

Virginia Clean Energy Summit
Clean Energy Round Table Summary
Session Topic: Building the Business Case

Facilitated by:



Dawn Oleksy

Energy Program Manager
City of Richmond, Office of Sustainability

Session Overview:

This round table explored strategies for building the business case for clean energy initiatives, reflecting on recent challenges and achievements, and brainstorming pathways forward. Emphasis was placed on understanding stakeholder dynamics, quantifying benefits, and integrating policy and business interests to drive clean energy adoption.

Key Themes & Observations

Retrospective Insights - Past Year Challenges and Accomplishments:

- **Stakeholder Identification and Goal Setting:** Initiatives in Richmond and Arlington counties centered on understanding key players and aligning goals, like Richmond's ambitious net-zero target by 2050. Highlights include fleet electrification, which has reduced maintenance, and LED streetlight conversions that saved significant energy costs.

- **Evolving Business Case Considerations:** Participants debated whether the business case should focus purely on financials or also encompass political and social benefits. Clean energy projects often require navigating complex political environments such as with school boards and other diverse interest groups impacting decisions impacting a variety of stakeholders.
 - **Addressing Misinformation:** Successfully advancing projects requires preparing a strong case upfront, identifying key decision-makers, and countering misinformation to ensure clean energy benefits are clearly communicated.
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Prospective - Future Opportunities and Solutions

Innovation and Technology Integration:

- **Richmond Initiatives:** Richmond plans to explore a variety of clean energy technologies that will address energy burden in historically disadvantaged areas, reflecting a need to equitably pilot scalable solutions in the energy space.
- **Interconnection Challenges:** Widespread interconnection delays highlight the need for streamlined processes. As the market embraces new technology, from electric vehicles to energy storage, participants discussed re-engineering the grid to meet increasing demand and reduce waste from unused assets.

Engaging Data Centers as Clean Energy Partners:

Data centers remain a focal point due to their high energy demand:

- **Motivation and Community Benefits:** Municipalities can consider Community Benefits Agreements (CBAs) requiring data centers to invest in local EV infrastructure and resilience centers among other improvements. Legislative measures could encourage data centers to procure clean energy, thereby aligning economic growth with sustainability goals.

- **Education and Communication:** Differentiating between AI-driven data centers and standard facilities could help frame the unique demands and benefits these centers bring, fostering education around the purpose of data centers, improved community understanding, and expanded support.

Political Risk Management and Advocacy:

- **Championing the Cause:** Identifying consistent local champions and building relationships that transcend election cycles can mitigate political risk. A robust business case, focusing on economic and community benefits, should be prepared to counter opposition and misinformation.
- **Quantifying Soft Benefits:** Participants noted the importance of framing benefits beyond economics, including reliability, health, and resilience benefits from reduced fossil fuel dependency. Tailoring messaging to different stakeholders, from investors to local residents, is essential.

Bridging the Gap Between Business and Policy:

- **Educational Outreach:** Clear, accessible information on federal incentives and funding mechanisms is vital. Participants underscored that most clean energy initiatives gain momentum through policy support, making continuous education for stakeholders crucial.

Conclusion:

Building a compelling business case for clean energy requires balancing financial, political, and social factors. Success depends on robust stakeholder engagement, clear communication, education, and a focus on both tangible and intangible benefits. This session underscored the importance of an integrated approach to advancing clean energy in Virginia, with local governments, businesses, and communities working in concert toward a sustainable future.

Virginia Clean Energy Summit Clean Energy Round Table Summary

Session Topic: Built Environment

Facilitated by:



Andrew Grigsby
Energy Services Director
Viridian

Note Takers: Cassandre Torres (Virginia Clean Cities), Bruce Vlk (Virginia Clean Cities), Sarah Kerner (CEP Solar)

Session Overview:

The Built Environment round table examined the diverse elements of clean energy within the built environment, including buildings, infrastructure, and technology. The discussion addressed challenges, barriers, and actionable strategies for transforming building efficiency, integrating renewable energy, and enhancing community sustainability.

Key Themes & Observations

Defining the Built Environment

- **Scope:** The built environment encompasses buildings, the grid, infrastructure, urban planning, and essential technologies like appliances and heat pumps. It involves not only the physical structure but also the interactions between people and their surroundings, such as connectivity, community density, and mobility.

Barriers to Progress

- **Policy and Funding Constraints:** Regulatory requirements and segmented funding often limit holistic improvements. Programs for solar, demand response, and basic efficiency operate separately, complicating efforts to address multiple efficiency aspects simultaneously – which ultimately would be more cost-effective. Overall, the market/regulatory structure is attuned to the historic model of centralized generation – not to growing a cost-effective built environment of efficient, grid- interactive assets with on-site generation.
 - **Educational Gaps:** Individuals and communities lack accessible information on energy efficiency benefits, potential savings, and available programs, limiting widespread adoption. Building owners simply aren't aware of the economic potential for EE, DR, and DG.
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Prospective - Opportunities and Solutions

Innovative Funding Approaches

- **Flexible Financing Programs:** Participants advocated for flexible funding models, such as low-interest or no-interest loans, which benefit building owners at all income levels. The Jane E. Lawton Conservation Loan in Maryland was cited as an effective model that could inspire similar programs in Virginia.
- **Energy Benchmarking and Data Access:** Benchmarking through tools that enable energy use comparisons with neighbors was highlighted as a valuable educational strategy that moves markets towards integrating more clean energy technologies. Model data privacy standards are in use across the country and could be used in Virginia to give consumers more options for engaging vendors of clean energy technologies.

Workforce Development and Technology Neutrality

- **Supporting a Skilled Workforce:** Addressing the need for contractors who are well-versed in energy efficiency and construction generally is critical. Participants discussed creating educational pathways and certifications for contractors to ensure a knowledgeable workforce.
- **Performance-Based Solutions:** Participants agreed that no single technology fits all buildings all the time. A case-by-case assessment, beginning with an expert energy audit, is crucial to determine the best solutions for energy efficiency, demand response, on-site renewables, and occupant needs.

Strategic Planning and Community Engagement

- **Local and Statewide Strategies:** State-level strategies should emphasize enforceable standards, funding mechanisms, and action plans. The group stressed that uniform implementation of codes and standards is essential across jurisdictions. Efficiency programs that vary across jurisdictions create consumer confusion and reduce participation.
- **Leading by Example:** Public projects, like net-zero elementary schools in Arlington, show the benefits of energy-efficient design and inspire similar investments by other communities.

Ideas Worth Launching in Virginia

1. **Benchmarking and Reporting:** Establishing benchmarks allows property owners and communities to assess and compare energy performance. Transparent metrics (such as the public letter grades used for larger buildings in NYC) for energy efficiency encourage continuous improvement.
2. **Incentivizing Compliance:** Incentives and potential penalties could drive energy-efficient operations. Participants cited examples like NYC's building performance standards, which require regular reporting and reward efficiency.

3. One-Stop-Shop for Consumer Empowerment: To date, Virginia’s various consumer education efforts (public, private, and non-profit) are not scaling adoption of cost-effective clean energy technology. A “one-stop shop” entity, serving all of Virginia with expert, individualized guidance and information on available funding, technology, contractors, and other resources, was proposed as an effective approach to benefit consumers and provide cost-effective grid services at scale.

Key Takeaways for Action

- **Focus on Performance:** Emphasize performance standards over prescriptive measures to ensure that the desired results are directly incentivized.
 - **Accessible Funding and Resources:** Establishing a one-stop-shop with “concierge” service that consolidates funding options, technologies, and expert advice can assist residents and developers in navigating complex energy efficiency upgrades.
 - **Motivations and Human Factor:** Understanding diverse motivations, from cost savings to environmental impact, is crucial for designing policies that resonate across income levels and encourage broader adoption of sustainable practices.
 - **Benchmarking as a Tool for Market Transformation:** Energy performance benchmarks and public reporting standards could drive market shifts, encouraging property owners to maintain and improve efficiency over time.
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Conclusion:

The round table on Built Environment highlighted the need for policy alignment, comprehensive funding, and tailored solutions for advancing energy efficiency across Virginia. By fostering a knowledgeable workforce, prioritizing performance standards, and engaging communities, stakeholders can effectively address the challenges of building a more sustainable, efficient built environment.

Virginia Clean Energy Summit
Clean Energy Round Table Summary
Session Topic: Land Use & Local Government

Facilitated by:



Scott Foster

Partner

Gentry Locke

Note Takers: Jenn D’Augustine (AES) & Grace Divers (CEP Solar)

Session Overview:

The Land Use and Local Government round table addressed the dynamic landscape of clean energy permitting, focusing on past experiences, challenges, and prospects for improvement. The conversation highlighted a need for policy alignment, transparency, and education to enhance community engagement and address opposition rooted in misinformation. Below is a consolidated summary of the main themes discussed.

Key Themes & Observations

Retrospective Insights - Past Year Challenges:

- **Ordinance Complexity and Changes:** Multiple counties frequently update ordinances, sometimes leading to “de facto bans” through excessive setback and buffer requirements. These inconsistent regulations create unpredictability and frustration among developers, especially when projects that meet local standards still face rejection.

- **Misinformation and Bias:** Elected officials and community members often rely on misinformation, with personal or cultural biases impacting decisions. This affects the perception of solar's benefits, particularly in areas where agrivoltaics (solar projects that incorporate agriculture) aren't considered true agricultural use.
 - **Economic Perception:** Local stakeholders question the benefit of renewable projects, citing a lack of visible economic returns. Misunderstandings persist regarding the distribution of energy produced, with some counties feeling burdened by providing energy for Northern Virginia's data centers.
 - **Permit Approval Disparities:** Some counties readily approve multiple projects, while others approve none. This disparity creates inequities and leads to stalled development across Virginia, hampered further by fears that the current rate of project denials may soon halt progress in clean energy development.
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Prospective - Future Opportunities and Solutions

Policy and Communication Strategies:

- **State Policy Initiatives:** Attendees widely support standardized state-level policies to create predictable guidelines, akin to the successful models in states like Indiana and Michigan, which use two-tier systems balancing state and local authority.
- **Objective Information Dissemination:** Neutral, third-party data, possibly through a state-funded model, would help reduce misinformation. A peer-reviewed, accessible resource could enhance trust and provide balanced insight into the technical and environmental benefits of clean energy.
- **Community Engagement and Empathy:** Proactive, direct outreach remains an effective tool. Engagement should focus on listening to community concerns, especially in regions where historical events (e.g., coal camps) and distrust of external developers have led to skepticism about clean energy projects.

Additional Considerations for Siting and Permitting

- **Revenue and Siting Agreements:** While siting agreements offer potential financial benefits to counties, opponents sometimes argue these agreements are merely incentives to “buy votes.” In some areas, “carrot” strategies (financial incentives) are ineffective due to strong local opposition based on cultural affiliations rather than financial considerations.

- **Transparency and Accountability:** With increasing scrutiny on project transparency, developers see value in providing detailed environmental data, potentially through partnerships with local governments and organizations. This aligns with suggestions for data-sharing initiatives where developers voluntarily provide empirical data to refute myths about solar projects.

- **Local Collaboration Models:** Reference was made to North Carolina’s model, where state university-backed resources help local governments with technical guidance. This could serve as a template for Virginia, enhancing trust and knowledge-sharing in the permitting process.

Conclusion:

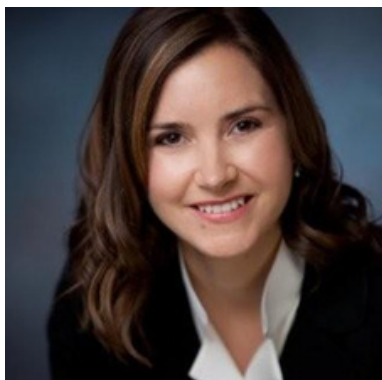
The round table underscored the complexity of clean energy permitting in Virginia, where local variances in regulations, community trust, and misinformation present significant hurdles. Participants agreed that bridging these gaps will require collaborative efforts, consistent policy standards, and a commitment to education and transparency. This summary reflects the collective insights shared and provides actionable directions for improving Virginia’s clean energy landscape.

Virginia Clean Energy Summit

Clean Energy Round Table Summary

Session Topic: Policy

Facilitated by:



Carrie Hearne

Executive Director

Commission on Electric Utility Regulation



Trieste Lockwood

President

Lockwood Strategies, LLC

Note Takers: Philip Scranage (AES) & Francheska Sacoto (CEP Solar)

Session Overview:

This session provided a platform for exploring the successes and challenges in clean energy policy implementation, both at state and corporate levels. Facilitators encouraged a free-ranging discussion on past experiences and the evolving policy landscape.

Participants also considered future opportunities and how to align policy with practical action.

Key Themes & Observations

Retrospective Insights - Past Year Policy Challenges and Successes

- **Implementation Hurdles:** A recurring theme was the gap between policy intentions and practical implementation. For example, while federal grants provide substantial support, the process from funding to project start is often cumbersome, particularly in electric school bus deployment, where technical assistance is limited.

- **Coalition-Building and Unified Advocacy:** Leaders from organizations like the Virginia Conservation Network (VCN) highlighted the importance of presenting a unified stance when engaging with policymakers. VCN's year-round process of refining policy priorities, such as those in *Our Common Agenda*, demonstrates the need for structured, consistent advocacy.
 - **Local Policy Successes:** Success stories included Michigan's law preventing project rejections if ordinances are met and advancements. A different approach could be seen in Virginia to meet the Virginia's Clean Economy Act (VCEA) goals. However, challenges remain, such as navigating loopholes exploited by utilities.
 - **Federal and State Policy Gaps:** Conflicts between federal incentives and state-specific programs, such as the development of solar on abandoned mine lands, create competition rather than synergy. Participants noted that rural and urban communities experience clean energy benefits differently, adding complexity to state policy implementation.
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Prospective - Emerging Policy Themes and Areas of Focus

High-Priority Issues

- **Energy Facility Siting and Distributed Generation:** With increasing demand for renewable energy, effective siting and distributed generation are critical. There is a strong push for policies that support local generation, home batteries, and distributed solar as solutions to grid stability and resiliency.
- **Data Centers and Cost-Shifting Concerns:** Data centers, while economically valuable, often receive incentives disproportionate to their renewable counterparts. Participants discussed policies to ensure that data centers contribute to infrastructure without placing undue financial pressure on communities.

- **EV Infrastructure and Home Batteries:** The demand for accessible electric vehicle (EV) charging infrastructure and home battery support is growing. Policies are needed to support these transitions without penalizing individuals making energy- efficient choices.

Balancing Policy Approaches

- **Funding and Carrots vs. Sticks:** Funding remains a primary concern; existing incentives, such as brownfield development funds and EV rebates, require sustainable funding to have long-term impact. Participants emphasized the need for a balanced approach, noting that California’s policy model heavily relies on regulations (“sticks”), while underfunding incentives (“carrots”).
- **Legislation Beyond Specifics:** Some participants advocated for target-based policies that set goals without prescribing specific methods, allowing market innovation to drive solutions. This approach, exemplified by considering hydrogen alongside electric vehicles, avoids “picking winners” prematurely and could encourage more diversified transportation advancements.

Actionable Steps for Solar Siting and Community Engagement

- 1. Enhanced Community Engagement:** Engaging with local communities before a project proposal is essential. Solar developers should conduct preemptive outreach, build relationships, and dispel myths about solar development through trusted, local voices.
- 2. Siting Agreements and Community Benefits:** Developers can improve community acceptance by channeling siting agreement funds into tangible community projects, like resilience centers, rather than general funds.

3. Addressing Misinformation: By proactively debunking common myths and addressing concerns, developers can cultivate a more informed and supportive public. Organizing coalitions with common values helps rally support and provides a stronger voice in policy discussions.

Key Takeaways for Policy Advancement

- **Long-Term Strategic Planning:** Policy discussions around emerging issues, such as battery storage and grid-enhancement technology, should anticipate future infrastructure needs. Addressing these proactively, as recommended by stakeholders like Avingrid, can prevent bottlenecks, such as those observed in Dominion's queue.
 - **Benchmarking and Localized Data:** Effective energy benchmarking allows local governments to set tailored standards that meet community needs. State-level support for local energy benchmarking would enable municipalities to create ordinances that support clean energy goals.
 - **Evolving Community Benefits Approach:** Clean energy projects should emphasize local engagement with clear benefits to the host communities. Developers are encouraged to create visible, tangible community benefits alongside renewable projects.
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Conclusion:

This round table illuminated the ongoing challenges and opportunities within Virginia's clean energy policy landscape. With effective coalition-building, increased community engagement, and a forward-looking approach to infrastructure and technology, stakeholders can foster a supportive policy environment that promotes sustainable growth and equitable clean energy access across the state.