Using Co-Benefits to Speak Multiple Languages and Influence People on Their Own Terms

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Emerging State Structures and **Program Implementation**  Driven by efforts to stabilize the climate Multi-sector, multi-agency coordination Governor level leadership Requires actions to be framed in several different ways Led to extensive analysis of co-benefits

## Co-benefits background

#### What are co-benefits?

- People think, or can be pointed to think, in terms of benefits (positive) and impacts(usually negative)
- Why even care about co-benefits?

 Help by: making links between programs and themes; defining which levers to push; creating relevant language to explain the policy using terms and nomenclature familiar to the audience; facilitating work load and flow

# Short, medium and long-term relevance

- Short term: part of ozone and fine particulate SIPs
- Medium: form basis to transition to programs that also focus on GHG reductions
- Long: part of commitment to reduce GHG to levels that stabilize the climate
- How have each of these benefits been expressed? Tons per day; cost per ton reduced

# Let's take energy efficiency as an example

Energy efficiency is something everyone is at least familiar with
There are multiple benefits
Describing them helps establish potential linkages
Warning: barriers ahead

#### Measurement

 What distinguishes EE from other resources? Performance persists over time Energy, economic and environmental benefits are cumulative Replicable protocols aid evaluation of the measures

#### Environmental

Criteria and non-criteria pollutant reductions

 Reduce need to operate dirty and costly peaking units

 Indirect benefits in other media, esp. water and solid waste

#### Economic

Energy savings: \$4: \$1 of investment Public health: another \$4: \$1 Create local jobs Reduce operation of "out of merit" EGU Cash flow through NE FCM Reduce need for imported fossil fuel (and the security \$ associated with protecting our oil supply)

# Energy

Improve grid reliability and nimbleness
Enables development of even more efficient technology and measures
Avoid need for transmission upgrades and new power plant construction
Complements CHP, puts power where its needed

### Initial Summary

 Use the benefits above to create the language that allows you to talk about energy efficiency to anyone using their terminology

Barriers ahead!

# Analytical

- M&V protocols:
- exist today, but are new and different from what is currently used
- Current methods not appropriate or may be inaccurate
- Existing tools do not appropriately account for the differential risk between various resources

#### Mental

Perception that EE doesn't work
M&V not robust
Ideology: I just don't believe it
Failure to recognize need to change, and/or that world has changed around them

#### Institutional

Stovepiping: by statute, regulation, policy
Energy "priorities" conflict with environmental "priorities" which in turn "conflict" with economic "priorities"
Tendency to think in the weeds, rather than "how could this work

Lack of accountability: OK to "just say no"

#### Financial

Funds often available to new and exciting ideas
But, once the concept is proven, funding dries up: "valley of death"
Lack of creativity among financial and insurance sectors (risk aversion)

# Where EPA Can Help

- Make it OK to say yes (new ideas are great, publish successes and spread the word)
- Make you all better than DOE
- Guidance to states/locals to show how its done
- Implement good ideas, avoid shelfware

# How Should We Characterize EE to Each Audience?

- Government: cost-effective emission reductions, reduce electric costs, create local jobs
- ISO/RTO, PUC: improve reliability, avoid regulators imposing more stringent environmental requirements
- Public: Save money, avoid blackouts/brownouts
- Financial: investment opportunities

# **EPA Help Specifics**

- Build and demonstrate the accuracy and utility of new/modified analytical tools, methods and programs
- Facilitate integration into SIP Demonstrate persistence of EE, show how application of different discount rates is appropriate and cost-effective
- Help fund and/or identify funds that get ideas across the "valley of death"
- Training for state/local staff in the above, and capacity building