors and suppliers to coordinate installation, and allow repayment on utility bill over a 5-year period.	
Babylon, NY	The City of Babylon has an energy efficiency loan program that is repaid through a municipal service bill, separate from the electric utility bill (similar to bill for trash). Babylon determined carbon is a solid waste and is now using a solid waste fee to fund program.	
Boulder, CO	Implemented PAYS® initiatives. Financed by 100% bonding.	
California	Southern California Edison, Southern California Gas Company, and San Diego Gas and Electric On-bill Financing Programs (Sempra Energy). Targets business and government consumers, accesses states public benefits funds to buy down interest rates and offer zero-percent financing, and up to 10% in rebates. Sempra Energy offers five-year terms for business customers, and ten-year terms for government customers.	
Connecticut	United Illuminating Company and Connecticut Light and Power combine incentives and an on-bill <i>loan</i> program for small business customers that either own or lease their space (since 1993). UI pays auditor, makes recommendations based on audit (target is to lower energy costs by 20-30%), determines eligibility based on customer's bill payment history, and works directly with pre-qualified contractor. UI has a contractor pool, and participating contractors must agree to abide by strict guidelines on materials, prices, labor, licensing, and waste disposal. Efficiency project costs range from \$1000 to \$60,000, with rebates covering 30 to 40% of the costs (drawing on the states public benefits fund) and the remaining balance financed over an average of two to three years with zero-interest loans. UI only finances projects where monthly savings will exceed repayment fee, and loans are secured by the state's public benefits fund (Connecticut Energy Efficiency Fund).	
Hawaii	The state of Hawaii passed legislation requiring utility companies to offer Pay-as-You-Save® programs (2006). Three electric companies created PAYS® pilot programs for solar water heaters (SolarSaver). Within six months of the launch of the program, over 100 units were installed, demonstrating the applicability of on-bill financing to renewable energy as well.	
Illinois	Illinois passed legislation requiring utility companies to provide on-bill financing options to its residential customers (2009). Programs will be open to small business customers also.	
Kansas rural electric/gas cooperative	Midwest Energy How\$mart*. This project is owned, operated, and financed by the customer-owned utility company and is available to both residential and commercial customers, including renters/leasers with owner's permission. The bill follows the meter and not individuals. Full disclosure of surcharge to subsequent customers is required. Building owners must agree to make repairs. Thus far, the Kansas coop hasn't had any trouble with their inclusion of renters and has stated that landlords, not renters, are showing the greatest initial interest. Repayment occurs over an extended period of time to encourage bigger projects, 15 years for residential customers and 10 years for commercial customers, all at low interest rates. The utility company runs the program in house, does its own marketing, financing, and billing, and puts up utility funds as capital. The program is now partnering with Efficiency Kansas to lower interest rates using stimulus funds.	
Massachusetts	Western Massachusetts Electric Small Business Energy Advantage and National Grid. On-bill loan program at zero-percent financing.	
Michigan	Michigan Saves. Michigan passed legislation requiring their Public Utilities Commission to investigate a tariff-based on-bill financing program for energy efficiency, and the Commission has issued an RFP for someone to design and operate the program.	

Massachusetts, Rhode Island, and New Hampshire	National Grid, an investor-owned utility operating in Massachusetts, Rhode Island, and New Hampshire. On-bill financing is offered to small business customers, and on a more limited basis to medium-sized commercial and industrial businesses and municipal entities in the state of Massachusetts. National Grid provides free energy audits and covers between 40 and 70 percent of project costs and provides an interest free loan to cover the remaining balance, with a bonus 15% discount if the bill is paid off within a month
New Hampshire	Public Service New Hampshire and New Hampshire Electric Coop. Since 2002, NH utility has offered on-bill, tariff-based financing programs for municipalities and small businesses following approval from the state utility commission. In 2004, the public utilities commission determined the program a success and ordered the utility companies to continue the program. In 2009, they developed a pilot program to expand the option to the residential sector (using Regional Greenhouse Gas Initiative (RGGI) grant funds in the form of a \$200,000 revolving loan fund. The utility operates the program and provides interest-free loans (maximum loan amount \$7500), on-bill payback from 2-7 year terms, and a contract that follows customer and not meter with the balance of loan to be paid off if customer relocates. They are now exploring tying the loan to the meter (rather than the customer) and incorporating private financing. Program evaluations suggest that many of the customers would not have undertaken efficiency measures were it not for the financing option. Lighting retailers surveyed indicated an increase in business as a result of the program. New Hampshire hit its target level of participation even with a large reduction in rebates offered.
New Jersey	Public Service Electric and Gas (PSE&G) has a small business program available to business customers in Newark and Trenton, with plans to extend the program to other cities, that uses on-bill financing among other tools including free energy audits and detailed recommendations, and obligates consumers for only 20% of the project cost.
New York	The state of New York has encouraged utilities to explore on-bill tariff-based financing, and its Public Utilities Commission is in the process of investigating the concept.
Western states	Pacificorp. This was the first tariff based on-bill financing program (late 1980's), which is no longer
(including	being used (largely terminated in 2000). Energy audits were given, recommendations made,
Wyoming)	unsubsidized interest rates were offered, and the only state involvement was largely regulatory oversight and approval. The utility company was uncomfortable managing credit risks and would
Portland	prefer 3 <sup>rd</sup> -party funding and financial management.  Public and Private matching capital through Shore Bank Enterprise Cascadia, a non-profit community development financial institution has partnered with the city. In Portland, the utility company serves as medium for bill payment through an agreement with utilities that charge will be on bill, but utilities are not involved financially or otherwise. The City of Portland is the program manager, Enterprise is the financial manager, and both entities contributed to the upfront financing of the program (with the City dedicating a portion of its federal stimulus dollars to the pilot project). The loans are secured with a loan loss reserve fund. It is not tied to property or meter, it is individual responsibility to pay loan back. If secured by house, like PACE, then becomes part of real estate transaction, like payoff of outstanding assessment; decision made in transaction. Use pool of approved contractors.
Seattle	In the process of replicating Portland program.
Ohio	Several investor-owned utility companies have "shared savings" programs for commercial customers which are similar to PAYs programs.

Sources: Interview with Satya Rhodes-Conway from the Center on Wisconsin Strategy; Interview with Kat from Green for All; Mathew Brown, Alliance to Save Energy, *Paying for Energy Upgrades Through Utility Bills* (2009); Local Clean Energy Alliance, *State on-bill financing and PAYS programs*, at <a href="https://www.localcleanenergy.org/state+on-bill+financing">www.localcleanenergy.org/state+on-bill+financing</a>; Mark Jewell, Technology Publications, *The growing popularity of on-bill financing incentives, zero interest can increase affordability* (September 2009); Hyams, Michael, "'On-bill financing' for Energy Efficiency in New Haven, CT" (May 2010); <a href="https://www.nationalgridus.com/masselectric/business/energyeff/3">https://www.nationalgridus.com/masselectric/business/energyeff/3</a> small.asp; See Midwest Energy's How\$mart program at <a href="http://www.mwenergy.com/howsmart.aspx">http://www.mwenergy.com/howsmart.aspx</a>;

#### Conclusion

Achieving the aggressive goals of the Oberlin Project will require a holistic approach addressing all energy-using and emissions-producing sectors. While no community has the whole package in place, communities across the nation are engaging in creative solutions, creating best practices, and opportunities to learn. This document details many options, not all of which will make sense for any particular community, including Oberlin. The next step in the research process will be to sort through the options, identify what makes sense for the city, and identify any barriers to adopting policy options. A green job sketch and workforce development strategy also needs to be flushed out as well to ensure jobs created from green investments in the community are good jobs accessible by local residents.

Appendix 1. Examples of 25 SOLAR CITIES				
CITY, STATE, population(2010)	Solar Cities have summarized their ACTIVITIES on			
GHG GOAL	http://solaramericacommunities.energy.gov/Cities.aspx			
RENEWABLE ENERGY GOAL  Ann Arbor, MI	Ann Arber plans to hold informational color workshops for consumers and installers			
(n= 113,934)	Ann Arbor plans to hold informational solar workshops for consumers and installers Implement a community-based solar marketing campaign. Educate youth about solar			
20% below 2000 levels by 2015	energy by including solar curricula in the city's public schools. Identify sites for high			
20% renewable energy by 2015	visibility commercial solar installations			
Austin, TX,	Austin will install solar energy systems in local schools and develop curricular materials			
(n=790,390)	for local schools. Work with local non-profits to promote and cross-market Austin Energy's solar and green building programs. Assess rooftop areas suitable for distributed			
100% carbon-neutral for all				
municipal functions by 2020; 100 MW by 2020	solar energy development. Assess the potential for hybrid solar/wind installations in West Texas for central power generation			
Berkeley, CA	Berkeley will expand the Pacific Gas & Electric East Bay Energy Watch to serve the cities of Berkeley, Oakland, Emeryville, Albany, El Cerrito and Richmond. Establish program			
(n=112,580)				
90% halaw 2000 lavala hu 2050	capacity with the goal of promoting the annual installation of 800 kW of PV & 12,000			
80% below 2000 levels by 2050	therms of solar thermal projects.			
Boston, MA	Boston will create an online map of local renewable energy projects, with a tool to			
(n=617,594)	calculate rooftop solar potential. Support the City's Green Affordable Housing Program (GAHP), in partnership with the Department of Neighborhood Development (DND). Coordinate resources and best practices with governmental and private entities. Explore innovative financing strategies for renewable energy projects			
80% below 1990 levels by				
2050; 25 MW cumulative installed solar capacity by 2015				
Denver, CO	Denver will create a municipal solar fund to reimburse upfront capital cost to residential			
(n=600,158)	solar installation. Evaluate city-owned and operated buildings to identify facilities for future municipal solar installations. Provide education and outreach to the Denver			
10% reduction by 2012 (per				
capita); 25% reduction by 2020	community through public outreach events. Plan new training and job opportunities for Metro Denver residents in the solar energy industry			
Houston, TX	Houston will develop and implement solar energy advancement policies, regulations and			
(n=2,099,451)	legislation. Install solar energy systems on demonstration sites. Implement solar			
Make solar energy cost-	programs and educational programs in focused neighborhoods. Integrate solar			
competitive by 2015	education into the school curriculums.			
Knoxville, TN (n=178,874)	Knoxville plans to install two solar systems on LEED-certified downtown transit station and a historic home that is being rehabilitated; Develop a solar thermal assessment			
(11-178,874)	protocol to evaluate the applicability of solar domestic hot water systems for low-			
	income home rehabilitation projects. Conduct workforce development training			
300 kw by 2010;	programs for solar installers, inspectors and codes officials. Work with the Historic			
3 MW by 2015	Zoning Commission to revise building code language to be less restrictive to solar technology on historic homes and businesses. Promote the "clearinghouse" website and			
	other solar marketing efforts.			
Madison, WI	Madison plans to double the use of solar energy in Madison over a two-year period.  Review and modify the city's procedures and policies for solar permitting and installation & educate solar installers on those policies. Assist potential solar system owners with purchasing and installing their solar systems. Showcase and market local solar			
(n=233,209)				
25% reduction by 2011 for city				
government; 250 kw PV and 200 solar hot water systems by				
2010 2010	installations to the public			
<u> </u>				

#### Milwaukee, WI (n=594,833)

7% below 1990 levels by 2012; 100 solar-electric and 50 solar thermal systems, with a total capacity of 1 MW by 2012

Minneapolis- Saint Paul,MN n=382,578 (Minn); n=278,535 (Saint Paul)

20% below 1990 levels by 2020 1 MW (500% increase) by 2010

New Orleans, LA (n=343,829)

10% below 1998 levels by 2015

New York City, NY (n=8,175,133)

30% below 2005 levels for city operations by 2017 and citywide by 2030; 8.1 MW PV by 2015

Orlando, FL (n=238,300)

5 MW by 2008; 10 MW by 2010; 15 MW by 2015

Philadelphia, PA (n=1,526,006)

10% below 1990 levels by 2010; Generate 2.3 MW of solar electricity by 2011 and 57.8 MW by 2021 Milwaukee will promote solar thermal and solar-electric technologies by increasing the number of local solar installers through assistance in training and preparation for the certification process, supporting solar manufacturing businesses by working with existing manufacturers and by encouraging new businesses to locate in the city, examining market segments to determine which are most viable for various incentive-based business models, and incorporating non-financial benefits, such as accelerated project permitting, reduced permit fees, and feebates into solar projects.

Minneapolis and Saint Paul are developing strategic partnerships to implement commercial and residential solar installations, provide technical training programs, and conduct city and state policy review. For immediate increases in the solar market, they will use an innovative leasing model, deploy solar systems in visible locations within the cities, and provide technical outreach. They will also increase the number of qualified solar installers by supporting education and training including developing technical college solar education curriculum, creating a PV training lab to expand professional opportunities for electricians.

New Orleans plans include solar technology in the construction and renovation of new homes and businesses, wherever applicable and economically feasible. Implement a publicity and outreach plan to increase demand for private solar energy. Evaluate and modify city regulations limiting the use of solar energy technologies. Install solar systems on city government properties. Develop incentives that support solar technology in residential developments. Conduct outreach and training to develop a solar supply base in New Orleans.

The City of New York will use the City's resources to spur the market and create economies of scale to lower prices, and create institutions to plan and monitor future growth. To accomplish their goal, they will develop a long-term solar energy plan, facilitate PV projects and support workforce, conduct a feasibility study of real-time pricing for PV installations, evaluate best integration of solar energy into emergency planning and demand-reduction programs, create new municipal solar energy incentives, address interconnection and code barriers through a collaborative stakeholder process, and explore innovative financing and ownership structures.

Metro Orlando will streamline permitting process for installing solar systems, conduct solar education and training workshops, develop a GIS-based solar resource map of the city, actively engage with stakeholders, conduct a GIS-based solar resource analysis to assist in identifying existing and potential solar installation sites, work with local economic development groups to conduct a market analysis of barriers to implementing solar technologies, conduct solar education and training workshops targeting building code officials and inspectors, government officials and local legislators, solar business developers, building energy managers, residential and small commercial building owners, conduct a series of seven solar education and consensus-building charettes using electronic polling software and professional facilitation services.

Philadelphia plans develop and adopt a solar implementation plan that is fully integrated with updated citywide plans and institutional processes for guiding decisions on land use, economic development and infrastructure investment. Identify and implement cost-effective tools to overcome commercial and residential solar market, including a "Solar Developer's Guide to Solar Philadelphia." They will prioritize for development and initiate planning for solar energy installations including choosing technologies, targeting districts and sites, and creating financial structures that will support the installations.

Pittsburgh, PA	Pittsburgh Solar Initiative created a new Office of Sustainability & Energy Efficiency, and
(n=305,704)	received a Green Power Purchaser Award from the U.S. EPA in 2009. The city intends to
20% from 2003 levels by 2023	install solar hot water and solar PV installations on city owned buildings to help facilitate the training of city plumbers, electricians, and carpenters (union); pass new ordinances to remove barriers in residential and commercial solar installations; host a Solar Fellowship program; create an interactive Solar Web site; develop a Roadmapping Simulation Tool (RooSTer) that will inform the City of the 10- to 15-year plan for solar (a suite of solar modeling tools, efficiency measures, and financing mechanisms that will apply to city facilities and assess results of technology and evaluate the costs, savings, payback period, carbon footprint impact, and energy portfolio composition).
Portland, OR	The City of Portland will evaluate solar potential on city facilities and provide solar
(n=583,776)	education through workshops, informational tables, green building trainings, Build-it-
80% below 1990 levels by 2050 (Climate Action Plan 2009)	Green tour, and Northwest Solar Expo. Promote solar to visible Portland-area leaders.  Partner with Portland's economic development agency. Provide personal follow-up on leads. Consultation with a task force of industry, government and academic leaders.
2009 installations was to be greater than 400% of 2006 installations	Streamline city-level regulations and practices that affect adoption of solar. Educate regulatory staff and regional solar contractors. Investigate regulatory barriers and leverage points. Convene a regional Solar Leadership Conference. Develop a presentation on lessons learned. Provide ongoing technical assistance to other cities. Evaluate the best financing options. Integrate solar into city design guidelines.
Sacramento, CA	Sacramento Solar Access program will adopt a citywide demonstration, install
(n=466,488)  40 MW total PV capacity by 2017, including 5 MW on municipal buildings by 2010  Salt Lake City, UT	municipally-owned solar energy systems on high visibility locations, leverage the city's assets for solar energy systems under a "surrogate roof" model, provide solar educational information and programs at high-visibility community locations such as libraries and community centers. To develop a Local Solar Industry, they will create a Clean/Green Technology Incentive Zone, work with municipal utility and other partners to develop a solar technician certificate program. To break down near- and long-term Barriers, they will develop design guidelines, best practices, and educational materials on solar's integration into historical districts, create a solar self-assessment web site, adopt solar-friendly zoning, access rights and other regulatory provisions.  "Solar Salt Lake" program is developing a fully-scoped city and county-level
(n=186,440)	implementation plan. Solar Salt Lake strategy includes a combination of barrier
3% reduction per year for the next 10 years; 70% reduction from 2007 baseline; Additional 10 MW by 2015 from 2007 baseline	identification, research, and policy analysis that utilizes the input of various stakeholders. The result will be a comprehensive plan for Salt Lake City and Salt Lake County that supports long-term solar deployment, including integration into City/County planning and facilities, the introduction of policies and regulations that support solar adoption, the integration of solar in new housing developments, evaluation of solar bonds and other funding sources, and community-wide solar education and outreach.
San Antonio, TX	"Solar San Antonio 2015" will promote solar technology among residents and local
(n=1,327,407)  Sustainable solar by 2015	businesses through outreach campaigns and rebate programs (A media relations and event campaign, Educational solar workshops or seminars, new and revised policies and procedures at the City in order to accelerate the use of solar power in existing and new city-owned buildings).
San Diego, CA	San Diego will provide a blueprint for in its "Sustainable Energy 2050 Plan," NS address
(n=1,307,402) 15% below 1990 levels by 2015	key issues including tariffs, data management, expedited permitting, strengthened private-sector involvement, training and technical expertise, and long-term implementation. They will also update and expand geographic information system (GIS) analysis of solar installations and potential future sites, conduct performance analysis of existing solar-electric systems, develop case studies, establish focus groups of key stakeholders, produce outreach materials, develop a citywide solar implementation plan, and study the impact of solar energy installations on property resale and value.

San Francisco, CA (n=805,235) 20% below 1990 levels by 012 31MW BY 2012	San Francisco's three-point approach will remove market barriers to solar deployment by developing a program to group commercial and residential customers into aggregated purchasing, identify sites for large installations and market to those building owners, develop a plan to address problems installing solar on multi-tenant buildings.
San Jose, CA (n= 945,942) 80% below 1990 levels by 2045 for municipal operations; 100% electricity from renewables by 2023; 15% increase in solar by 2010	San José's Solar America Cities will develop and pilot local and regional financing, and incentive and regulatory strategies to ensure that all elements of the community have effective opportunities to manufacture and install solar technologies; develop and implement a coordinated outreach and education program, and identify strategies, opportunities, and challenges to achieving the City's Green Vision goal of 100% electricity from renewable sources.
Santa Rosa, CA (n=167,815) 25% below 1990 levels by 2015 (for Sonoma County); 25 MW by 2011	The City of Santa Rosa, in partnership with eight neighboring cities, Sonoma County, and interested stakeholders, formed an organization called Solar Sonoma County to develop a countywide Solar Implementation Plan (known as "the SIP") and to conduct outreach and public education.
Seattle, WA (n=608,660)	Seattle Solar Initiative assembled a team of partners to incorporate solar energy into City Planning efforts (including a gap analysis of Seattle codes compared to best practices;
7% reduction from 1990 levels by 2012	created a Five-Year Energy Efficiency Action Plan and a Small Renewables Action Plan); research innovative financing mechanisms and ownership models, develop a new Community Solar Program that supports both community-owned installations and utility-owned installations, create a revolving fund for additional installations with DOE funds, and a long-term utility-led Community Solar program, educate and conduct outreach programs to Seattle City Light customers and industry professionals, evaluate and overcome barriers to interconnection (auditing and reporting on interconnection practices, developing a Customer's Guide to interconnection, and revising City Light's interconnection standards for a more streamlined approach).
Tucson, AZ (n=518,956)	Tucson will focus on overcoming the market barriers of high up front cost and low levels of awareness, and will create new opportunities for solar installations, by developing and
25% below 2005 levels by 2030	implementing a city of Tucson Solar Energy Integration Plan and a Greater Tucson Solar Energy Development Plan, identifying and enhancing financing techniques for large-scale solar energy installations, and developing and disseminating solar best practices and other outreach to stakeholders in the region.

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