

Recent Innovations in Energy Policy

A State-by-State Survey

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State/Governors	Innovative Energy Policy Measures in Place, Recently Implemented, or in Discussion
<p><i>Alaska</i> (Frank Murkowski)</p>	<ul style="list-style-type: none"> The state of Alaska is implementing the Alaska Gasline to get Alaska's gas to the market. In addition to bringing new and reliable clean-burning sources of energy to homes, businesses, and communities, the gasline will bring a new source of funds and jobs to the state.
<p><i>Arkansas</i> (Mike Huckabee)</p>	<ul style="list-style-type: none"> Governor Huckabee created the Arkansas Energy Policy Task Force as an agency to provide advice and counsel to the Governor. It is not a regulatory authority.
<p><i>California</i> (Arnold Schwarzenegger)</p>	<ul style="list-style-type: none"> Governor Schwarzenegger and Governor Richardson (NM) took the lead in the Western Governor's Association (WGA) and approved the Clean and Diversified Energy Initiative. Using the many natural energy resources available in the western region of the United States, the WGA plans to develop a clean, secure, and diversified energy system. Senate Bill 975 encourages the use of biodiesel fuel as an alternative and cleaner fuel. It also encourages the adoption of the fuel in state agencies using retrofitted vehicles and off-road diesel engines. Senate Bill 1037 requires that electrical and natural gas corporations meet unmet energy needs through energy efficiency that will reduce resources before acquiring energy through other sources. Assembly Bill 515 allows private entities to lease space for solar photovoltaic panels above or adjacent to the State Water Project. Assembly Bill 728 calls for biogas-to-energy technology that will convert waste products into energy.
<p><i>Connecticut</i> (M. Jodi Rell)</p>	<ul style="list-style-type: none"> Governor Rell recently announced the purchase of 575 alternative fuel and hybrid vehicles for the state in order to focus on cleaner air and reduce dependence on foreign oil. Click here to read the press release. In March 2005, Governor Rell announced that the U.S. Department of Energy awarded the state more than \$2.5 million to expand weatherization services for low-income households. (Click here for the press release.) Part of this initiative is the Weatherization Assistance Program (WRAP), which is administered by the State of Connecticut and the Department of Social Services and is funded by the U.S. Department of Energy. WRAP assists low-income families meet rising energy costs by making their homes more energy efficient. Weatherization measures that may be put into place include safety inspections, air-sealing to reduce drafts, storm windows, and window repairs. For over 20 years, Connecticut residents have had the option to add one dollar to their utility bills to assist "Operation Fuel." The money from the add-a-dollar program goes to low-income families who need assistance paying their home heating costs in through the New England winter.
<p><i>Delaware</i> (Ruth Ann Minner)</p>	<ul style="list-style-type: none"> Governor Minner kicked off Energy Awareness month in October by encouraging all residents to use ENERGY STAR qualified compact fluorescent light bulbs. She has also taken steps to purchase these bulbs for the state whenever possible. The Delaware Energy Assistance Program (DEAP) helps low-income families meet rising energy costs. The program includes assistance with fuel, summer cooling, and emergencies.
<p><i>Florida</i> (Jeb Bush)</p>	<ul style="list-style-type: none"> In response to Hurricane Katrina, the Department of Management Services, one of the state's largest employers, committed itself to energy conservation. The department implemented guidelines including unplugging all non-essential equipment, personal appliances, turning off all lights and computers at night, turning off overhead lighting during the day when possible, adjusting travel plans, and using hybrid vehicles when possible. Click here to read the letter. <p>The Florida Energy Office has numerous initiatives in five primary fields: <u>Conservation and Efficiency:</u></p> <ul style="list-style-type: none"> <u>Green Lodging:</u> This is a new designation recognizing environmentally friendly hotels and motels. Energy Conservation Assistance Program: The ECAP provides cost-free energy conservation assistance to citizens.

	<ul style="list-style-type: none"> • Rebuild America: UCF Project: UCF will outfit three campus buildings with energy efficient technologies. • Hydroponic Sea Oats: Hydroponic Sea Oats are used to help stabilize and protect miles of Florida’s shoreline from erosion. Hydroponic plants are cultivated without soil and therefore only require a fraction of the growing space, use less water, need fewer chemicals, generate no pesticide run-off, and require less energy use. When transferred to the beach, these plants can live for 80 year, protecting and securing the beachfront. <p>Biomass:</p> <ul style="list-style-type: none"> • Energy Crop Tree Farm: In a collaborative effort, the Common Purpose Institute, the University of Florida, energy companies, and the Florida Energy Office are studying ways to grow and harvest fast-growing trees for renewable fuel sources for electric utilities. <p>Clean Vehicles:</p> <ul style="list-style-type: none"> • Ford/BP Hydrogen Fuel Cell Cars: Ford Motor Company and BP America demonstrated hydrogen fuel cell cars and hydrogen fueling stations in Florida. Ford is giving a number of these cars to different Florida state agencies. <p>Solar:</p> <ul style="list-style-type: none"> • SunSmart School Program: Schools across the state are using the free supply of sunshine to illuminate classrooms. This program is installing 29 solar electric systems in schools throughout the state. • SunBuilt: This program – a partnership between the DEP, the Florida Home Builders Association and the Florida Solar Energy Research and Education Foundation – provides rebate checks to home builders who install solar hot water heaters in homes. <p>Hydrogen</p> <ul style="list-style-type: none"> • H2 Florida: Florida’s Hydrogen goal is to “Establish Florida as the leading state in the country for the commercialization of hydrogen technology.” The areas of focus include fuel cells, internal combustion engines, fueling for fuel cells and internal combustion engines, storage, grid optimization, and generation, storage and redistribution.
<p><i>Illinois</i> (Rod Blagojevich)</p>	<ul style="list-style-type: none"> • Illinois was one of eight Midwestern states that entered into the Memorandum of Understanding for a Midwest Natural Gas Initiative in order to accomplish a 1 percent reduction in energy consumption per year. • Illinois’ home weatherization program helps low-income families manage rising heating costs. The initiative focuses on making homes more energy efficient by repairing and replacing windows, sealing cracks, and insulating walls and attics. • Illinois small businesses can take advantage of the Small Business Smart Energy Program, which provides technical services for energy efficiency. The program begins with an initial consultation and then works with a business on efficient design practices.
<p><i>Indiana</i> (Mitch Daniels)</p>	<ul style="list-style-type: none"> • Indiana was one of eight Midwestern states that entered into the Memorandum of Understanding for a Midwest Natural Gas Initiative in order to accomplish a 1 percent reduction in energy consumption per year.
<p><i>Iowa</i> (Thomas Vilsack)</p>	<ul style="list-style-type: none"> • Iowa was one of eight Midwestern states that entered into the Memorandum of Understanding for a Midwest Natural Gas Initiative in order to accomplish a 1 percent reduction in energy consumption per year. In order to work towards this goal, Vilsack recently signed Executive Order 41, which requests that at least 10 percent of state agencies’ electric consumption come from renewable energy sources. • Governor Vilsack recently signed SF 390, which creates a tax credit to specified purchasers of renewable energy. The energy tax credit is equal to \$.015 per kilowatt-hour for electricity, \$4.50 per BTU for heat and \$1.44 per standard cubic foot for hydrogen fuel. • Executive Order 41 orders state agencies to increase energy conservation and efficiency practices. The order directs the state to 1) reduce energy consumption; 2) implement life-cycle cost calculations for equipment; 3) ensure that 10 percent of electricity comes from alternative energy; 4) use alternative-fuel or hybrid vehicles; 5) use E85 in flexible fuel vehicles; 6) ensure that all diesel fuel has at least 5 percent renewable content by 2007; and 7) provide the state Department of Natural Resources with quarterly progress reports.
<p><i>Kansas</i> (Kathleen Sebelius)</p>	<ul style="list-style-type: none"> • Governor Sebelius has launched a WarmHelp website for Kansans. The site has cost-saving tips and links to state energy providers. It also has links to information on helping low-income residents manage rising energy costs.

<p><i>Kentucky</i> (Ernie Fletcher)</p>	<ul style="list-style-type: none"> • In February 2005, Governor Fletcher announced his energy plan – the first of its kind in the state – which includes greater use of clean coal technology, bio fuels, and energy efficiency. Click here for the press release.
<p><i>Louisiana</i> (Kathleen Blanco)</p>	<ul style="list-style-type: none"> • A recent \$1 billion expansion project for NRG – provider of all electric needs of the state’s 11 electric cooperatives – will use clean technology including low sulfur coal and a supercritical boiler to increase efficiency.
<p><i>Maine</i> (Jim Baldacci)</p>	<ul style="list-style-type: none"> • Governor Baldacci recently signed LD 1586 to create a rebate program for homeowners and small businesses that install solar electric or thermal solar systems. The program provides for \$500,000 funding per year on all Maine electricity consumers’ bills. This includes up to a \$7000 rebate for solar photovoltaic systems installed before 2007; and up to a \$1250 rebate of the cost of solar thermal systems.
<p><i>Maryland</i> (Robert Ehrlich)</p>	<ul style="list-style-type: none"> • “Project Heat Up” is Governor Ehrlich’s initiative to help low-income families manage rising energy costs. As part of this project, the state will change the requirements for energy assistance, increasing the number of eligible households by 60,000. Additionally, the Governor increased funding to the state’s weatherization program. • The Solar Grant Program provides funding to install part of the cost-effective and energy-efficient solar energy systems in residential homes. • Maryland provides tax credits for the construction of Green Buildings on personal and commercial properties. To find out more about this incentive, click here. • Purchases of “refuse-derived” fuel used for heating purposes are tax exempt in Maryland. This applies to personal costs only. Click here for the statute. • The Maryland Energy Administration is working with the state’s Department of Agriculture to explore ways to combat waste, promote energy efficiency on farms, and produce energy. One way to do this is through anaerobic digestion. A three-step process of breaking down plant and/or animal matter results in three usable products: biogas, fiber, and liquor.
<p><i>Massachusetts</i> (Mitt Romney)</p>	<ul style="list-style-type: none"> • The Massachusetts Clean City Initiative encourages alternative fuel vehicles (AFVs), which will help the state achieve “energy security and environmental quality.” • The Energy Conservation Improvement Program (ECIP) provides grants to public schools to fund improvements that will reduce energy costs and increase efficiency. ECIP provides a low-cost way of identifying conservation opportunities, a predictable program for schools to use for planning purposes and independent assessments of energy efficiency.
<p><i>Michigan</i> (Jennifer Granholm)</p>	<ul style="list-style-type: none"> • Michigan was one of eight Midwestern states that entered into the Memorandum of Understanding for a Midwest Natural Gas Initiative in order to accomplish a 1 percent reduction in energy consumption per year.
<p><i>Minnesota</i> (Tim Pawlenty)</p>	<ul style="list-style-type: none"> • Minnesota was one of eight Midwestern states that entered into the Memorandum of Understanding for a Midwest Natural Gas Initiative in order to accomplish a 1 percent reduction in energy consumption per year. In order to work towards this goal, Pawlenty signed a measure requiring that all diesel fuel in Minnesota contain two percent biodiesel made from soybeans. • As a leader in alternative fuels, Governor Pawlenty announced his goal, E10 by 2010, which will require a 10 percent ethanol blend in all gasoline (E10). Currently, an even cleaner 85 percent ethanol (E85) is available at more than 100 fueling stations. • Because of the wide range of natural resources available, Minnesota is able to use its farmlands to produce valuable biomass fuel. Crops being used include alfalfa, hybrid poplar trees, and corn. The state provides a summary of the key locations for each of these crops. • The Methane Digester Loan Program helps supplement funds for farmers who are installing digesters on their farms. This program makes it feasible for Minnesota farmers to install digesters, which in turn will help produce biogas for the state, thus helping to lower electricity costs. Click here for more information about anaerobic manure digestion. • Minnesota has a number of other biomass energy initiatives underway. To see a complete summary of the following, click here. -Fibrowatt Power Project – Poultry Litter: This project allows Fibrowatt to build a

	<p>50MW power plant fueled by turkey and poultry litter.</p> <ul style="list-style-type: none"> -The Itasca Power Biomass Energy Project will use wood residue from northern Minnesota to fuel a power plant. -The NCPP Minnesota Biomass, LLC proposed to build a 38.5 MW biomass power plant, which will convert wood, wood wastes, and agricultural biomass to electricity. -The Phillips Community Energy Cooperative's Biomass Project and the St. Paul Biomass Project are looking at the feasibility of using waste wood for energy. <ul style="list-style-type: none"> • The Conservation Improvement Project (CIP) dictates that energy utilities must dedicate a portion of their revenues to projects that will reduce the consumption of electricity and natural gas. These funds are primarily used to provide customers with incentives to purchase energy-efficient products. • Governor Pawlenty is the chair of the Governors' Ethanol Coalition. The coalition promotes the use of ethanol fuels nationwide and worldwide.
<p><i>Missouri</i> (Matt Blunt)</p>	<ul style="list-style-type: none"> • Missouri was one of eight Midwestern states that entered into the Memorandum of Understanding for a Midwest Natural Gas Initiative in order to accomplish a 1 percent reduction in energy consumption per year. • Any public school, university, college, city or county government, city hospital, or water treatment plant is eligible to apply for low-interest loans through the Energy Revolving Fund. These loans assist with energy efficient capital improvements to buildings, streetlights, and traffic lights. • The Missouri Department of Natural Resources became a Million Solar Roof Partnership in 2004. This means that they intend to facilitate the installation of 500 solar roofs by 2010. • The Mid-Missouri Rideshare Program is a free service organizing carpools for commuters.
<p><i>Montana</i> (Brian Schweitzer)</p>	<ul style="list-style-type: none"> • Governor Schweitzer recently announced the Warm Homes Montana program that will use the Montana Conservation Corps to weatherize 500 homes in six weeks. The program will target low-income families in order to close the energy affordability gap for this winter.
<p><i>Nebraska</i> (Dave Heineman)</p>	<ul style="list-style-type: none"> • As the result of an executive order, all state employees must use E85 ethanol and biodiesel fuel while operating the state's flexible-fuel or diesel-powered vehicles. The Governor has also increased the number of E85 pumps in the state to fifteen. Read the press release for more information.
<p><i>Nevada</i> (Kenny Guinn)</p>	<ul style="list-style-type: none"> • Governor Guinn recently signed Assembly Bill 3, which encourages energy efficiency in construction and renovation, provides a partial abatement of certain taxes for energy efficient buildings, and requires the University and Community College System of Nevada to dedicate a specific amount of campus space to green buildings.
<p><i>New Hampshire</i> (John Lynch)</p>	<ul style="list-style-type: none"> • Beginning in January 2007, Vermont and New Hampshire will join Maine in banning MtBE from gasoline. New Hampshire Governor John Lynch stated, "MtBE poses a serious risk to the health of our citizens and a danger to our water supplies here in New Hampshire." Governor Lynch also asked Congress to remove federal energy legislation that protects MtBE manufacturers from lawsuits. MtBE was originally intended to reduce air pollution, but it has instead been found to pose extreme risk to drinking water. The EPA considers MtBE a "potential human carcinogen." Click here to view the press release.
<p><i>New Jersey</i> (Richard Codey)</p>	<ul style="list-style-type: none"> • New Jersey's Clean Energy Program provides financial incentives for households that make their homes energy efficient by using renewable fuels, including solar energy.
<p><i>New Mexico</i> (Bill Richardson)</p>	<ul style="list-style-type: none"> • Governor Richardson and Governor Schwarzenegger (CA) took the lead in the Western Governor's Association and approved the Clean and Diversified Energy Initiative. Using the many natural energy resources available in the western region of the United States, the WGA will develop a clean, secure and diversified energy system .
<p><i>New York</i> (George Pataki)</p>	<ul style="list-style-type: none"> • Governor Pataki was the first northeast governor to join the Governors' Ethanol Coalition. The coalition is working to promote the use of ethanol nationwide and worldwide. • In August 2005, Governor Pataki announced \$15.5 million for clean energy projects.

	<p>These projects will allow commercial, agricultural and industrial energy users to generate their own energy. Click here for the Governor’s press release.</p> <ul style="list-style-type: none"> • Tribeca Green is the second of eight planned “green” buildings in Battery City Park in New York City. The 24-story high-rise offers eco-friendly design, including solar paneling and a system to use filtered rainwater as a source of clean energy. • A new energy conservation system in state offices will save the state \$500,000 per year. The Web-Enabled Advanced Metering System allows for monitoring all types of energy. Since Governor Pataki signed the executive order in June 2001, the state has decreased energy use by 32 percent. To learn more about New York’s energy efficient systems, click here.
North Dakota (John Hoeven)	<ul style="list-style-type: none"> • In October 2005, Governor Hoeven hosted the Department of Defense at North Dakota’s Energy and Environmental Research Center (EREC). The DoD is interested in using the facility to take advantage of possible military applications of new alternative fuels. EREC’s focus on hydrogen technology to fuel vehicles makes it a good match for the U.S. military. To find out more, read Governor Hoeven’s press release.
Ohio (Bob Taft)	<ul style="list-style-type: none"> • Ohio was one of eight Midwestern states that entered into the Memorandum of Understanding for a Midwest Natural Gas Initiative in order to accomplish a 1 percent reduction in energy consumption per year. • Bowling GREEN Power has the highest consumer participation of any green power program in the nation. The sources of “green power” are hydropower from a run-of-the-river hydro plant on the Ohio River and biomass from a landfill.
Oklahoma (Brad Henry)	<ul style="list-style-type: none"> • Chesapeake Energy in Oklahoma City and the Oklahoma Conservation Districts established a \$3,000 award to encourage educators to incorporate natural resource conservation into lesson plans. To read more about this and other initiatives at the State Energy Office, click here.
Oregon (Ted Kulongoski)	<ul style="list-style-type: none"> • Qualifying hybrid vehicles can earn a tax credit for Oregon residents and business owners. Residents may earn up to a \$1,500 tax credit on income taxes owed. Business owners may earn a tax credit for hybrid vehicles used in the business operation. More information about qualifying cars and the tax credit is available on the Oregon Department of Energy website. • The state is also providing a \$1,500 tax credit for homes that meet specific requirements. More information about requirements and the benefits of solar heating is available on the Oregon Department of Energy website. • Klamath Falls, Oregon, uses geothermal energy to supply heat for a district heating system. Geothermal heat is produced by drilling into geothermal reservoirs and letting the hot water rise to the surface.
Pennsylvania (Ed Rendell)	<ul style="list-style-type: none"> • Governor Rendell recently supported the first-ever waste-coal-to-diesel plant and created a fuel consortium to purchase cheaper, cleaner diesel fuel that will be produced in Schuylkill County, Pennsylvania. This initiative will reduce the state’s dependence on foreign oil, create new jobs in the state, and reduce oil costs. Click here to read the press release.
South Dakota (Mike Rounds)	<ul style="list-style-type: none"> • Last winter, Governor Rounds signed a number of bills providing tax breaks on the construction of alternative and traditional energy facilities. Two of these are SB0214 and HB1261. SB0214 gives tax breaks to soybean processing plants that produce biodiesel fuel. HB1261 provides refunds on sales tax and contractors’ excise tax on the construction of large power plants.
Texas (Rick Perry)	<ul style="list-style-type: none"> • With plans in action, Texas could be the first state in the nation to have an offshore wind farm. The energy from the wind farm, which will be off the coast of Galveston, TX, will provide enough energy to power 40,000 homes. To read the news story, click here.
Vermont (Jim Douglas)	<ul style="list-style-type: none"> • Beginning in January 2007, Vermont and New Hampshire will join Maine in banning MtBE from gasoline. Vermont’s Governor Jim Douglas signed the bill in Windsor County where, in 1997, a gasoline truck leaked about 10 gallons of gasoline containing MtBE into the environment and contaminated 38 drinking water wells. To learn more, read the Governor’s press release.
Virginia (Mark Warner)	<ul style="list-style-type: none"> • Governor Warner called upon the Departments of Social Services (DSS), Housing and Community Development (DHCD), Mines, Minerals and Energy (DMME), and Planning and Budget (DPB) to come up with a plan to assist low-income Virginians with the expected rise in heating costs this winter. Click here for the Governor’s press release.

<p>Washington (Christine Gregoire)</p>	<ul style="list-style-type: none"> • Researchers at the University of Washington found that millions of small trees can be used to harness a clean source of renewable energy without adding carbon dioxide to the atmosphere. Demonstration projects are planned for two Washington locations. Click here for the article.
<p>Wisconsin (Jim Doyle)</p>	<ul style="list-style-type: none"> • Wisconsin was one of eight Midwestern states that entered into the Memorandum of Understanding for a Midwest Natural Gas Initiative in order to accomplish a 1 percent reduction in energy consumption per year. • The Energy Help Initiative was set up in September 2005 to reduce natural gas consumption, bring conservation information together in one source and make additional funds available for low-income citizens who struggle to pay heating costs. • Governor Doyle is aiming for 10 percent of the state's energy to come from renewable sources by 2010. With this goal in mind, anaerobic digesters will be key. The state's cowherd could yield enough energy to power 3,400 homes each year. Click here for the Statewide Assessment of Anaerobic Digestion Methane to Energy.