



**NASEO Energy Security Committee Meeting Summary**  
**NASEO 2014 Annual Meeting**  
**Tuesday, September 9, 2014, 3:15 p.m. – 5:00 p.m.**

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**State Attendees:**

1. Kristofor Anderson, Georgia Environmental Finance Authority
2. Susan Brown, Wisconsin State Energy Office
3. Reid Conway, Tennessee Department of Environment and Conservation
4. John Davies, Kentucky Department for Energy Development and Independence
5. Russell Duncan, North Carolina Department of Environment and Natural Resources
6. Greg Guess, Kentucky Department for Energy Development and Independence
7. Asa Hopkins, Vermont Public Service Department
8. Ken Hughes, New Mexico Energy, Minerals, and Natural Resources Department
9. Paul Miller, Louisiana Department of Natural Resources
10. Amanda Mott, Wisconsin State Energy Office
11. Megan Ottesen, Indiana Office of Energy Development
12. Scott Pugrud, Idaho Office of Energy Resources
13. Charles Satterfield, District Department of Environment
14. Dan Saucier, Mississippi Development Authority
15. Lisa Smith, Maine Governor's Energy Office
16. Janet Streff, Minnesota Department of Commerce
17. Mark Sylvia, Massachusetts Executive Office of Energy and Environmental Affairs (**Committee Vice-Chair**)
18. Gene Therriault, Alaska Energy Authority
19. Robert Underwood, Delaware Division of Clean Energy and Climate

20. Tristan Vance, Indiana Office of Energy Development
21. Llona Weiss, Missouri Department of Economic Development
22. Chris White, Georgia Environmental Finance Authority
23. Larissa Williams, Mississippi Development Authority
24. Patrick Woodcock, Maine Governor's Energy Office

**Other Attendees:**

25. Joanne Bachman, Vermont Energy Investment Corporation
26. Chuck Clinton, NASEO
27. Sachu Constantine, Center for Sustainable Energy
28. John Cuttica, Energy Resources Center – University of Chicago at Illinois
29. Deana Dennis, National Electrical Manufacturers Association
30. Marianne DiMascio, Appliance Standards Awareness Project
31. Bob Dixon, Siemens Infrastructure and Cities
32. Paul Doppel, Mitsubishi Electric Cooling and Heating
33. Stephen Goss, NASEO
34. Julie Howe, U.S. Department of Energy
35. Maurice Kaya, NASEO
36. Patricia Keane, BCS, Inc.
37. Alice Lippert, U.S. Department of Energy
38. Jeff Petrash, National Propane Gas Association
39. Jeff Pillon, NASEO
40. Aniruddh Roy, Goodman Manufacturing Company, L.P.
41. April Salas, U.S. Department of Energy
42. Shemika Spencer, NASEO
43. Manfred Staebler, BSH Home Appliance Corporation

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| <p>44. Pat Stanton, Conservation Services Group</p> <p>45. Ricky Tucker, BSH Home Appliance Corporation</p> <p>46. Elaine Ulrich, U.S. Department of Energy</p> <p>47. Suzanne Watson, American Council for an Energy-Efficient Economy</p> | <p>48. Roy Willis, Propane Education and Research Council</p> <p>49. John Winkel, U.S. Department of Energy</p> <p>50. Jenah Zweig, Southeast Energy Efficiency Alliance</p> |
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**Welcome and Introduction**

Mark Sylvania, Undersecretary of Energy for the Massachusetts Executive Office of Energy and Environmental Affairs and Co-Chair of NASEO’s Energy Security Committee, welcomed the group and provided general introductions.

**Ductless Cold Weather Heat Pumps to Augment Home Heating**

Paul Doppel, Senior Director for Industry and Government Relations for Mitsubishi Electric Cooling and Heating discussed how the rising price of propane is creating new opportunities for ductless heat pumps in residential and commercial systems. In addition to increased comfort, cost reduction, and energy savings, Mr. Doppel noted that ductless heat pumps can be added to existing heat systems in buildings as a supplemental heating system to reduce strain during peak demand.

Janet Streff, Manager for the Minnesota Division of Energy Resources and newly elected NASEO Board Chair, echoed the value of ductless systems by highlighting a 2012 residential rebate program offered by 76 of 181 utilities in Minnesota. Rather than heating, this program offered air conditioning benefits to roughly 92 percent of the state’s customers with an average payback time of 2.5 years on each system. Ms. Streff noted that the success of the rebate program for ductless air conditioning suggests an opportunity for the state to explore ductless heating systems and she indicated that this is currently under consideration for Minnesota’s low income weatherization program.

**Bringing SEO’s Together Regionally to Serve Citizens’ Energy Needs and More Efficiently Coordinate with Utilities and Delivered Fuels Vendors**

Patrick Woodcock, Director of Maine Governor’s Energy Office, discussed current energy challenges in the Northeast and how regional coordination has helped Maine address its residential energy challenges. Maine currently experiences the highest residential energy costs in the country as well as the most oil consumption per capita in the Northeast. Last winter’s natural gas capacity constraints and steady increase in electricity prices are expected to continue into 2015, potentially doubling the price of both fuel sources. This has resulted in a coordinated effort by State Energy Offices and policymakers throughout the region to reduce peak winter demand for gas and electricity for the coming winter season by containing shortages and taking control through consumer education and outreach and energy efficiency programs. According to Mr. Woodcock, Maine has taken further action to get in front of the issue by hosting meetings between various state agencies and stakeholders to manage the delivery of product and prepare the business community and by working with utilities to identify winter peaking facilities that could use existing programs to cut demand.

**PERC’s Propane Education and Outreach Efforts**

Roy Willis, President and Chief Executive Officer for the Propane Education and Research Council (PERC), reported that large crop drying seasons and cold winters in the past several years have increased demand for propane, presenting significant infrastructure, cost, and supply challenges. Mr. Willis indicated storage is the primary challenge in the upper Midwest. The retail industry and the industry zone taskforce have focused their efforts on beefing up storage, and transport companies have worked to build

additional tank and rail car capacity, but the system remains congested as propane supplies continue to grow.

Companies throughout the region have been utilizing consumer safety preparedness campaigns as outreach vehicles to their customer base to encouraging early fills, schedule automatic refills, and negotiate payment plans and programs that allow consumers to manage costs over the winter months when demand is the strongest. Because the largest capacity is at consumer locations, the overarching message of these campaigns is to “*fill early*”. Campaigns are targeted to at-will customers who own their own tanks. PERC will take advantage of television advertisement and local retailer presence to expand the regional frequency of the campaign.

#### **DOE Office of Electricity Delivery and Energy Reliability’s Energy Assurance Programmatic Priorities Discussion**

DOE’s April Salas gave a report on the programmatic priorities of the Infrastructure Security and Energy Restoration Division within the Office of Electricity Delivery and Energy Reliability (OE). According to Ms. Salas, the Energy Incident Management Council is meeting weekly to discuss coordination and preparedness concerns and is available to offer coordination assistance to State Energy Offices. Ms. Salas reported that moving forward her office is working to push information out to states as quickly as possible through an online state energy assurance database which will draw from state energy assurance plans as well as U.S. Energy Information Administration data to aggregate state specific profiles.

#### **DOE Office of Electricity and Energy Reliability’s’ Modeling and Risk Analysis Programmatic Priorities Discussion**

DOE’s Alice Lippert provided a brief report on the recently created State Risk Assessment Group which was formed by DOE to evaluate how states address the issue of risk assessment and to aggregate this information to create a framework and toolkit for states. Ms. Lippert noted that while this group is still being created the overall goal is to solicit input from the states (State Energy Offices, Public Utility Commissions, Legislators, and Governors’ staff) to better inform the project.

#### **Cyber Security, Energy Sector Specific Plan, and Federal Motor Carrier Updates**

Jeff Pillon, NASEO’s Director of Energy Assurance, provided brief remarks on the ongoing development of the Energy Sector Specific Plan and DOE’s upcoming Quadrennial Energy Review as well as the Federal Motor Carrier Safety Administration’s recent updates to the Federal Motor Carrier Safety regulations. Most notable was the change to the regulations which allow governors to extend waivers for longer periods of time. Mr. Pillon pointed out that the revision will incorporate existing statutory language but will involve some changes, allowing waivers for up to 30 days with an additional 30 day extension.

Presentations from the committee meeting are available on the NASEO [website](#).

The meeting was adjourned at 5:00 p.m.

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