



# Highlights from the Interim Report to the Washington State Legislature

WEDA Legislative Conference

Wednesday, February 10, 2010

# Background of the CELC

The Clean Energy Leadership Council (CELC) was created in April 2009 by the passage of Senate Bill 5921 with a mission...

*“to create a clean energy leadership initiative that will set the path to leverage Washington's energy infrastructure and make Washington a hub for clean energy technology and a leader in the creation of green jobs and the development, deployment, and export of clean energy technologies and services”*

On August 12<sup>th</sup>, 2009, Governor Gregoire appointed 23 members from the public and private sectors to the Council.

A website has been set up to communicate the Council's progress to the public. Please visit [www.washingtoncelc.org](http://www.washingtoncelc.org).

# CELC Progress and Work to be Done

## **PROGRESS**

To date, the Council has met four times - August 12<sup>th</sup>, October 14<sup>th</sup>, November 17<sup>th</sup> and January 8<sup>th</sup>. An interim report has been submitted to the legislature. The final report is due to the legislature on December 1<sup>st</sup>, 2010.

Additionally, Council members as well as other stakeholders have been interviewed individually to discuss their ideas on clean energy opportunities in WA.

## **NEXT STEPS**

To assist with the report, the Council is in the progress of engaging a nationally recognized consulting firm to prepare an actionable roadmap based on analysis and the Council's inputs.

- An RFP was released on November 18<sup>th</sup>
- Submissions were due December 4<sup>th</sup>
- Consultant has been selected

# Key Consensus Themes

After conducting three CELC meetings and as well as in-depth interviews with Council members and other stakeholders, consensus emerged on a number of key points:

1. Washington State must develop a clear strategy for leadership, identify tangible desired outcomes, and then focus its resources, policies, administration, and regulation on achieving those goals;
2. In order to achieve desired outcomes, we must align three inter-related areas for sustaining success: capital investment, technology and policy execution;
3. Policy is a critical component for growing a clean energy sector; however, policies must be:
  - Durable
  - Supported and embraced at the implementation level;
4. Ensure innovation is intensified within the clean technology sector;
5. Focus on being a launching pad to broader markets;
6. Washington State must identify ways to differentiate itself from other markets in a way that attracts investment, companies and projects.

# Emerging Themes

Following from these key points, it has been agreed that a diverse portfolio of clean energy categories which leverage Washington States unique strengths must be pursued.

The following areas emerged as opportunities for the state:

1. *Smart-grid*
2. *Energy efficiency*
3. *“Green buildings” and the built environment*
4. *Sustainable biomass, forestry, biofuels and bioproducts*

The Council also identified three other areas that require additional study:

1. *Energy Storage*
2. *Transportation Sector, including vehicle electrification*
3. *Solar Supply Chain*

# Approaches Identified

In order to operationalize these themes, the Council has identified the following broad approaches:

1. Make Washington State the best place to develop, build and deploy clean energy products, services, and solutions to serve the world;
2. Embrace a project-based approach to foster collaboration and innovation to identify, develop and deploy new clean energy solutions.
3. Stimulate innovation in the secondary or component parts markets for design, manufacturing and services.

# SEP Recommendations

In SB 5921 the CELC was asked to make recommendations as to how the ARRA related State Energy Program money could be most efficiently distributed to affect the maximum value to the state.

- Generally, the criteria used in Round I remain relevant, but there should be a focus on projects that promote long term, durable economic development;
- Don't spread funds too thin – seek quality, not quantity;
- This sector is capital intensive – the funds should focus on a smaller number of projects and provide larger sums.
- Seek to move several big “transformational” projects forward.
- For maximum effect, the funds should be mostly focused on the key clean energy areas identified by the Council in this interim report.

# Energy Policy Structure Recommendations

Finally, the CELC was requested to provide their input on organizational structure, staffing and funding for a redeveloped Washington State energy policy program. The following are broad principals for building a state infrastructure to support clean energy:

- **Form should follow function:** The Council believes the state should defer making major organizational changes until there is clarity regarding the longer-term energy goals of the state.
- **Enhance analytical capabilities and data collection:** The state needs the ability to collect, analyze and disseminate comprehensive, credible data and conduct independent analysis on the region's interconnected power system.
- **Bolster management team capabilities:** To secure its position as a clean energy leader, the state will need to develop a sophisticated, professional management team focused on energy issues and which works collaboratively within the state and with industry and other organizations at all stages of the energy value chain.
- **Embrace a collaborative, public-private model:** To more efficiently foster an environment conducive for clean energy industry growth, the State should embrace collaboration as a means of accomplishing energy initiatives.
- **Align policy goals with administrative actions and regulatory outcomes:** The state needs to enact mechanisms to ensure administrative and regulatory outcomes are aligned with policy decisions.

# Contacts

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