

# U.S. State Energy Program

The U.S. State Energy Program (SEP) is the **only program administered by the U.S. Department of Energy (DOE) that provides cost-shared resources directly to the states** for allocation by the governor-designated State Energy Office for use in energy efficiency and clean energy innovation, development, and demonstration activities. **The 30-year program is authorized at \$125 million and received \$50 million in FY'12 appropriations.**

## U.S. State Energy Program

- 30-year, cost-share program authorized by Congress at \$125 million, delivered by the 56 Governor-designated State and Territory Energy Offices (SEOs)
- Congress created SEP to allow each State to address energy priorities and opportunities while contributing to national energy goals
- Provides the fundamental capability for States to design and carry out programs tailored to their specific needs and individual energy goals
- SEP helps build the capacity and capability of the State Energy Offices to design, manage, and implement efficiency and renewable programs, projects, and initiatives

## SAVINGS

Each \$1 of SEP federal funds is associated with annual savings of 1.03 million source BTUs and energy cost savings of \$7.22.

## LEVERAGE

Each \$1 of SEP federal funds is typically leveraged by \$10.71 of state and private (non-federal) funds.

## SEP Mission and Goals

- Support the public and private sectors
- Strengthen America's competitive position and energy security
- Provide high value programs and projects that facilitate the private sector delivery of energy innovation
- Maximize energy, environmental, and economic benefits
- Increase market acceptance of energy efficiency and domestic energy resources
- Use innovative approaches to reach market segments and meet policy goals



## The Nation's 56 State and Territory Energy Offices

State Energy Offices (SEOs) are a vital resource for promoting economic development in the clean energy sector, delivering energy savings, meeting energy goals, and coordinating energy-related emergency preparedness across the nation. With SEP funds and the resources leveraged by them, the 56 State and Territory Energy Offices develop and manage strategic programs that support the private sector in increasing energy efficiency, developing renewable and alternative energy sources, promoting energy related economic development, and reducing reliance on imported oil. More recently, State Energy Offices are placing greater focus on technological innovation and economic development and looking beyond energy efficiency and renewable energy to a more comprehensive slate of programs that include nuclear power, shale gas, and coal generation. Examples of SEP-supported work in the states include:

- Work with utilities to establish and implement complementary efficiency programs
- Support private sector innovation and commercialization through business incubators and job training
- Advise the legislative and executive branches
- Advance cost-effective energy efficiency retrofits and energy management in public buildings
- Deliver public energy efficiency education
- Conduct statewide comprehensive and strategic energy planning
- Demonstrate and pilot innovative energy projects with the private sector and universities

## Groundbreaking Efforts Supported by the State Energy Program

- Iowa supported development of the first renewable portfolio standard in the nation
- Texas' Loan Star Program uses a revolving loan fund mechanism for energy efficiency projects
- States such as Illinois and Pennsylvania pioneered energy performance contracting programs, which pay for public building energy retrofits with energy savings, a decade before similar Federal efforts
- Maryland, New York, California, and Florida initiated the mitigation of energy supply disruptions in the 80s and 90s
- Minnesota conducted wind mapping over two decades ago to provide a better understanding of where the best wind resources are located—enabling private sector investment and development
- Massachusetts is performing wireless monitoring of over 400 public buildings to improve efficiency and lower energy costs to taxpayers
- Ohio, Oregon, and Washington collaborated with industrial manufacturers to increase energy efficiency to enhance global competitiveness

## Annual Allocations: SEP Funding for States

- 2012  
\$50,000,000.00
- 2011  
\$50,000,000.00
- 2010  
\$50,000,000.00
- 2009  
\$50,000,000.00
- 2008  
\$49,500,000.00

## Economic Impact

According to an Oak Ridge National Laboratory (ORNL) report, \$50 million in SEP dollars:

- Leverages \$585 million for energy related economic development
- Produces \$333 million in sustained, annual energy cost savings for families, businesses, and State and Local Governments
- Supports energy efficient retrofits of 153 million square feet of state and local government buildings
- Provides 300,000 energy efficiency technical assistance contacts with consumers and small businesses to aid them in implementing cost-effective energy efficiency actions

*Oak Ridge National Laboratory Reports:*

### State Energy Program and State, Territory Energy Offices Continue to Deliver Annual Energy and Cost Savings



ORNL found that in just one year the states produced the following results under SEP:

- Energy Audits – 15,264 energy audits of residential, commercial, and industrial buildings were performed
- Retrofits – 12,896 buildings were retrofitted to be more energy efficient
- Traffic Signals and Controls – 92,488 energy-efficient LED traffic lights were installed
- Alternative Energy – 6,434 alternative fuel vehicles were purchased or converted
- Loans and Grants – \$30,403,388 of loans made; \$12,345,608 of grants given
- School Education – 604,050 students taught about energy efficiency
- Energy Emergency Planning – 78 energy emergency plan elements were developed

## NASEO Resources

NASEO maintains an SEP site, [www.naseo.org/programs/sep](http://www.naseo.org/programs/sep), where you can access hundreds of specific SEP project examples from every state in the nation.

State and Territory Energy Offices have put federal funds to work in a number of ways to reduce energy budgets and create jobs. The projects highlighted in the U.S. State Energy Program Briefing Book, [www.naseo.org/success](http://www.naseo.org/success), are snapshots of SEP projects and provide a sampling of the thousands of energy projects underway in almost every community across the country.

The full text and a summary of the Oak Ridge National Laboratory report can also be found at: [www.naseo.org/programs/sep](http://www.naseo.org/programs/sep).

## About the National Association of State Energy Officials (NASEO)

- Only national non-profit organization whose membership includes the 56 governor-designated energy officials from each state and territory
- Improves the effectiveness and quality of state energy programs and policies
- Provides policy input and analysis
- Shares lessons learned for successful policy and program replication across the states
- Acts as a repository of information on issues of particular concern to the states and their citizens
- Serves as the voice of SEOs in Washington

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