



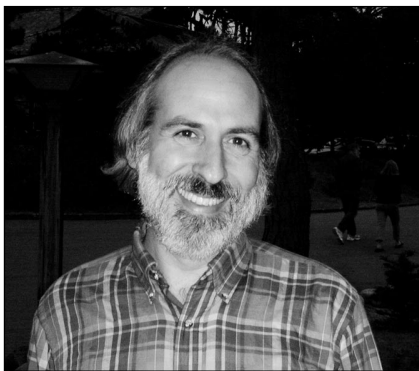
THE GRAPEVINE

ACEEE Summer Study at Asilomar, California

Monday, August 19, 2002

It's the Motion

by Steven Nadel



**ACEEE Executive Director
Steve Nadel**

In May 2001, to much fanfare, President Bush and Vice President Cheney released their National Energy Policy, a document with more than 100 recommendations that together are intended to comprehensively address America's energy problems. The doc-

ument is long on strategies for increasing domestic energy supplies, but also includes a few modest steps to increase energy efficiency.

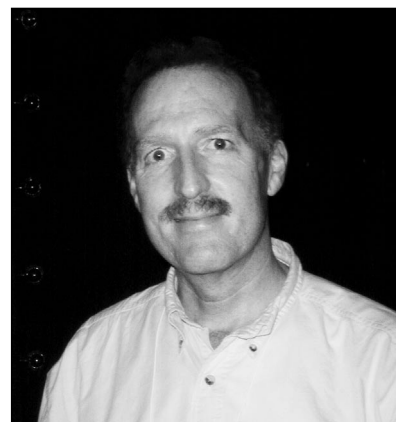
Since then, energy prices have fallen from 2001 highs and last summer's electricity crisis is a fading memory in the minds of most consumers. Meanwhile, policymakers in Washington (and their lobbyist friends) have been toiling away on energy legislation. Bills have passed both the House and the Senate and, as we meet here at Asilomar, Congressional staff are working on melding the House and Senate bills into a single piece of legislation that can be passed by both houses of Congress and signed by the President. While success is far from assured, most Washington wags think a bill will be enacted this year.

Energy efficiency has played prominently in these discussions, albeit with mixed results. On the positive side, the bill is likely to include two major energy-saving provisions. First, the House has agreed to accept a Senate provision that adopts new federal minimum efficiency standards for four products: building trans-

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The Word from Washington

Tonight's plenary speaker brings a wealth of experience to the task. DOE's Assistant Secretary for Efficiency and Renewable Energy David Garman has been working in the area of energy efficiency since the advent of Summer Study. As any old-timer can tell you, that many years of experience adds up to a deep



**Assistant Secretary of Energy
David Garman**

well of wisdom. Garman was nominated by President George W. Bush in 2001 and had the distinction of being confirmed unanimously by the U.S. Senate. He previously served in a variety of positions on the staff of two U.S. Senators and two Senate Committees during a career spanning nearly 21

years. Most recently, Garman served as Chief of Staff to Alaska Senator Frank H. Murkowski.

Throughout his career, Garman's work has focused mainly on energy and the environment, working on issues such as global climate change, transboundary pollution, and regional environmental threats from the former Soviet Union. While on the staff of the Energy and Natural Resources Committee, Garman's portfolio included energy research and development, science and technology, and global climate change. He also served as a U.S. Senate observer at virtually all of the major negotiations under the United Nations Framework Convention on Climate Change from 1995-2000.

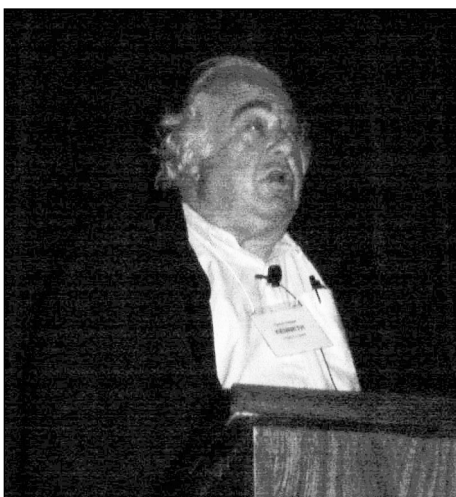
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Polish Your Resume

Kenneth Deffeyes, professor emeritus at Princeton University, had some good words for Summer Study attendees. Our expertise is going to be in high demand in a couple of years. As he elaborates in his recent book, *Hubbert's Peak: The Impending World Oil Shortage*, oil production will be peaking in two to three years and won't be rising again.

Deffeyes bases his prediction on earlier work by geologist M. King Hubbert, who calculated the relationship between oil field discoveries and remaining oil reserves. To a mathematician, it's a pretty relationship. As Deffeyes says, "If you're predicting the future, a straight line is your mother's comfort food." This straight-line relationship isn't exactly comforting, however, as it implies demand outstripping supply in the very near future.

Deffeyes scoffed at the more optimistic predictions of the U.S. Geological Survey (USGS), saying that the U.S.



Kenneth Deffeyes pulled no punches at the opening plenary.

would need to have additional reserves equivalent in size to all of Kuwait's oil fields for their predictions to be true. "USGS makes Enron look like pikers," says Deffeyes.

The natural gas picture isn't any rosier, according to Deffeyes. "Natural gas is the red queen," says Deffeyes. "We're drilling natural gas wells faster and faster to keep our production constant."

What these dwindling oil and gas supplies add up to is a sudden rise in demand for experts in energy efficiency. Rather than relying on the plans Deffeyes thinks are stashed in the Pentagon somewhere to seize the Saudi oil fields, he recommends that we pull out any deep-sixed marketing campaigns that state: I can save you energy and here's how. As most Americans have the bulk of their financial assets tied up in their homes, Deffeyes sees controlling energy costs in the home as a booming profession—

so pull out your how-to lists, and the crowds should be knocking down your door very soon.

To stay up-to-date on questions related to oil reserves, you can visit www.princeton.edu/hubbert.

Showcase Preview

In a new move for Summer Study, a technology showcase will be held on Wednesday from 1:00 pm–5:00 pm in Merrill Hall. Here's just a sampling of the showcase offerings.

Booth 18: SAGE Electrochromics, Incorporated

SAGE Electrochromics, located in Faribault, Minnesota, has developed and patented an electronically tintable glass for building and automotive windows. Trademarked "SageGlass," this product can be lightened to transmit as much daylight as possible and darkened to block glare and solar heat—all at the push of a button. SageGlass windows will provide much greater visual and thermal comfort for the building occupant and significant reductions in energy use and peak energy demand.

Booth 20: Sunoptics

Sunoptics Prismatic Skylights, located in Sacramento, California, manufactures lighting efficient prismatic skylights, electric light control louvers, and digital photo controls. Used for classroom or office settings, this sys-

tem allows the user to take full advantage of the energy savings potential, while creating a naturally lit environment. Recent studies conducted by the Heschong-Mahone Group confirms the positive effect naturally lighted space can have for the occupants.

Booth 13: Light Corp.

Light Corp., located in Grand Haven, Michigan, is a progressive leader and supplier of fluorescent lighting. Based on years of research at the Lawrence Berkeley National Laboratory, the new Berkeley Lamp consists of two CFLs that can be turned on and dimmed independently. The upper lamp provides ambient lighting while the lower lamp is used for task lighting. They reduce energy use up to 75% compared to incandescent or halogen lights.

Informal Sessions

2:00 pm – 4:00 pm

International Energy Efficiency Activities in the Public Sector

David Garman, U.S. Department of Energy
Location: NAUTILUS

Active Mode Energy Efficiency Opportunities with Power Supplies and Consumer Electronics

Chris Calwell, Ecos Consulting
Location: HEATHER

A New Energy Efficiency Evaluation Framework for California

Marian Brown, CALMAC and SCE
Location: SCRIPPS

Update on Projects and Guidelines Development at the Institute

Jeff Johnson, New Buildings Institute
Location: KILN

Funding Energy Efficiency: Can Improved Messaging Help?

Kevin Blake, ICF Consulting, Incorporated
Location: EVERGREEN

Energy Efficiency Strategy to Mitigate GHG Emissions. Energy Efficiency Demonstration Zone in the City of Gabrovo, Bulgaria

Atanas Stoykov, Center for Energy Efficiency EnEffect
Location: TRITON

The Electricity Efficiency Performance Standard: A New Approach to National Electricity Policy

Bill Prindle, ACEEE
Location: VIEWPOINT EAST

Residential Ventilation Standards: ASHRAE 62.2, Title 24 and Beyond

Max Sherman, LBL
Location: ACACIA

Zero Energy Buildings

Lew Pratsch, U.S. DOE
Location: TOYON

Financing the Construction of 500 Megawatts of Conservation

John Domingos, Energy Conservation Finance Institute
Location: CURLEW

California Energy Efficiency Policy

Chris Choteau, PG&E
Location: FRED FARR FORUM

4:00 pm – 6:00 pm

Management Practices: An Emerging Energy Efficiency Market Transformation Strategy

Neal Elliott, ACEEE
Location: SCRIPPS

Energy Efficiency Standards: It's Time Again for State Action

Andrew deLaski, ASAP
Location: VIEWPOINT EAST

Financial Risk Management in Energy Efficiency Investments: Can we recreate Enron without recreating Enron?

Paul A. Mathew, LBNL
Location: HEATHER

Strategies for Promotion of Efficient Lighting Fixtures

Rebecca Foster, Consortium for Energy Efficiency
Location: NAUTILUS

Fostering Energy Efficiency Development in the Asia-Pacific: Framework for "APCEEE"

Alan Meier, LBNL
Location: KILN

High Performance Schools—Developing a Nationally Recognized Web-Based Resource Clearinghouse

Dan Strout, U.S. DOE
Location: EVERGREEN

Building America—Where We Are Going

George S. James, U.S. DOE
Location: ACACIA

Think Globally, Act Locally

(in Nautilus at 2pm)

Jet Lagged? Having a hard time getting used to the Asilomar time zone? (Early 1970s, right?)

Well, you are not alone. There are more than 50 international participants at this year's Summer Study, coming from a farflung group of countries including:

Canada (14);
Denmark (7);
China (8);
Netherlands (5);
Brazil (4);
Japan (4);
France (3);
Sweden (2); and

Australia, Austria, Bulgaria, EU, Hungary, Italy, Mexico, Norway, New Zealand, and Russia (1 each).

We hope you have a chance to meet many of them during the course of the week.

To get started, come and share information about the growing number of government sector energy efficiency initiatives around the globe, at today's 2:00 pm informal session on "International Energy Efficiency Activities in the Public Sector." The session will be chaired by David Garman, Assistant Secretary for Energy Efficiency and Renewable Energy at the US Department of Energy. All Time Zones are welcome.

The Word from Washington

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In his talk this evening, Garman will offer an update on DOE activities related to appliance standards, ENERGY STAR, and other efforts to advance energy technology. And he will be exploring the question: What is the optimal *political* atmosphere in which we can advance energy efficiency and promote renewable energy technologies? So, for the word from Washington, be there tonight.

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formers, exit signs, traffic lights, and torchiere lighting fixtures. It also calls for DOE to set standards on five additional products: vending machines, commercial refrigerators/freezers, residential ceiling fans, commercial unit heaters—gas-fired space heaters that are ubiquitous in warehouses, garages, and factories—and external power supplies for consumer appliances, such as wall-paks. The standards that are set are based on existing ENERGY STAR specifications and minimum efficiency standards adopted by the California Energy Commission.

Second, the bill is likely to include tax credits for quite a few advanced energy-saving technologies and practices. Both the House and Senate bills contain tax credits for efficient new homes, commercial buildings, cars and trucks, washing machines, refrigerators, combined heat and power systems, fuel cells, and home retrofits. While important differences between the House and the Senate bills need to be worked out, all of these provisions are likely to be included in the final bill. In addition, the Senate bill includes tax credits on very high-efficiency residential furnaces, air conditioners, heat pumps, and water heaters.

ACEEE, as well as many other efficiency supporters, have worked hard to help develop and promote these important provisions. Overall, ACEEE estimates that these two provisions will reduce the need for peak generating capacity in 2020 by more than 60,000 MW, equivalent to the output of more than 200 power plants of 300 MW each. In addition, both of these provisions will provide opportunities for state, regional, and local programs to offer complementary promotions to leverage these federal actions and increase the energy savings achieved.

However, while these two provisions are important, what will not be included in the bill is more notable. Both the House and the Senate defeated amendments to significantly increase passenger vehicle fuel economy standards. And proposed provisions to enact a federal public benefit fund to finance electricity-saving programs or an electricity-savings performance standard to set savings targets also did not see the light of day. As a result, ACEEE estimates that the bill will reduce U.S. energy use by only about 3% by 2020—far less than the 10% savings that could have been achieved if these two additional provisions were included.

Given the looming energy problems facing the United States (see "Interesting Times" in the Sunday *Grapevine*), it is likely that policymakers will have to again address energy issues in the next few years. Thus, from an energy efficiency perspective, the current energy bill is primarily notable not for its meat—it only contains a few tasty morsels—but for its motion: It is a small step in the right direction that will hopefully lay the foundation for further steps in the not-too-distant future.