

Virginia Energy Council Meeting

Patrick Henry Building, Conference Room 1
Richmond, VA

December 7, 2015

The Winter Meeting of the Virginia Energy Council (VEC) was held December 7, 2015 in Richmond Virginia. The meeting was called to order at 1:10 p.m. EST by Hayes Framme, Chief Energy Efficiency Officer from the Office of the Secretary of Commerce and Trade.

After VEC member introductions and brief comments from Secretary of Commerce and Trade Maurice Jones, Mr. Framme reviewed a summary list of “takeaway” items from the last VEC meeting the members had suggested they would like to see move forward. These included an increased emphasis on workforce development within the energy sector; energy efficiency as a policy priority; support for local initiatives; and Clean Power Plan compliance options.

DMME staff provided an update on activities undertaken by the Governor’s Executive Committee on Energy Efficiency (GEC) pertaining to the voluntary goal to reduce electric energy consumption by 10% of 2006 baseline consumption by 2020. The GEC has held four meetings since its creation in May 2015, and has established residential, non-residential and education/outreach workgroups to identify barriers and solutions. The GEC has forward six recommendations to the Governor to help meet the 10% reduction goal, including tracking energy reductions, providing outreach to local governments, developing a single brand strategy, providing recognition for successful efficiency program efforts, supporting legislation to give localities the option to require their commercial sector to report energy benchmarking data, and developing special curriculum for schools. DMME has been awarded a grant from the U.S. Department of Energy to create an Energy Efficiency Roadmap to help reach the 10% goal, and has proposed another grant to advance the concept of promoting energy efficiency in small commercial buildings in Virginia.

DMME staff also discussed recent developments in the use of a portion of Virginia’s \$80.6 million allocation of Qualified Energy Conservation Bonds (QECBs). In September 2015, we launched the *VirginiaSAVES* program, which is the Commonwealth’s first Green Community Program. Primary goals of this program are to incentivize energy efficiency/renewable energy/alternative fuels; create jobs and promote economic development; reduce energy consumption and emissions; and improve business competitiveness and quality of life. The program was initially funded with \$20 million in QECBs, and it has enjoyed tremendous success thus far: DMME immediately received applications for 3 projects totaling \$14 million, and there are several others in the pipeline.

Additional activities undertaken since summer 2015 were described by Mr. Framme that are addressing key recommendations contained in the 2014 Virginia Energy Plan (e.g., accelerating renewable energy, making Virginia an energy efficiency leader, going global with coal and energy technologies). The recently-established Virginia Solar Energy Development Authority (VSEDA) held its first meeting in early

December. Solar deployment activity is increasing in the Commonwealth with several projects in the works. A new onshore wind project has been proposed in Botetourt County. The Virginia Offshore Wind Development Authority (VOWDA) is advancing the deployment of wind turbines in the Wind Energy Area off the coast of Virginia Beach with its utility partners. Nearly \$800 million in state and local energy performance contracting has been achieved to date, with over \$53 million representing 49 state and public body projects in the pipeline. Six Virginia coal-affiliated companies are participating in a 2-year program to seek international coal and energy technologies markets, and to help diversify their client base.

In preparation for a new legislative requirement to develop an interim update of the Virginia Energy Plan (VEP), Mr. Framme sought VEC member insight on how to proceed with this task. Members were asked to consider what we should be updating – recommendations, data, additional goals or expansion of goals? The VEP update deadline is mid-October 2016, and a draft timeline was discussed.

The meeting was adjourned at 3:05 p.m. EST.