



INTRODUCTION TO COMMUNITY ENERGY STRATEGIC PLANNING

This guide introduces the Community Energy Strategic Plan (CESP) approach, a step-by-step process for creating a robust strategic energy plan for your government and community that can help save money, create local jobs, and improve our national security. The guide offers tools and tips to complete each step and highlights examples from successful planning efforts around the country. Local governments and community stakeholders can use the CESP framework to build on initial energy successes, funded through the Energy Efficiency Conservation Block Grant and other efforts, by moving from single projects and programs to a comprehensive, long-term energy strategy that delivers benefits for years to come.

What is a Strategic Energy Plan?

A strategic energy plan is not a static document but rather a long-term blueprint to focus and guide efforts and actions toward a defined energy vision. Such a plan articulates goals, develops strategies and actions to meet the goals, and identifies and allocates resources to assure effective completion of these strategies.

Instead of undertaking decisions on a single-year, as-needed basis, a strategic plan can be:

- **Proactive**-outlines deliberate actions based on clearly articulated government and community priorities
- **Comprehensive**-encompasses a broad scope, based on community priorities, that identifies and pursues high payoff opportunities through coordinated planning and sustained effort
- **Structured**-provides defined and thoughtfully organized guidance through a specific plan for action
- **Long-term**-allows decisions that require multi-year investments or planning; can stage a series of projects to undertake as funds become available
- **Enduring**-establishes a path forward that will maintain relevancy beyond a current administration.

The Importance of Strategic Planning for Energy

State and local governments spend approximately \$8 billion a year on energy to provide public services and meet constituent needs.¹ At the same time, in many buildings, energy costs can be reduced by 20 percent or more through a number of energy efficiency measures and approaches.² Local governments have the potential to **reduce waste and provide savings to taxpayers** by developing a CESP that focuses on energy use in their own buildings and operations (e.g., City Hall, public schools, wastewater treatment plants, streetlights, transportation fleet). For example, after the City of Philadelphia released its *Greenworks* plan, municipal energy use was reduced by 4.9% over just the first two years, avoiding nearly \$4 million in energy costs.³ Particularly in a time of tightening budgets and rising energy costs, developing a CESP can be an important component of good governance, and it can also put governments in a prime position to capture future funding opportunities as they arise, because they have proactively identified their goals and priority actions.

Expanding the strategic energy planning effort to encompass the broader community can lead to a still wider-ranging set of outcomes and related benefits, including:

¹ U.S. Department of Commerce Bureau of Economic Analysis National Income and Product Accounts, Table 5.8.5B: www.bea.gov/iTable/iTable.cfm?ReqID=9&step=1#reqid=9&step=3&isuri=1&903=174.

² McKinsey and Company *Unlocking Energy Efficiency in the U.S. Economy*: www.mckinsey.com/client_service/electric_power_and_natural_gas/latest_thinking/unlocking_energy_efficiency_in_the_us_economy.

³ Greenworks Philadelphia Update and 2012 Progress Report: www.phila.gov/green/pdfs/GW2012Report.pdf.

- **Job creation for the local economy** – for example, since the 2007 adoption of its *Green Vision*, the City of San Jose has attracted 4,000 jobs, and a number of clean tech companies like SunPower, SoloPower, Stion, and Sunwize now call the city home.⁴
- **Greater energy security and influence over energy choices and enhanced potential for public-private partnerships** – for example, as part of its 2008 *Climate Action Plan*, the City of Chicago set a goal to turn to cleaner and renewable energy sources, and as a step toward that goal partnered with Exelon and SunPower in 2009 to develop the nation’s largest urban solar power plant.⁵
- **A cleaner environment and increased livability** – for example, since adopting its *Greenprint* in 2006, the City of Denver has planted 250,000 trees, saved over 260 million gallons of water annually, and increased light rail ridership by 94 percent.⁶

While many players might take part in the development of a community-wide CESP, local governments are in a unique position to lead the process, because they are close to their constituents and understand their needs and interests, play an important role in affecting citizen and business attitudes about energy use, and have significant powers to improve the way energy is used (e.g., policy creation and enforcement, direct financial support).

How Does a Strategic Energy Plan Fit into Other Planning Efforts?

A strategic energy planning effort may stand alone or be an energy-focused subcomponent of a jurisdiction’s master plan or economic development plan. Many jurisdictions also undertake energy planning as part of a broader climate action or sustainability planning effort, which can reduce the perceived scale of the effort and encourage more participation. The CESP process outlined in this Guide can be used and adapted for any of these cases. And however the development of CESP fits into a local government’s other planning efforts, the recommended activities and associated savings should be integrated into the jurisdiction’s budget planning cycle – energy planning and CESP actions will be most effective when integrated into core government functions.

A CESP will also be particularly valuable when coordinated with existing utility, private-sector, regional, and state-level planning activities – complementary policies and activities can facilitate coordination of activities and the leveraging of additional resources.

The Community Energy Strategic Plan (CESP) Process and Outcomes

Undertaking a strategic plan does not have to be daunting if you follow the CESP framework, which focuses on basic steps and builds on the experiences of other successful initiatives. The graphic below illustrates this approach and the steps a local government/ community can take to complete their plan. Each step will be discussed in further detail in the chapters that follow, with products from the process that include:

- **Energy Profile:** A profile of the existing local government and/or community energy landscape, including current energy use, policies, programs, and other activities.
- **Final CESP:** A roadmap for the local government/community’s energy future, including the long-term vision, near-term goals and strategies for



⁴ San Jose Green Vision: www.sanjoseca.gov/index.aspx?NID=2737.

⁵ Chicago Climate Action Plan Progress Report, 2008-2009: The First Two Years: www.chicagoclimateaction.org/filebin/pdf/CCAPProgressReportv3.pdf.

⁶ Greenprint Denver Five Year Progress Report: www.greenprintdenver.org/wp-content/uploads/2012/09/GreenPrintReport_FINAL_Spread.pdf.

meeting the goals, and priority actions to accomplish each strategy. It will also include an implementation blueprint, which outlines for each priority action the responsible parties, timelines and milestones, and process for tracking progress, as well as the budget and/or funding strategy.

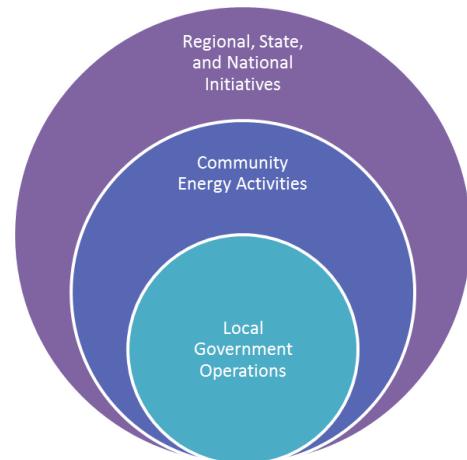
While the process is presented as a linear step progression, there are cross-cutting threads that are important throughout the CESP development and are referred to often in this guide.

- Contributions from leadership, stakeholder engagement, and effective communication will be critical components at many stages of the process.
- While the process may be endorsed by executive mandate, much of the day-to-day work to implement the planning process is driven by on-the-ground staff –resources will be required throughout, either with internal staff or other professional support. (More on this in Step 1.)
- Engagement and buy-in from stakeholders is key to long-term success – communicating in a way that is clear and well-timed is important. (More on this in Step 2.)
- The best plans will be revisited again and again over time as progress is made and conditions change.

Step Zero—Getting the Green Light to Get Started

Before initiating the CESP process, it is helpful to gain the official endorsement and authorization of a local executive-level sponsor (Mayor, County Commissioner, etc.). This support will provide legitimacy, resources, and public recognition to the process. The support may come in the form of an executive order, legislative action, internal staff directive, or primary issue emphasis on the official's policy agenda.

Sometimes the desire for a CESP originates from the ground up, and an appropriate executive-level sponsor is not immediately obvious. In these cases, a thoughtful approach to engage and solicit the support of an appropriate executive champion is helpful, and a **CESP Value Brief** is provided for that purpose at the end of this chapter.



1. **Do some preliminary groundwork** – Before approaching an executive, an interested staff person will have to do some preliminary groundwork, including determining the plan's scope, articulating likely benefits, and estimating the resources needed to complete the planning process itself.
 - **Scope** – Some communities pursue a CESP for government buildings and operations (local government CESP), while others consider also including other key sectors of the community (community-wide CESP), which offers broader benefits while requiring greater resources.
 - **Local government CESP** – Energy planning for government operations will:
 - Include a focus on government buildings, facilities, infrastructure, operations, and transportation.
 - Concentrate on activities for which the government has direct influence – personnel, operations, planning, and budgeting – which means tighter control over implementation.
 - **Community-wide CESP** – A broader plan to also include activities for the entire community will:
 - Expand focus to include energy saving activities across the jurisdiction – can include residential, commercial, industrial, transportation, and other sectors of the broader community.
 - Recognize that, while local government actions can greatly influence, energize, and leverage effective activities in the broader community, the government may have less direct control over these activities in comparison to a government-only plan. If a

municipal or cooperative utility exists in the jurisdiction, planning can include activities that can be delivered through the utility to their ratepayers.

- **Resources** – The scope and level of depth desired will dictate the CESP timeline and budget. Use the **CESP Planning Worksheet** at the end of this chapter to help identify and map out what the planning effort may require. You may need to map out a couple of options to help in identifying the scope of your effort.
 - **Timing** – The planning effort can take anywhere from 4–10 months, depending upon the scope of your plan and the man hours that can be dedicated at a given time. A model timeline for completing a CESP is provided below, and a template is included with the **CESP Planning Worksheet** that you can manipulate to reflect your own timeframes. Implementation, monitoring, and reporting will then continue through the length of the plan’s time horizon.
 - **Budget** – Every situation will be different, depending on previous planning efforts, scope, community size, extent of stakeholder engagement, and use of outside consultants. Remember that a well-designed CESP can be completed with manageable cost and will help the community achieve important benefits.
 - Ballpark budget estimates for planning range between \$25,000–100,000, though the cost can be significantly less for government-only plan or if substantial in-kind contributions can be found from community partners.
 - While internal staff resources are a key component – developing the plan will require dedicated staff time – it can often be effective to involve external consultants for technical analysis, stakeholder engagement, etc.
 - Funding sources for the planning effort often include internal planning budgets or one-time grant support. Some communities justify salaries for sustainability positions based on the financial savings these individuals will be able to achieve once the plan is in place. Others borrow staff from other departments to achieve the CESP work.
 - Identifying additional funding to implement the CESP’s actions and ongoing evaluation will be discussed in Step 7.

2. **Share the value of a CESP** – With this information in hand, as well as information about the value of undertaking a CESP (see **CESP Value Brief** at the end of this chapter), an interested staff person, working with government officials, is now ready to approach executive leadership with an initial proposal to request authorization for the CESP planning effort.

CESP Timeline														
Step 1	Form Leadership Team													
Step 2	Identify Stakeholders		Engage Stakeholders											
Step 3			Vision											
Step 4			Energy Profile											
Step 5				Goals and Strategies										
Step 6				Identify Actions										
Step 7				Identify Financing										
Step 8							Implementation Blueprint							
Step 9							Monitoring Plan							
Step 10				Scope and Develop Final CESP						Adopt & Publicize				
Month:	1	2	3	4	5	6	7	8	9	10				

- 3. Get firm commitment** from executive-level authority – this likely will take the form of an executive mandate, either formal or informal, by a top-level government official with the ability to authorize the funds necessary to carry out the planning process. For example, a Mayor, City Council, or County Commissioner may issue an order stating:

"I support the fundamental concept of increasing [this entity's] use of energy efficiency and renewable energy. Most importantly, I support [this government entity's] work in engaging the local community, residents, and businesses, in order to increase their own efficiency and efforts to incorporate renewable energy measures. Given these priorities, I authorize the effort of developing a Community Energy Strategic Plan for [this entity]."

- 4. Start planning!** Step 1 presents guidance on building a Leadership Team. Step 0 has already provided a head start – the official(s) who authorized the CESP will likely be the Champion of this process, and the interested staff person who did the preliminary groundwork will likely be the Plan Manager, advocating for and administering the planning process. In addition, the information collected and presented in the CESP proposal can provide the basis for engaging the full CESP Team. (These roles will be discussed further in Step 1.)

Tools

Tool 0.1: CESP Planning Worksheet and Timeline Template :

- [Planning Timeline Template](#) (.xlsx)
- [Planning Worksheet](#) (.docx)

Tool 0.2: CESP Value Brief for communicating the value of CESP to executive leadership and stakeholders, including:

- [Microsoft PowerPoint Template](#) (.pptx)
- [Elevator Speech Guidance](#) (.docx)

Related Resources

- American Council for an Energy-Efficient Economy (ACEEE) Local Energy Planning Practice: A Review of Recent Experiences (*For a survey of existing energy plans and trends*)
<http://aceee.org/research-report/e123>
- ICLEI Planning Page (*For more information on planning efforts focused specifically on climate action, sustainability, and/or climate adaptation*)
www.icleiusa.org/action-center/planning

Side Steps: What if your proposal for a CESP is not approved?

There are a number of reasons why your decision-makers may hesitant to undertake a CESP at this time. They may include:

- Competing priorities that do not include energy or strategic planning.
- A perception that there is not enough funding to do a full-scale strategic planning initiative or to finance the activities a plan might identify.
- Leadership unfamiliar with designing and implementing plans, or who feel that the expertise to undertake such an effort is not available.

There are still things you can do to maintain momentum toward a brighter energy future. Based on your position and skills, consider how you can influence the activities listed below.

Complete energy-wise projects	Continue to share the value of a CESP
<ul style="list-style-type: none">• Develop a short-term project plan – which identifies current issues with buildings and other operations and what to do about them – and include energy-saving solutions whenever possible.• Be sure that energy saving is a part of the decision-making process for individual projects such as infrastructure or building improvements and development plans.• Work to assure that comprehensive long-term savings (not just initial cost) is factored into decision making for projects.• If the issue is cost, lobby for policies that have little cost – such as employee energy-saving behaviors.• Recruit others to help keep the energy issue a focus; set up volunteer activities such as energy-saving challenges.• Be sure to track and evaluate success for all of these, and communicate it back to leaders.	<ul style="list-style-type: none">• Be on the lookout for influential champions who understand the value of strategic planning and/or prioritize tangential issues, like economic development.• If possible, interview your leaders to determine the issues they believe are most important, and be sure to highlight the ways a CESP can meet those needs.• Find allies in other organizations or jurisdictions that you know your leaders compare themselves or listen to.• Look for leadership in the broader community who are willing and able to spearhead this kind of planning effort; piggy-back on regional efforts.• Take advantage of training and planning resources, like those found on DOE's Technical Assistance Program Solution Center: www1.eere.energy.gov/wip/solutioncenter• Revisit next year!

CESP in Action: Strategic Energy Plans Cited in This Guide

- Albany, NY – Capital Region Sustainability Plan <http://sustainablecapitalregion.org/>
- Ann Arbor, MI – Ann Arbor Energy Plan
www.a2gov.org/government/publicservices/systems_planning/energy/Pages/AboutTheEnergyOffice.aspx
- Annapolis, MD – Sustainable Annapolis Community Action Plan
www.annapolis.gov/Government/Departments/NeighborhoodEnvironmental/Sustainability.aspx
- Arlington County, VA – Community Energy Plan <http://freshaireva.us/2012/04/energyplan/>
- Austin, TX – Austin Energy Resource, Generation, and Climate Protection Plan to 2020
www.austinenergy.com/About%20Us/Environmental%20Initiatives/climateProtectionPlan/index.htm
- Bad River Band of Lake Superior Tribe of Chippewa Indians – Tribal Energy Plan www.badriver-sn.gov/planning-a-development
- Baltimore, MD – The Baltimore Sustainability Plan www.baltimoreresustainability.org/index.aspx
- Berea, KY – Energy Cost-Savings Plan <http://bereaky.gov/the-berea-energy-costs-savings-plan/>
- Block Island (New Shoreham), RI – Energy Plan www.new-shoreham.com/docs/Energy%20Plan1.pdf
- Boulder, CO – Climate Action Plan
www.bouldercolorado.gov/index.php?option=com_content&view=article&id=15356&Itemid=2150
- Chicago, IL – Chicago Climate Action Plan www.chicagoclimateaction.org/
- Corvallis, OR – Sustainability Action Plan <http://sustainablecorvallis.org/action-plan/action-planning-process/>
- Denver, CO – Denver Climate Action Plan [www.greenprintdenver.org/about/climate-action-plan-reports/](http://greenprintdenver.org/about/climate-action-plan-reports/)
- Denton, TX – Sustainability Plan www.cityofdenton.com/departments-services/sustainable-denton
- District of Columbia – Sustainable DC <http://sustainable.dc.gov/page/what-sustainable-dc>
- Eugene, OR – Community Climate and Energy Action Plan www.eugene-or.gov/index.aspx?nid=511
- Frederick County, MD – Comprehensive Energy Plan <http://frederickcountymd.gov/index.aspx?NID=4353>
- King County, WA – 2010 King County Energy Plan www.kingcounty.gov/environment/climate/king-county/2010-energy-plan.aspx
- Lawrence, KS – Climate Protection Plan www.lawrenceks.org/climate_protection/
- Montpelier, VT – enVision Montpelier City Master Plan www.montpelier-vt.org/group/128.html
- Knoxville, TN – Energy & Sustainability Work Plan www.cityofknoxville.org/sustainability/
- New York City, NY – PlaNYC <http://home2.nyc.gov/html/planycc2030/html/home/home.shtml>
- Omaha, NE – Omaha Energy Plan www.omahaenergyplan.org/
- Philadelphia, PA – Greenworks Plan www.phila.gov/green/greenworks/index.html
- Pinehurst, NC – Strategic Energy Plan
www.vopnc.org/Portals/0/SiteContent/BoardDocs/Resolution%202009-26%20Adopt%20Strategic%20Energy%20Plan,%202010-13-09.pdf
- Pittsburgh, PA – Climate Action Plan, Version 2 <http://pittsburghclimate.org/category/resources/>
- San Jose, CA – Green Vision <http://greenvision.sanjoseca.gov/GreenVisionGoals.aspx>
- St. Louis County, MO – Energy Efficiency and Conservation Strategy/St. Louis County Green and Growing
<http://green.stlouisco.com/CountyEnergyStrategy>
- Topeka, KS – Energy Efficiency and Conservation Strategy www.topeka.org/pdfs/CityofTopekaEECS.pdf
- Toronto, ON, Canada – Climate Change, Clean Air and Sustainable Energy Plan
www.toronto.ca/energy/plan.htm

For additional examples of community plans, please see lists from ACEEE (<http://aceee.org/sites/default/files/publications/otherpdfs/appendix-local-energy-plansummaries.xlsx>) and ICLEI (www.icleiusa.org/sustainability/action-center/planning>List%20of%20U.S.%20Sustainability%20and%20Climate%20Plans.pdf)