

Virginia Energy Plan Update

Commission on Electric Utility Regulation

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Virginia Energy Policy

Code of Virginia, Title 67

- § 67-202.....
- B. Prior to completion of the Plan and updates thereof, the Division shall present drafts to, and consult with, the Coal and Energy Commission and the Commission on Electric Utility Regulation.
- C. The Plan shall be updated by the Division and submitted as provided in § 67-203 by July 1, 2010, and every four years thereafter. Updated reports shall reassess goals for energy conservation based on progress to date in meeting the goals in the previous plan and lessons learned from attempts to meet such goals.

Virginia Energy Plan

Outline

1. Introduction and Executive Summary
2. Virginia Energy Resources & Consumption
3. Energy Efficiency & Conservation
4. Energy Infrastructure
5. Energy and the Environment
6. Energy Research & Development
7. Recommendations

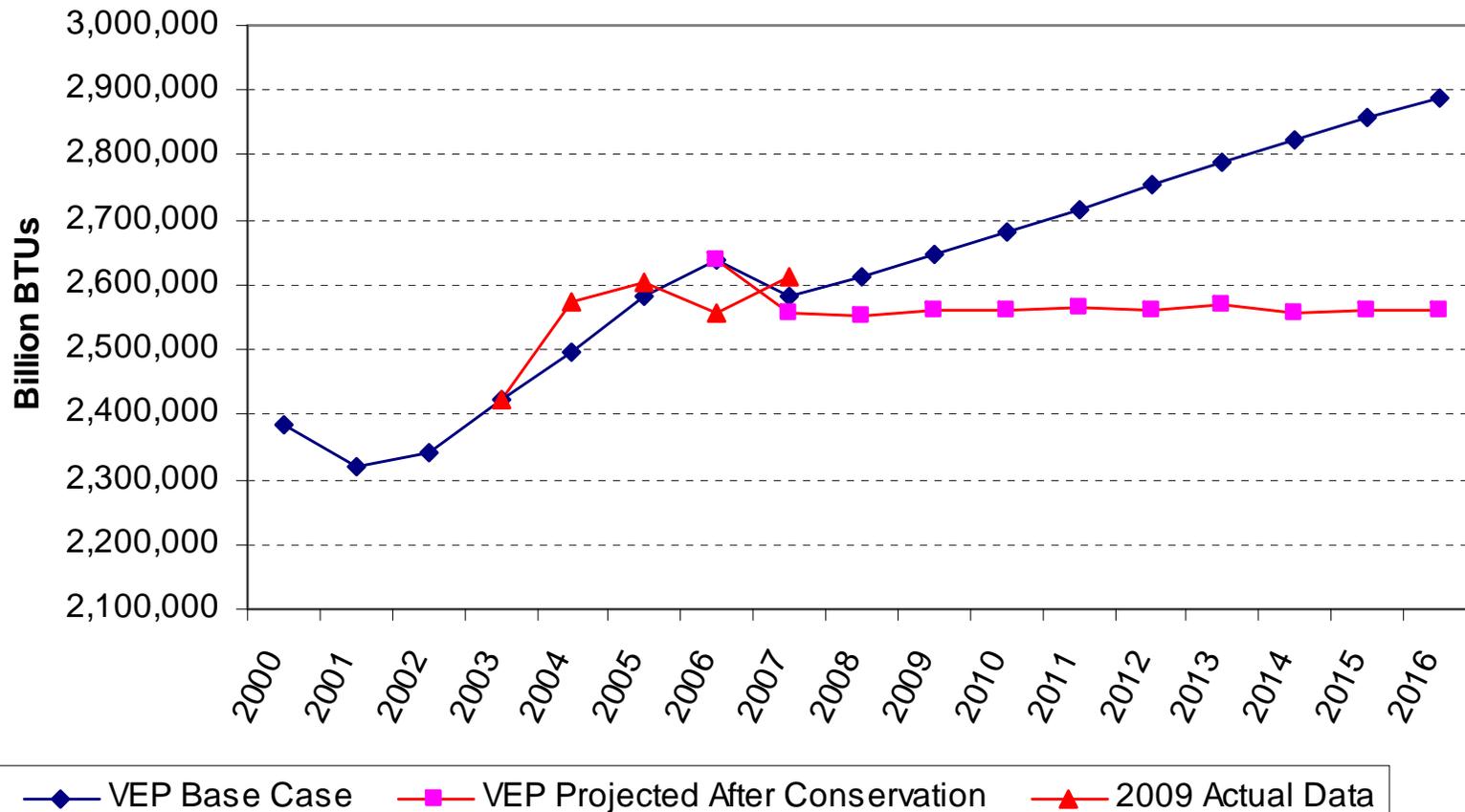
Virginia Energy Plan Goals

- **Increase energy independence**
 - 40% reduction in rate of energy growth base case
 - 20% increase in in-state energy production base case
- **Expand consumer energy education**
 - Overcome barriers to consumer action
- **Climate change**
 - 2000 GHG emission levels by 2025; \approx 30% from BAU
- **R & D / economic development**
 - Alternative fuels, nuclear technologies, coastal energy, carbon capture & storage

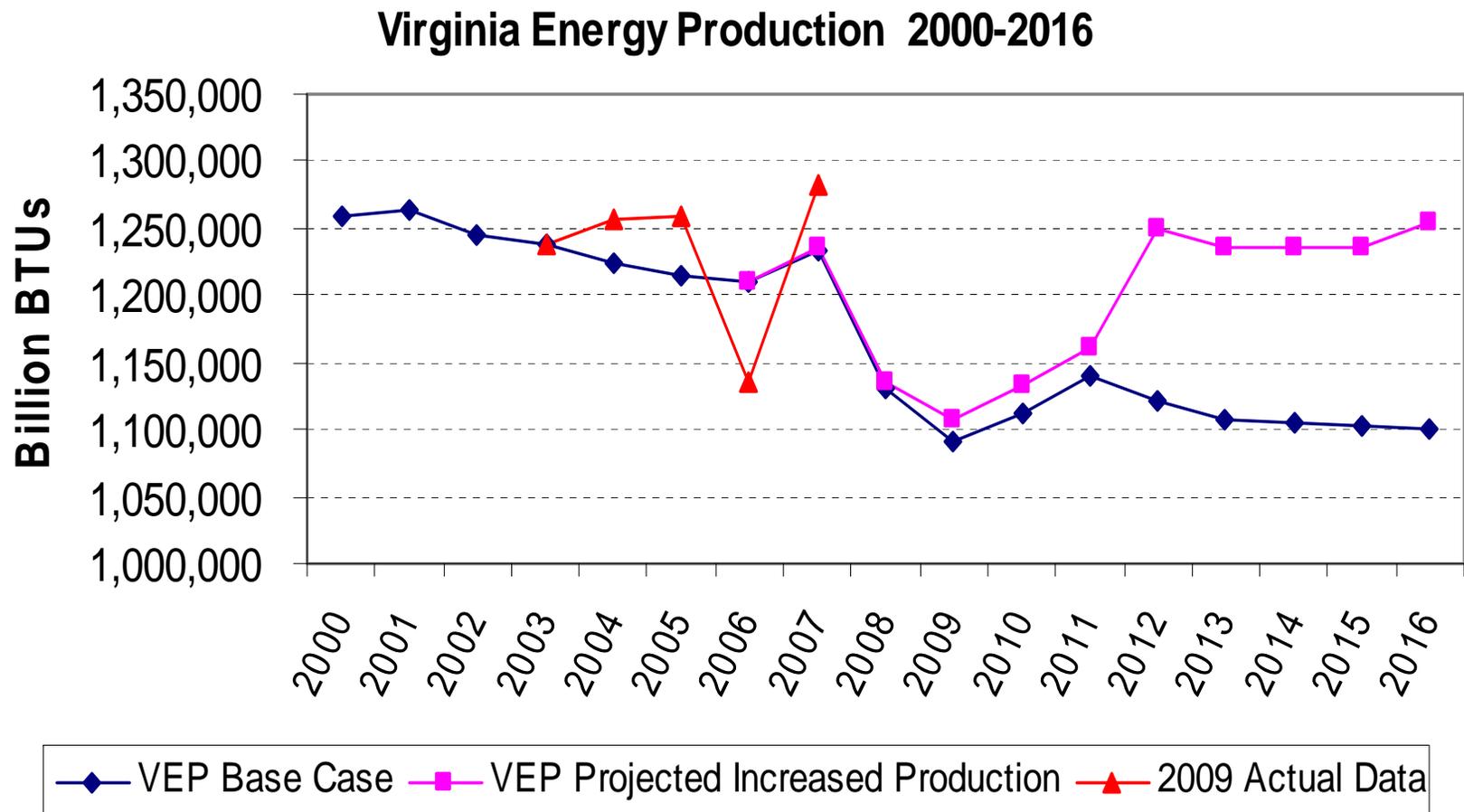
<http://www.dmme.virginia.gov>

Goal 1 – Reduce Energy Consumption

Virginia Energy Consumption 2000-2016



Goal 1 – Increase Energy Production



Goal 1 Actions

- **Increase efficiency incentives**
 - Federal income tax incentives expanded in ARRA
 - Two October Energy Star state sales tax holidays
 - \$15 million State Energy Program ARRA rebates
 - \$54.2 million ARRA Energy Efficiency Conservation Block Grant
 - \$7.4 million Energy STAR Appliance ARRA rebates
- **Utility efficiency programs**
 - 2008 natural gas conservation/decoupling – Virginia Natural Gas and Columbia Gas of Virginia
 - 2009 electric utility – level playing field with generation – Dominion portfolio of programs filed with SCC
 - Electric cooperatives demand response and conservation programs
 - Dominion, coops, municipal smart grid investments

Goal 1 Actions

- Weatherization Assistance Program
 - Double formula funding
 - \$94 million ARRA
- Policies to improve building stock
 - 2009 model code implementation; 2012 planning
 - VHEN builder and energy auditor training
 - Home Builders Association – Earth Craft Homes
 - Executive Order 82 – New State LEED/Green Globes

Goal 1 Actions

- Residential, commercial, industrial consumers
 - Expanded federal income tax credits
 - Share in \$15 million ARRA efficiency rebates
 - SE industrial efficiency program
- Deploy new technologies - jobs
 - \$10 million State Energy Program ARRA for new jobs in energy efficiency and renewable energy businesses

Goal 1 Actions

- **Lead by example**
 - Executive Order 82 – Energy savings performance contracts; demand response; natural gas and heating oil purchasing; energy manager training
 - Local government climate and sustainability plans; EECBG ARRA efficiency investments
- **Transportation systems**
 - Increased transit funding – Norfolk light rail construction; Dulles Metro expansion
 - Northern Virginia HOT lanes
 - Executive Order 82 – 2% biodiesel after July 1, 2010

Goal 1 Actions

- **Expanded renewable production**
 - Expanded RPS
 - VCERC offshore wind R&D
 - DEQ permit by rule for small renewable systems
 - \$38 million State Energy Program ARRA funding for solar/wind
 - Highland New Wind under construction; expanded landfill gas generation
- **Energy infrastructure investments**
 - Electric transmission and distribution lines
 - HRX natural gas pipeline crossing
 - MMS OCS oil and gas lease sale 220
 - Biofuels production and pipeline shipment

Goals 2 Actions

- Expanded energy education
 - SCC Consumer Education Plan

Goals 3 Actions

- Energy and environment
 - Governor's Commission on Climate Change
 - No state GHG reporting; EPA rule development
 - Land use – transportation standards
 - Secondary roads
 - High growth area
 - Urban development areas
 - Transportation impact fees
 - Transportation service districts
 - CTB transportation and land use performance measures
 - SW VA carbon capture and storage test

Goal 4 Actions

- **Reliable investments in energy RD&D**
 - Tobacco Commission RD&D investments
 - \$40 million in 5 energy technology centers
 - Up to \$100 million in energy commercialization deployment
 - VCERC funding – algae and offshore wind
 - VT Center for Coal and Energy Research funding
 - State university internal fund investments
 - CIT SBIR/STTR assistance
 - Difficulties in matching federal funds

Goal 4 Actions

- Energy-Based Economic Development
 - Interagency Task Force for Energy Project Recruitment
 - Nuclear support – AREVA, Babcock & Wilcox, Northrop Grumman
 - Lynchburg and Campbell County facilities
 - Newport News reactor component manufacturing
 - Coal and Energy Commission uranium mining study

June 30, 2009 Update

- Work with Governor-Elect McDonnell Administration
- Public input
 - Internet; Public Town Halls
 - Meet with Stakeholders
- Legislative input
 - Commission on Electric Utility Regulation
 - Coal and Energy Commission
 - Commission on Energy and Environment
 - Manufacturing Development Commission
 - JCOTS
- DMME staff updates & evaluation of 2007 Plan

June 30, 2009 Update

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