

TOOLS – Stimulating Energy Efficiency in Kentucky (SEE KY)

Collaborative Stakeholder Meetings

Stimulating Energy Efficiency in Kentucky (SEE KY), a collaborative process to engage key stakeholders in identifying and prioritizing new actions for efficiency improvement, established clear objectives for each stakeholder meeting, and incorporated a mix of plenary and breakout sessions.

Breakout Session Approaches

1. Participants were divided into three groups of 25 to 30 people, according to their subject matter expertise and interests. In Meeting 1, the breakout groups focused on residential efficiency, commercial efficiency, industrial efficiency, and a review of existing energy efficiency programs and statutory authorities in Kentucky. While substantive discussions evolved throughout Meetings 2 and 3, the overall subject matter of each breakout session remained constant.
2. The project team spread participants from utilities and regulatory commissions (who attended in far greater numbers than other stakeholder groups) across each breakout group to ensure balanced representation.
3. One facilitator and one note-taker were selected from the project team and assigned to each breakout session.
4. One stakeholder participant was designated as a “reporter” from each breakout session and reported back to the larger group following each session. This ensured that participants began to take ownership over the discussions and the eventual recommendations crafted during breakout sessions.

Meetings Summary

- **Meeting 1** focused on bringing all participants to the same level of understanding of energy efficiency and setting the stage for collaborative development of the *Action Plan*. The project team summarized central themes that emerged in the one-on-one meetings, and shared handouts on the basic regulatory scheme in Kentucky relating to the approval and implementation of utility-run energy efficiency programs; an energy profile for the state that included utility demographics and service areas; and a summary of current energy efficiency programs run by utilities and those sponsored by DEDI. In the breakout sessions, participants identified key opportunities and barriers related to energy efficiency improvement in the state. At the close of the meeting, the facilitator summarized the discussions and overall findings of each breakout, and provided a list of follow-up actions and key questions for future meetings. For controversial or complex issues, the project team convened “interim work groups” to investigate these topics between the meetings.

- **Meeting 2** focused on identifying the key new opportunities for Kentucky, discussing how other states are addressing similar opportunities and whether elements of their strategies are appropriate for Kentucky, generating a list of realistic proposed actions, and listing questions requiring additional assessment before meeting 3. Emphasis was on breakout sessions, which allowed for sector-specific discussions of recommendations. The day also included a three-participant panel featuring representatives from the Public Service Commission, the Office of the Attorney General, and the Kentucky Association of Manufacturers. A lunch session provided stakeholders with varying perspectives on the future of energy efficiency in Kentucky. After meeting 2, interim work groups, surveys, and opportunities for written comment were again used to move issues forward.
- **Meeting 3** focused on revisiting opportunities and barriers, reviewing the key areas to be addressed in the *Action Plan*, and refining recommendations for possible inclusion in the *Action Plan*. The meeting also featured remarks from Commissioner to the Public Service Commission, reviewing the progression of Kentucky’s energy efficiency efforts over the last two decades and the role the SEE KY initiative plays in furthering those efforts. Stakeholders were encouraged to continue to provide feedback on the action items through the fall and to review the draft *Action Plan* in detail prior to its official public release. Stakeholders were also asked to continue to participate in small work groups and provide feedback throughout implementation and evolution of the *Action Plan*.

High Impact, High Feasibility Action Items

- Convene a work group to evaluate effects of utility rate design on energy efficiency incentives
- Support Kentucky Home Performance (KHP) to increase market penetration
- Improve the energy efficiency of residential buildings through consistent implementation of residential building energy codes
- Develop an advisory group to address options for replacing inefficient manufactured homes
- Promote energy efficiency with a “lead-by-example” approach to state-owned facilities
- Improve the energy efficiency of commercial buildings through consistent implementation of commercial building energy codes

Action Items Overview

Note: Short-term = Less than 1 year; near-term = 1-3 years; long-term = 3-4 years

ACTION ITEMS OVERVIEW: All Sectors	
Short Term	<ul style="list-style-type: none"> Measure statewide energy efficiency targets using electric utility data reported voluntarily to DEDI Create a peer exchange mechanism specifically for gas and electric utilities to share information, experiences and best practices Condition state funding on minimum energy efficiency outcomes taking into account life cycle costs
Near Term	<ul style="list-style-type: none"> Focus on robust education and training programs tailored to each consumer sector Convene a work group to evaluate effects of utility rate design on energy efficiency incentives
Long Term	<ul style="list-style-type: none"> Assist Kentucky’s governmental and municipal utilities to develop a voluntary suite of energy efficiency programs
ACTION ITEMS OVERVIEW: Residential Sector	
Short Term	<ul style="list-style-type: none"> Support Kentucky Home Performance to increase market penetration
Near Term	<ul style="list-style-type: none"> Improve residential housing stock via utility and community-sponsored weatherization
Long Term	<ul style="list-style-type: none"> Improve the energy efficiency of residential buildings through consistent implementation of residential building energy codes Increase innovative energy efficiency financing options, such as on-bill financing Provide incentives for energy efficiency retrofits in residential rental property Develop an advisory group to address options for replacing inefficient manufactured homes
Legislative Recommendation	<ul style="list-style-type: none"> Expand existing state-provided energy efficiency incentives
ACTION ITEMS OVERVIEW: Commercial Sector	
Near Term	<ul style="list-style-type: none"> Expand access to low-cost financing for private commercial entities Recapitalize the Kentucky Green Bank for public buildings Promote energy efficiency with a “lead-by-example” approach to state-owned facilities
Long Term	<ul style="list-style-type: none"> Improve the energy efficiency of commercial buildings through consistent implementation of commercial building energy codes Devise creative incentives for commercial rental property
Legislative Recommendation	<ul style="list-style-type: none"> Expand state energy efficiency incentives
ACTIONS ITEMS OVERVIEW: Industrial Sector	
Near Term	<ul style="list-style-type: none"> Establish a revolving loan fund for industrial energy efficiency improvements Convene a work group to discuss the application of the DSM Statute’s opt-out provision
Long Term	<ul style="list-style-type: none"> Encourage Kentucky’s industries to voluntarily share energy efficiency performance data and best practices
Legislative Recommendation	<ul style="list-style-type: none"> Modify existing state-level incentives to encourage investment in energy efficiency