
***10th Annual
Renewable Energy & Energy Efficiency
Expo and Forum***

Tackling Climate Change in the US

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PROBLEM

Greenhouse Gas Emissions

RESPONSE

**Mandatory Cap on Carbon Emissions
Carbon Tax**

SOLUTION

**Develop more renewable Energy Sources and
Increase Energy Efficiency Efforts**

Tackling the Problem

The Will is There

Congress and the Administration support RE & EE

- **EPA Act 2005**
- **E.O. 13423**
- **FY 2007 Defense Authorization Bill**
- **Current Legislation in Congress**

How to Find the Way is the Hard Part

3 Policy Recommendations

1. RE + EE = Affordable Emission Reductions

- ***We should not think about Renewable Energy and Energy Efficiency as separate initiatives***
- ***EE Initiatives can help pay for RE projects***
- ***Bundle Energy Conservation Measures with Renewable Energy Measures to create affordable projects***

Indiana Prisons *ESPC*

- **Four industrial grade biomass boilers converting Indiana corn into heat for four prison complexes**
- **Other energy conservation measures included in the project**
 - Upgrade to energy management system
 - Water conservation devices
 - Lighting upgrades
 - Mechanical and HVAC upgrades
- **Project**
 - \$30.4 million *ESPC* (State level not federal)
 - \$7 million guaranteed energy and operation savings annually
 - \$25 million in facility capital infrastructure upgrades



2. Need Incentives to Reduce Cost of RE

- ***Utility Incentives***
- ***Tax Credits***
- ***Renewable Portfolio Standard***

ESPC Example

Twenty Nine Palms Marine Base, California

- ***\$65 million in projects privately financed***
 1. New chilled water plant and air conditioning upgrades
 2. Dual-Fueled 7.5 megawatt co-generation plant
 3. 8 acre, 1.1 megawatt photovoltaic solar farm
- ***Result: \$6.9 million in guaranteed savings annually for a total savings of \$138 million over 20 years.***



3. Need Contracting Mechanisms to Encourage RE

- ***Proposals in Congress to allow long term power purchase agreements for Renewable Energy***
- ***But other Legislative Proposals would limit contracting for Renewable Energy – Need to be consistent***
- ***Current Contracting Authority Not a Good Fit***
 - Trying to use contracts not suited for Large RE projects
 - ESPC
 - Enhanced Use Leasing
 - Power purchase agreements and separate land leases
 - Trying to put square pegs in round holes
- ***Need to Develop contracting mechanism designed to develop large scale renewable energy projects on federal land***