

# Energy Policy Update

Energy and Environmental News

September 8, 2009



ARIZONA DEPARTMENT  
OF COMMERCE

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economic advancement*

This newsletter is published by the Arizona Department of Commerce Energy Office and is provided free of charge to the public. It contains verbatim excerpts from international and domestic energy and environment-related publications reviewed by the Education and Community Outreach personnel. For inquiries, call **(602) 771-1143** or toll free **(800) 352-5499**. Compiled and edited by Gloria Castro, Special Projects Coordinator. To register to receive this newsletter electronically, email [Gloria Castro](mailto:Gloria.Castro).

For additional program information, access: <http://www.azcommerce.com/Energy/Energy+Policy+Update+-+%28Monthly+Publication%29.htm>.

**Click [here](#) to view Grant Opportunities from the American Recovery and Reinvestment Act (ARRA).**

**FOR YOUR CONVENIENCE, ARIZONA-RELATED TITLES ARE HIGHLIGHTED IN BLUE**

## ARIZONA

### AC, Other Costs Top Light Rail's Estimates

[Arizona Republic, Sept. 3] Metro light rail is learning the same hard lesson as many newcomers to the state: Keeping things cool is great, but it comes at a steeper-than-imagined price. In its first six months of operation, Metro spent \$1.2 million on power, 40 percent more than projected. Much of the cost went toward cooling trains and equipment as the air-conditioning bill soared. Metro is so alarmed at the pace that power bills are climbing, and by other unforeseen costs, that it has begun a top-to-bottom review of operations. Raising the thermostat in the trains and running them less frequently are among some of the savings being discussed. Nothing will be decided until the end of this month.

### Gilbert Eyes Green for Economic Growth

[Arizona Republic, Sept. 1] Gilbert may emerge as a Valley leader in clean and renewable energy, if the town's economic development effort goes as planned. The town this year added the industry group to its to-do list of businesses they work to attract here. The industry is a target for the town because the so-called C&R group brings in higher-wage jobs, large capital investments and grant research dollars.

### Home Green Home

[BensonNews-Sun.com web site, Sept. 1] From the outside, the newly constructed house on the dirt road in St. David looks like just another structure, but it is really the San Pedro Valley's first truly green residence. The new home is listed by Pam Dobos of Coldwell Banker for \$219,000. It is located on Rabbit Trail Road in St. David. Builder Glenn Shriman of Sun Savvy Homes said the house is an experiment in some ways. First, he wants to see if residents in the area would buy such a home and take advantage of all it has to offer. Second, it's about getting on board with protecting the environment.

### Judge Upholds Utilities' Renewable-Energy Fee

[Arizona Republic, Sept. 2] A Superior Court judge on Wednesday upheld a state requirement that utilities like Arizona Public Service Co. get some of their electricity from renewable sources like solar and charge customers for it. The decision protects a \$3.17 monthly tariff that the Arizona Corporation Commission allows APS to charge customers, and the large solar power plants, hundreds of rooftop panels and other alternative-energy projects funded with the money. The Goldwater Institute challenged the fees more than a year ago, when the fees were capped at \$1.32 a month. The Wednesday decision is the third time a court has rebuffed the challenge.

### **Modular Homes Making Inroads**

[Arizona Business Gazette, Sept. 3] If Henry Ford had built houses, his factory might look like Cavco Industries' Phoenix plant, where workers assemble modular homes that are trucked throughout five Southwestern states. At this job site, the staccato pops of nail guns resonate as carpenters build 2-by-6 walls, painters stain cedar siding and drywall hangers round off corners and install art niches. It is here that factory-built home builders endeavor to exceed their site-built competitors in looks, quality, affordability and energy efficiency.

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### **Pinal County Utility Finishes Large Solar Project**

[Arizona Republic, Sept. 2] A private utility in Pinal County recently completed one of the largest commercial solar projects to date in Arizona. Johnson Utilities installed more than 5,400 photovoltaic panels on 6 acres of property surrounding its wastewater plant in Anthem at Merrill Ranch, a master-planned community north of Florence. The project will generate 1.1 megawatts of electricity, enough to meet the plant's power needs and add surplus energy to the grid. This is Johnson Utilities' second solar endeavor. It also uses solar on an adjacent site to power a well and water plant that provides water to roughly 10,000 homes.

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### **SRP Board Votes to Delay Rate Increase**

[Arizona Republic, Sept. 1] Salt River Project customers will save about \$72 each from November to May after the board of directors voted Tuesday to postpone the majority of a rate increase amid the bad economy. Customers still could see a change in their bills in November, but it appears the company managers and directors will shuffle the numbers to keep bills essentially flat until spring.

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### **Stimulus Program Offers Rebates for Appliances**

[Arizona Republic, Sept. 3] Need a new water heater? Refrigerator? Air-conditioner? Arizonans who missed out on "cash for clunkers" still may be able to snag a share of the \$700 billion economic stimulus by purchasing more energy-efficient major appliances. The appliance program, which will provide \$50 to \$200 rebates, could take effect in November or December. The program could be a holiday gift for consumers, as well as a lifeline to retailers and manufacturers that have seen sales slump as much as 40 percent this year.

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### **TEP Seeks Federal Stimulus Funding for "Bright Tucson" Solar Project**

Tucson Electric Power (TEP) and a team of energy industry leaders are seeking federal stimulus funding for an innovative demonstration project intended to boost the effectiveness of Tucson's solar energy resources. TEP has requested \$25 million in stimulus funds from the U.S. Department of Energy to help fund the "Bright Tucson" project, which would employ energy storage systems and a "demand response" program to optimize the output of a new 1.6-megawatt (MW) photovoltaic (PV) array.

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## **ALTERNATIVE ENERGY AND EFFICIENCY**

### **"Cash for Clunkers" Replaces 700,000 Vehicles with More Efficient Models**

[U.S. Dept. of Energy – EERE website, Sept. 2] The popular "Cash for Clunkers" program ended its brief run on August 25, and the program is estimated to have removed nearly 700,000 inefficient vehicles from U.S. roads. Officially known as the Car Allowance Rebate System (CARS), the program achieved greater fuel economy gains than originally expected, as consumers chose more fuel-efficient models than were required by the program. In fact, the average fuel economy of the traded-in vehicles, which were crushed, was 15.8 miles per gallon (mpg), while the average fuel economy of the newly purchased vehicles was 24.9 mpg. That's a fuel economy gain of 9.1 mpg, or 58%.

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### **China May Boost Solar-Power Output Capacity 13-Fold by 2011**

[Bloomberg, Aug. 31] China may boost its solar-power output capacity by more than 13-fold by 2011 as the world's second-largest energy consumer increases the use of renewable energy, an industry official said. The country may raise its solar-power capacity to 2,000 megawatts by 2011 and 20,000 megawatts by 2020, from 150 megawatts at the end of last year, Cui Rongqiang, head of the Shanghai Solar Energy Society, said by telephone today.

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## Companies Doing More to Cut Energy Use in Office

[Denver Business Journal Sept. 3] Technology decision makers at U.S. businesses say they could cut energy use and costs an average of 17 percent each year -- or \$1.5 million in a typical large organization -- if they capture all available efficiency opportunities, according to a report from CDW Corp. More organizations are taking steps today to improve technology energy efficiency in desktop computing and in data centers, with 59 percent training employees to shut down equipment when gone at the office for long periods, compared to 43 percent in 2008. And 46 percent have implemented or are implementing server virtualization, compared to 35 percent in 2008.

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## Europe's Ban on Old-Style Light Bulbs Begins

[New York Times, Aug. 31] Brussels - Restrictions on the sale of incandescent bulbs begin going into effect across most of Europe on Tuesday in the continent's latest effort to get people to save energy and combat global warming. But even advocates concede the change is proving problematic. Under the European Union rules, shops will no longer be allowed to buy or import most incandescent frosted glass bulbs starting Tuesday. Retailers can continue selling off their stock until they run out.

## LEGISLATION AND REGULATION

### Oil Allies Protesting U.S. Money for Rivals

[New York Times, Sept. 1] Washington, D.C. - The Obama administration has granted as much as \$1.6 million in aid to help trade groups promote ethanol, natural gas, propane and biodiesel products, whose clean-energy selling points happen to fit with the administration's push to cap carbon emissions. Oil industry allies said the administration was engaging in favoritism and financing propaganda. "These are for-profit companies, and basically the Department of Energy is underwriting their public-relations campaign," said Daniel Kish, a spokesman for the Institute for Energy Research, a conservative group fighting the proposed emissions caps.

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### Secretary Chu Announces Completion of Critical Energy Conservation Appliance Standards

*Final energy efficiency standards for beverage vending machines released*

[U.S. Dept. of Energy, Sept. 1] Washington, DC – U.S. Energy Secretary Steven Chu announced today that the Department of Energy has completed energy efficiency standards for a critical group of appliances that will together save up to 1.1 billion metric tons of carbon dioxide once in effect. In February 2009, President Obama visited the Department of Energy to emphasize the importance of quickening the pace of energy conservation standards for appliances, while continuing to meet legal and statutory deadlines. Yesterday, the minimum energy efficiency standards for beverage vending machines – the last of the five energy conservation standards the President highlighted in his [memorandum to DOE](#) – were published in the *Federal Register*.

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### Some Buildings Not Living Up to Green Label

[New York Times, Aug. 30] The Federal Building in downtown Youngstown, Ohio, features an extensive use of natural light to illuminate offices and a white roof to reflect heat. It has LEED certification, the country's most recognized seal of approval for green buildings. But the building is hardly a model of energy efficiency. According to an environmental assessment last year, it did not score high enough to qualify for the Energy Star label granted by the Environmental Protection Agency, which ranks buildings after looking at a year's worth of utility bills.

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### US Agriculture Interests Split Over Energy Bill

[Associated Press, Sept. 1] Omaha, NE - Legislation to confront climate change could be an economic godsend to farmers and ranchers. Or it could be an enormous financial burden. It depends on whom you ask, and not even farmers and ranchers agree on the matter. Those who are against the bill say it would lead to skyrocketing fuel and fertilizer costs, cutting into farmers' and ranchers' already unpredictable profits. Those who support it contend any losses would be more than made up for through a provision that would allow companies to meet their pollution targets by investing in offset projects, such as farms that capture methane or plant trees. The legislation would cap emissions from major industrial sources, including power plants, factories, refineries and electricity and natural gas distributors. Emissions from agriculture would be excluded

## ENERGY-GENERAL

### No Floor in Sight for Natural Gas; Prices Plunge

[Associated Press, Sept. 3] New York - Natural gas prices tumbled again Thursday, hitting new seven-year lows after the government reported more supplies were put into storage as the entire country pares down on energy usage. That will mean huge savings for a lot of people this winter when the heating bill arrives. On Monday, Spokane, Wash.-based utility Avista Corp. said it wants to reduce natural gas prices for its Oregon customers to the lowest levels in five years. And in the Midwest, Alliant Energy Corp. and Wisconsin Public Service Corp. both predicted heating bills would drop around 20 percent.

## ENERGY-RELATED ENVIRONMENT

### Biomass Power Catches Fire in Ohio, Florida, Georgia, and New Hampshire

[U.S. Dept. of Energy – EERE website, Aug. 26] Under a recent federal court agreement, an Ohio utility will soon convert a large coal-fired power plant into one using primarily renewable biomass fuels, making it the largest such plant to do so. Ohio Edison Company, a subsidiary of FirstEnergy Corp., agreed to retrofit its R.E. Burger Units 4 and 5 near Shadyside, Ohio, as part of a 2005 federal consent agreement in a lawsuit aimed at reducing pollution. Under an amendment filed on August 11 in federal court in Akron, Ohio, the power company said it intends to replace the 312 megawatts (MW) of electricity now generated at Burger with biomass by 2012, making it one of the largest biomass power facilities in the United States. The revamped facility will also burn coal, but for no more than 20% of its power. Ultimately, Ohio Edison plans on using a "closed-loop" system for its biomass supply, drawing on energy crops specifically grown to provide a constant supply of biomass to the power plant. See the press releases from the [U.S. Department of Justice](#) and FirstEnergy ([PDF 370 KB](#)). [Download Adobe Reader](#).

## WESTERN POWER

### California Groups Awarded DOE Funds for 55 E85 Stations

[DomesticFuel.com website, Sept. 2] AE Biofuels, Inc., a global vertically integrated biofuels company, and Pearson Fuels, an alternative fuels provider, have been awarded \$6.9 million by the US Department of Energy to build 55 E85 fueling facilities in the state of California. The alternative fueling sites will be built within the next 42 months.

### Committee: Lines Should Link Renewable Energy in Nevada

[ReviewJournal.com website, Sept. 4] Carson City, NV - A governor's committee recommended Thursday that power companies spend about \$3 billion on transmission lines to carry renewable energy potential available in rural Nevada to existing transmission lines. The Nevada Renewable Energy Transmission Access Advisory Committee proposed companies use tax-exempt state bonds to pay for the cost of constructing lines to transmit a potential 7,500 megawatts of renewable energy.

### Renewable-Power Fight at Crossroads

[San Francisco Chronicle, Sept. 4] A fierce and complicated fight has broken out in Sacramento over a simple idea with broad support - increasing California's use of renewable power. The fight isn't over the basic goal. Two bills pending in the Legislature would force the state's electrical utilities to get 33 percent of their power from renewable sources by 2020, up from the current requirement of 20 percent by the end of 2010.

## INDUSTRIES AND TECHNOLOGIES

### Vice President Biden Announces Finalized \$535 Million Loan Guarantee for Solyndra

*Recovery Act funding will accelerate job creation and help expand marketplace for innovative solar electric panels*

[U.S. Dept. of Energy, Sept. 4] Fremont, CA - Vice President Joe Biden, appearing via satellite from Washington D.C., today announced the Department of Energy has finalized a \$535 million loan guarantee for Solyndra, Inc., which manufactures innovative cylindrical solar photovoltaic panels that provide clean, renewable energy. The funding will finance construction of the first phase of the company's new manufacturing facility. Annual production of solar panels from the first phase is expected to provide energy equivalent to powering 24,000 homes a year or over half a million homes over the project's lifetime. Solyndra estimates the new plant will initially create 3,000 construction jobs, and lead to as many as 1,000 jobs once the facility opens. Hundreds more will install Solyndra's solar panels on rooftops around the country.

## **GASOLINE AND DIESEL FUEL**

To view Arizona and U.S. Gasoline and Diesel fuel data plus other pertinent oil information click [here](http://www.azcommerce.com/Energy/MotorFuel/).  
<http://www.azcommerce.com/Energy/MotorFuel/>

## **GRANTS**

The RFPs created or supplemented as a result of the American Recovery and Reinvestment Act (Recovery Act) are identified in the RFP titles.

### **Interconnection-Level Transmission Analysis and Planning - Recovery Act**

The U.S. Department of Energy requests proposals for Resource Assessment and Interconnection-Level Transmission Analysis and Planning. The objective of this initiative is to facilitate the development or strengthening of capabilities in each of the three interconnections serving the lower 48 states, to prepare analyses of transmission requirements under a broad range of alternative futures, and develop long-term interconnection-wide transmission expansion plans. The interconnections are the Western Interconnection, the Eastern Interconnection, and the Texas Interconnection. \$60 million expected to be available, up to 6 awards anticipated. Responses due 9/14/09. For more info, contact Meghaan Hampton at [Meghaan.Hampton@netl.doe.gov](mailto:Meghaan.Hampton@netl.doe.gov) or go to: <http://www.grants.gov/search/search.do?mode=VIEW&flag2006=false&oppld=47961>.

Refer to Sol#: DE-FOA-0000068. (Grants.gov 8/7/09)

### **Reducing Indoor Environments – Region 9**

The U.S. Environmental Protection Agency, Region 9, requests proposals for Indoor Environments: Reducing Public Exposure to Indoor Pollutants. This initiative will support demonstration, training, outreach and/or education projects to reduce exposure to indoor pollutants for K-12 schools and homes. Projects must take place in CA, AZ, HI, NV, or the Pacific Islands. \$125K expected to be available, up to 3 awards anticipated. A Notice of Intent to Apply is requested, but not required, and is due 9/18/09. Final proposals due 9/29/09. For more info, contact Shelly Rosenblum at [rosenblum.shelly@epa.gov](mailto:rosenblum.shelly@epa.gov) or go to: <http://www.epa.gov/region09/funding/indoor-environments-2009.html>. Refer to Sol# EPA-R9-AIR6-09-007. (Grants.gov 8/12/09)

### **School Construction Program – Recovery Act**

The U.S. Department of Education requests proposals for the Impact Aid Discretionary Construction Program. This program provides support for emergency repairs and modernization of school facilities to local educational agencies that submitted applications for funding under Section 8002 (Payments for Federal Property) or Section 8003 (Basic Support Payments) of the Elementary and Secondary Education Act. Additional rating points given for projects utilizing energy-efficient and recyclable materials and projects that use alternative building methods and materials. \$59.4 million expected to be available, responses due 10/1/09. For more info, contact Kristen Walls-Rivas at [Impact.Aid@ed.gov](mailto:Impact.Aid@ed.gov) or go to: <http://www.grants.gov/search/search.do?mode=VIEW&oppld=49108>. Refer to Sol# ED-GRANTS-081709-001. (Grants.gov 8/17/09)

### **Emerging Frontiers in Research and Innovation**

The National Science Foundation requests proposals for Emerging Frontiers in Research and Innovation. Through this new funding opportunity, the NSF seeks proposals from interdisciplinary teams of researchers, with transformative ideas that represent an opportunity for a significant shift in fundamental engineering knowledge with a strong potential for long term impact on national needs or a grand challenge. Areas of interest include: 1) Renewable Energy Storage, and 2) Science in Energy and Environmental Design (SEED): Engineering Sustainable Buildings. This solicitation is in coordination with the U.S. Department of Energy and the U.S. Environmental Protection Agency. \$29 million expected to be available, up to 14 awards anticipated. Letters of Intent due 10/9/09, preliminary proposals due 11/13/09, final proposals due 3/31/10. For more info, go to: [http://www.nsf.gov/publications/pub\\_summ.jsp?ods\\_key=nsf09606](http://www.nsf.gov/publications/pub_summ.jsp?ods_key=nsf09606). Refer to Sol# 09-606. (Grants.gov 8/13/09)

### **NSF STTR Phase I (due 11/17/09)**

The National Science Foundation requests proposals from small businesses for Phase I of the Small Business Technology Transfer (STTR) Program. STTR requires researchers at universities and other research institutions to play a significant intellectual role in the conduct of each STTR project. The topic of interest is Multi-Functional Materials. The subtopics of interest include: Bio-inspired Materials and Systems; Materials for Energy Generation and Storage; Materials for Sustainability; Nanostructured Materials; and Smart Materials and Structures. \$5 million expected to be available, up to 35 awards anticipated. Responses due 11/17/09. For more info, contact Ben Schrag at [bschrag@nsf.gov](mailto:bschrag@nsf.gov) or go to: [http://www.nsf.gov/publications/pub\\_summ.jsp?ods\\_key=nsf09605](http://www.nsf.gov/publications/pub_summ.jsp?ods_key=nsf09605).

Refer to Sol# 09-605. (Grants.gov 8/13/09)

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### **Aviation and Climate Change**

The U.S. Department of Transportation seeks proposals for Aviation Climate Change Research Initiative Two. This work would include in-depth data analysis, observations and modeling simulations in order to develop improved estimates of aviation climate impacts. Environmental concerns due to aviation activities range from noise levels near airports to impacts of emissions on regional ambient air quality and global climate. Growth in aviation may lead to increased aircraft emissions and associated environmental impacts unless well informed optimally balanced mitigation measures are implemented in a timely manner. Responses due 9/17/09. For more info, contact Steve Garanin at [Steve.Garanin@volpe.dot](mailto:Steve.Garanin@volpe.dot) or go to: <https://www.fbo.gov/?tab=documents&tabmode=form&subtab=core&tabid=300c9563f7a9ff77cef190fb3985fad0>. Refer to Sol# DTRT57-09-R-20030. (FBO 8/12/09)

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### **Environmental Information Exchange Network**

The U.S. Environmental Protection Agency requests proposals for the National Environmental Information Exchange Network Grant Program. This program supports the development of information technology and information management capabilities needed to actively participate in the Exchange Network, a secure, Internet and standards-based way to support electronic data reporting, sharing, and integration of both regulatory and non-regulatory environmental data. \$10 million expected to be available, up to 50 awards anticipated. Responses due 11/20/09. For more info, contact Edward Mixon at [mixon.edward@epa.gov](mailto:mixon.edward@epa.gov) or go to: <http://epa.gov/exchangenetwork/grants/>. Refer to Sol# EPA-OEI-10-01. (Grants.gov 7/29/09)

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### **Fellowships for Graduate Environmental Study**

The U.S. Environmental Protection Agency requests proposals for Science to Achieve Results (STAR) Fellowships for Graduate Environmental Study. Through this RFP, EPA is offering Graduate Fellowships for master's and doctoral level students in environmental fields of study. 16 Topic Areas identified which include, but are not limited to: Global Change; Energy; Green Engineering/Building/Chemistry/Materials; and Environmental Behavior and Decision Making. \$4.5 million expected to be available, up to 120 awards anticipated. Responses due 10/22/09. For more info, contact Brandon Jones at [2009FellowshipsRFA@epa.gov](mailto:2009FellowshipsRFA@epa.gov) or go to: [http://epa.gov/ncer/rfa/2009/2009\\_star\\_gradfellow.html](http://epa.gov/ncer/rfa/2009/2009_star_gradfellow.html). Refer to Sol# EPA-F2009-STAR. (Grants.gov 8/19/09)

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### **Brownfields Assessment Grants**

The U.S. Environmental Protection Agency requests proposals for Brownfields Assessment Grants. A brownfield site is defined as real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of hazardous substances, pollutants, contaminants, controlled substances, petroleum or petroleum products, or is mine-scarred land. This program supports inventories, characterizations, assessments, planning (including cleanup planning) and community involvement related to brownfield sites. \$37.3 million expected to be available, up to 171 awards anticipated. Responses due 10/16/09. For more info, including Regional contacts, go to: <http://www.epa.gov/oswer/docs/grants/epa-oswer-orcr-09-04.pdf>. Refer to Sol# EPA-OSWER-OBLR-09-04. (Grants.gov 8/12/09)

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### **Brownfields Cleanup Grants**

The U.S. Environmental Protection Agency requests proposals for Brownfields Cleanup Grants. Cleanup grants provide funding to carry out cleanup activities at specific brownfield sites owned by the applicant. An individual applicant can apply for up to \$200K per brownfield site and can submit up to three site-specific cleanup proposals. \$35.1 million expected to be available, up to 163 awards anticipated. Responses due 10/16/09. For more info, including Regional contacts, go to: <http://www.epa.gov/oswer/docs/grants/epa-oswer-orcr-09-05.pdf>. Refer to Sol# EPA-OSWER-OBLR-09-05. (Grants.gov 8/12/09)

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### **Brownfields Revolving Loan Funds**

The U.S. Environmental Protection Agency requests proposals for Brownfields Revolving Loan Fund Grants. This program provides funds for a grant recipient to capitalize a revolving fund and to make loans and provide subgrants to carry out cleanup activities at brownfield sites. \$7 million expected to be available, up to 7 awards anticipated. Responses due 10/16/09. For more info, including Regional contacts, go to:

<http://www.epa.gov/oswer/docs/grants/epa-oswer-orcr-09-06.pdf>. Refer to Sol# EPA-OSWER-OBLR-09-06. (Grants.gov 8/12/09)

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### **Interdisciplinary Solar Energy Research**

The National Science Foundation Divisions of Chemistry (CHE), Materials Research (DMR), and Mathematical Sciences (DMS) requests proposals for the CHE-DMR-DMS Solar Energy Initiative. The purpose of this initiative is to support potentially catalytic interdisciplinary work by groups of researchers to address the scientific challenges of efficient harvesting, conversion, and storage of solar energy. The intent is to encourage new collaborations in which the mathematical sciences are linked in a synergistic way with the chemical and materials sciences to develop novel, potentially transformative approaches in an area of much activity but largely incremental advances. \$7 million expected to be available, up to 10 awards anticipated. Preliminary proposals due 12/8/09, final proposals due 3/10/10. For more info, go to:

[http://www.nsf.gov/publications/pub\\_summ.jsp?ods\\_key=nsf09604](http://www.nsf.gov/publications/pub_summ.jsp?ods_key=nsf09604). Refer to Sol# 09-604. (Grants.gov 8/13/09)

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For additional information visit the DOE Energy Efficiency and Conservation Block Grant (EECBG) Program home page at: <http://www.eecbg.energy.gov/>

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*Special thanks to the Washington State University Extension Energy Program for collecting this information.*

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