

DELAWARE

<http://www.delaware-energy.com/>

Delaware's "State Energy Program"

The State Energy Program (SEP) has become the "umbrella" program for the Energy Office to develop initiatives to support General Assembly legislation and recommendations of the Governor's Energy Task Force released in September 2003 and Executive Order # 82 released in February 2006. SEP measures such as Energy Codes, ENERGY STAR, State Facilities, Renewable Energy, Energy

Efficiency, and Strategic and Energy Emergency Planning have been developed and implemented to meet goals and objectives established by the General Assembly and the Governor aimed at making Delaware more energy secure and efficient, environmentally friendly, and economically sound.



Delaware Energy An\$wers Program

The Delaware 143rd General Assembly enacted and Governor Minner signed into law Senate Bill 281, which amended Title 29, §8057 of the Delaware Code to include the Energy Efficiency Financial Incentives Act of 2006. The Act appropriated 8 (eight) million dollars to the Department of Natural Resources and Environmental Control for the development of an energy efficiency program.

The *Energy An\$wers Program* was further divided into four separate target markets:

- ◆ Flip the Switch...and Save! Compact Fluorescent Light Bulb Campaign
- ◆ Delaware Energy An\$wers for Home Appliances
- ◆ Delaware Energy An\$wers for Business
- ◆ Delaware Energy An\$wers for Home Performance

Flip the Switch Delaware...Save!

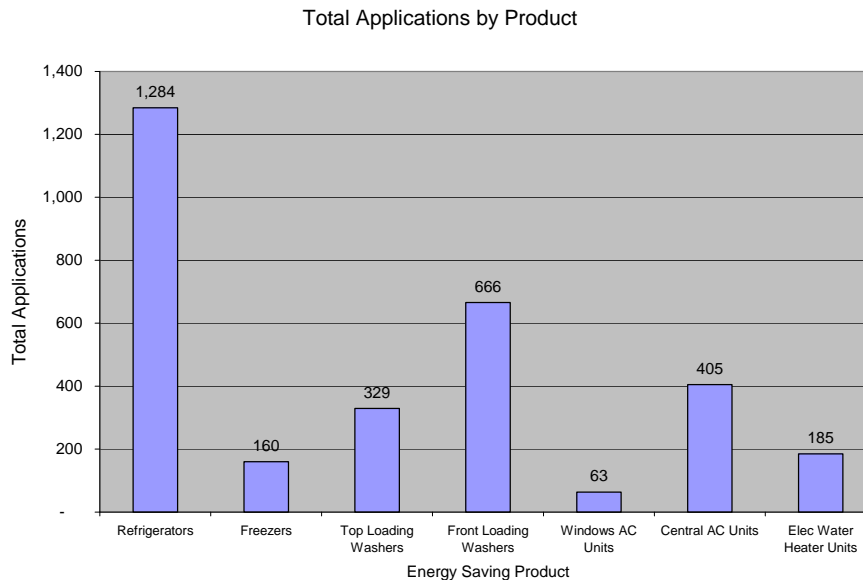
The *Flip the Switch Delaware...and Save!* brand was the local version of the national ENERGY STAR Change A Light, Change the World campaign. The program worked cooperatively with Delaware libraries and electric utilities to distribute coupons for free compact fluorescent light bulbs to Delaware electric ratepayers.

The campaign distributed 142,680 Sylvania 60 Watt equivalent compact fluorescent light bulbs during October 2006 placing Delaware as the nation's leader in the EPA's Change a Light, Change the World Campaign. Delawareans received a direct mail brochure containing the Delaware Energy An\$wers for Home Appliance grant and a tear-away coupon for 2 free light bulbs. The coupons, redeemable at any of Delaware's 36 public libraries contained the printed name and address of the recipient. Delawareans were encouraged, through newspaper, radio, cable and network television advertisements to look for the coupon in their mailbox and redeem it at their local library. The libraries reported exceeding all time door records and realized up to a 35% increase in new patron cards.

Energy An\$wers for Home Appliances

Simultaneously launched with the light bulb campaign, the Energy An\$wers for Home Appliance program was kicked off in late September 2006 with an initial budget of \$400,000. Delaware's residential electric utility customers received information on the program in the direct mail brochure that contained the free light bulb coupon. The program provides cash incentives to citizens who retire inefficient appliances and

replace them with ENERGY STAR appliances and other high efficient products. Grants up to \$500 per home are available for energy-efficient products, such as refrigerators, washing machines and air conditioners. The average grant per household is \$150.00. Of the total funds available through the Delaware Energy Answers for Home Appliance Program, the Energy Office has committed 95% of the initial budget.



Delaware Energy Answers for Business

Currently, the Energy Answers for Business Program has 19 applications reserving \$1.9M in grant funds and 20 applications pending, potentially reserving an additional \$3.1M in funds.

Governor Minner plans to officially kickoff the program in February 2007 with a press conference at a selected Delaware business. Although nearly fully subscribed, the program will launch a marketing plan that includes working cooperatively with Delaware Economic Development Office, the Department of Agriculture, Division of Corporations, and Healthcare. The Energy Office will hold workshops and participate in trade events with the Delaware Manufacture's Extension Partnership, the Chambers of Commerce, Delaware Food Industry Council, Delaware Retail Council, and the Delaware Rotary. The Energy Office will also participate in activities with the Delaware Association of Energy Engineers, ASHRAE, and others to reach the technical and facility leaders of Delaware businesses.

Delaware Energy Answers for Home Performance

The Energy Answers for Home Performance Program plans to begin training service-providers in the spring of 2007. This program, a collaborative with neighboring state energy offices, has leveraged nearly \$100,000 in federal funds for program development and marketing. This program plans to offer Delawareans up to \$1.6 million in grants for energy audits and upgrades such as windows, insulation, and lighting.

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Green Energy Fund

The Delaware 142nd General Assembly enacted and Governor Minner signed into law Senate Bills 93 and 145, which amended Title 29 of the Delaware Code to include new provisions for utilizing the Green Energy Fund. The law was further amended by the Delaware 143rd General Assembly. The law continues to encourage and promote the use of renewable electric generation technologies, alternate energy technologies, and energy efficiency, by residential and non-residential (commercial) customers. Further, the law amends §8054(d) by dividing the Green Energy Fund into three separate and distinct programs.

Green Energy (Endowment) Grant Program

The Green Energy Endowment Program provides cash grants from the Green Energy Fund to customers that have constructed and purchased Renewable Energy Technology and have placed such Renewable Energy Technology in service. Per the Green Energy Program regulations qualifying technologies include: Photovoltaic, Solar Water Heating, Geothermal, Wind Turbine and Fuel Cell systems. The number of Green Energy Program funded installations has grown every year since its inception in 1999. Most recently in Calendar Year 2006, the number of system installations doubled from the previous year almost tripling the total grant awards. The increasing program participation could be attributed to better marketing strategies, environmental awareness, and the electric rate increase for Delmarva Power Customers effective May 1, 2006. Currently, the Green Energy Endowment Program has distributed over 2.4 Million dollars in Endowment Grants.

Technology Demonstration Program

The Technology Demonstration Program is for projects that demonstrate the market potential for renewable energy technologies and accelerate the commercialization of these technologies in Delaware. To be eligible for consideration, a Technology Demonstration Program project must demonstrate either a novel renewable energy technology or a novel application of an available renewable energy technology. Projects must include a public education component, such as integration into an educational program or location at a facility that allows public tours of the installed renewable energy technology. In two years the Technology Demonstration Program has awarded 11 projects. The project focuses have varied in nature from demonstrating new methods of fuel cell creation from recycled materials to reducing the cost of ethanol production, shipping, and dewatering. Currently the Technology Demonstration Program has awarded over \$1.3 Million dollars in two years.

Research and Development Program

The Research and Development Program is for projects that develop or improve Renewable Energy Technology in Delaware. The Office will accept proposals for Research and Development Program grants for qualifying projects that improve the engineering, adaptation, or development of products or processes that directly relate to renewable energy technology. In two years the Research and Development Program has awarded 6 projects. These funded projects have concentrated on advancing the science of photovoltaic system design, manufacturing, and array installation. Other funded projects have improved the development of fuel cell efficiency and durability and studied the feasibility of Off-Shore Wind in Delaware Waters. Currently the Research and Development Program has awarded over \$1.3 Million dollars in two years.

Year	Green Energy Program Grant Installations	Green Energy Program Grants Awarded	Technology Demonstration Program Grants	Research and Development Program Grants
2002	4	\$144,691	NA	NA
2003	15	\$810,164	NA	NA
2004	18	\$164,738	NA	NA
2005	29	\$96,240	\$796,178	\$1,121,062
2006	80	\$1,219,334	\$597,448	\$250,000
Total	146	\$2,435,167	\$1,393,626	\$1,371,062

Strategic and Energy Emergency Planning

The State Energy Program includes measures dedicated to both strategic and energy emergency planning. The Governor created an Energy Task Force in 2002 dedicated to creating a Delaware Strategic Energy Plan to be updated on a five year interval. The Task Force recommendations (the Plan) was made public on September 30, 2003 and set the course for Delaware’s energy future. This report can be viewed at www.delaware-energy.com. The Energy Office has been actively engaged in providing solutions to recommendations relating to energy efficiency, renewable energy, and energy infrastructure development in the State. The Energy Office has also been tasked by the Legislature to develop and maintain an energy emergency plan for Delaware. The Delaware Energy Emergency Response Plan (DEERP) was created in 2003 and updated in 2005 to provide guidance to the Governor in a time of energy emergency. This plan funded through SEP dollars is comprehensive in nature and allows for the protection of Delaware citizens during any energy crisis, natural or political. The Energy Office is actively engaged with the Delaware Emergency Management Agency on a regular basis and participates on the Department of Safety and Homeland Security’s Catastrophic Planning Steering Committee dedicated to the safety of Delaware’s citizens.

Conclusions

The State Energy Program has been a vital and productive mechanism for the Delaware Energy Office to be able to function effectively and provide guidance and direction to state government and the general public on all energy-related matters. Dollars leveraged from other federal Agencies including US EPA and from Delaware Utilities (Green Energy Fund) and the General Assembly (Energy Answers Program) have enabled the Office to be a productive element of government in Delaware and in the Region.