

A Prospernger Energy. Future



A Prosperous Energy Future



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Business and Industry









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Producing Renewable Energy and Products





imengylePEeserytasiduPartidun Producin **Future Opportunities, & Strategies** Presented to Alternative Energy 2006; **Diversifying Risk in a Challenging Environment** Louisiana State University Baton Rouge, LA resented by Dr. James R. Fischer Senior Technical Actisor cademe – Board of Directors Office of Energy Efficiency and Renewable Energy

U.S. Department of Energ Washington, D.C By three methods we may gain wisdom: Confucius

First, by reflection - which is noblest;
Second, by imitation - which is easiest;
Third, by experience - which is bitterest.

We Can Gain WISDOM by Reflecting and:

Exploring the Present **Energy Situation**

Visioning a Prosperous Energy Future





Developing Strategies

World Consumption of **Energy Will Increase**

Fossil fuels provide 84.7% of world energy consumption

1999

Coal

22.2%

Fossil fuels projected to provide 87.1%





Energy Projections: "Global Energy Perspectives" ITASA / WEG Population Projections: United Nations "Long-Range World Population Projections: Based on the 1998 Revision"



2025 Oil Projections China/India

Indian Oil Production and Consumption, 1980–2003

China 10.9 (million barrels per day)

India 5.5 (million barrels per day)



Energy Consumption and Affluence are Linked



Energy Consumption Per Capita (BTU/person)

Source: Energy Information Administration, International EnergyAnnual 1998 Tables E1, B1, B2; Mike Grillot, 5/17/00 Gross Domestic Product per capita is for 1997 in 1990 dollars. Energy Consumption per capita is 1997.

EIA World Conventional Oil Production Scenarios



So why should you care?

It took 125 years to use the first trillion barrels of oil, We'll us the next trillion in 30 years.

In 20 years the world will consume 40% more oil than it does today.

At the same time many of the world's oil and gas fields are maturing.

New energy discoveries are mainly occurring in places where resources are difficult to extract physically, economically and politically. DAVID J. O'REILLY CHAIRMAN & CEO CHEVRON CORPORATION

willyoujoinus.com

ENERGY SUPPLIE

STERS CAPITAL TECHNICLOS

Energy will be one of the defining issues of this century. One thing is clear: the era of easy oil is over. What we all do next will determine how well we meet the energy needs of the entire world in this century and beyond.

Demand is soaring like never before. As populations grow and economies take off, millions in the developing world are enjoying the benefits of a lifestyle that requires increasing amounts of energy. In fact, some say that in 20 years the world will consume 40% more oil than it does today. At the same time, many of the world's oil and gas fields are maturing. And new energy discoveries are mainly occurring in places where resources are difficult to extract, physically, economically and even politically. When growing demand meets tighter supplies, the result is more competition for the same resources.

We can wait until a crisis forces us to do something. Or we can commit to working together, and start by asking the tough questions: How do we meet the energy needs of the developing world and those of industrialized nations? What role will renewables and alternative energies play? What is the best way to protect our environment? How do we accelerate our conservation efforts? Whatever actions we take, we must look not just to next year, but to the next 50 years.

At Chevron, we believe that innovation, collaboration and conservation are the cornerstones on which to build this new world. We cannot do this alone. Corporations, governments and every citizen of this planet must be part of the solution as surely as they are part of the problem. We call upon scientists and educators, politicians and policy-makers, environmentalists, leaders of industry and each one of you to be part of reshaping the next era of energy.







Giant Oil Field Discovery per Decade





Global Oil Reserves are Consolidating in OPEC Nations

Source: DOE/EIA, International Petroleum Statistics Reports, April 1999; DOE/EIA 0520, International Energy Annual 1997, DOE/EIA0219(97), February 1999.

World Electricity Demand (Billion kWh)



Source: International Energy Outlook 2002, Energy Information Administration, Table A-9, p. 188, and http://www.eia.doe.gov/pub/international/iealf/table62.xls

Oil Tycoon T. Boone Pickens

- Doesn't think global oil production can be increased more than what it is right now
- Says changes won't happen overnight but they will happen over time
- Predicts three-digit oil prices in a decade
- Says we are going to have to get more efficient because it is inevitable that the cost of fuel will go up
- Predicts Congress will have to pass CAFÉ standards that will force the automakers to make engines that get more mileage per gallon
- As oil prices rise, no question that other energy sources, like renewables and unconventional forms of oil and gas, will be developed

Key Points from Interview on Morning Edition, National Public Radio January 16, 2006

So is this something you should be worried about?

The world consumes two barrels of oil for every barrel discovered

The world has been finding less oil than it's been using for twenty years now

Demand set to soar an estimated 40% by 2025

The oil and gas we've been finding is coming from places that are tough to reach.

By 2020, the number of cars in the world will increase 50%

The world consumes 84 million barrels of oil a day

Wind, solar and hydrogen can be more viable parts of the energy equation The fact is, the world has been finding less oil than it's been using for twenty years now. Not only has demand been soaring, but the oil we've been finding is coming from places that are tough to reach. At the same time, more of this newly discovered oil is of the type that requires a greater investment to refine. And because demand for this preclous resource will grow, according to some, by over 40% by 2025, fueling the world's growing economic prosperity will take a lot more energy from every possible source.

The energy industry needs to get more from existing fields while continuing to search for new reserves. Automakers must continue to improve fuel efficiency and perfect hybrid vehicles. Technological improvements are needed so that wind, solar and hydrogen can be more viable parts of the energy equation. Governments need to create energy policies that promote economically and environmentally sound development. Consumers must demand, and be willing to pay for, some of these solutions, while practicing conservation efforts of their own.

Inaction is not an option. But if everyone works together, we can balance this equation. We're taking some of the steps needed to get started, but we need your help to get the rest of the way.

will you join us.com

Chevron Steps Taken: Discourse of the future: Committing over \$100 million every years on an improving efficiency Indiage energy taken Indiage energy

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of oil a day.

By 2030

of cars in the world

will increase by 50%

The U.S. Energy Situation

The Energy Connection Challenges

Cenergy A

<u>Economy</u> Economic growth and development Oil Imports cost and volatility

Environment

Air quality—particulates, acid rain Global warming



National Security

Dependence on insecure supplies of foreign oil, & increasingly natural gas. Dollars to undesirables. Economic development/political stability



sourc

The U.S. Energy Situation

Electrical imports* 0.05



Source: Production and end-use data from Energy Information Administration, Annual Energy Review 2001

'Net fossil-fuel electrical imports

"Includes 0.2 quads of imported hydro

***Biomass/other includes wood, waste, alcohol, geothermal, solar, and wind.

August 2003 Lawrence Livermore National Laboratory http://eed.ilni.gov/flow

The U.S. Energy Situation



What Is at Stake?

"Best-case" scenario is that in the future a number of technologies will be in place that will allow the U.S. to transition from heavy reliance on petroleum to relying more on domestic and renewable resources

A "worse case" could mean supply disruptions like we saw in the 1970s, although we are buffered somewhat by Strategic Petroleum Reserve

U.S. Energy Consumption by Fuel 1970–2025



Source: EIA Annual Energy Outlook 2005

The U.S. Energy Situation Environmental Impacts of Fossil Energy Use



U.S. 2001 Energy-Linked Emissions as Percentage of Total Emissions ²⁷

The U.S. Energy Situation Carbon Management Technological Options

Reduce Carbon Intensity

- Renewables
- Nuclear
- Fuel Switching

Improve Efficiency

- Demand Side
- Supply Side

Sequester Carbon

- Enhance Natural Sinks
- Capture & Store

All options need to:

- Affordably meet energy demand
- Address environmental objectives



Transition to New Energy Technologies



Visioning a Prosperous Future

Perhaps We Need to Speak a New Language?



Clean, Abundant, Reliable, and Affordable Energy

Current Initiatives to Develop New Technology Short Term Now Long Term

Mid Term

• Hybrid or Clean Diesel **Vehicles**

- Clean Coal Efficiency
- Energy Efficiency **Standards**
- Renewable Fuel Standar
- Nuclear Plant Relicensin[~]
- Enhanced Oil Recover
- Biological Sequestration
- Methane to Markets*
- Federal Facility **Management Plan**
- Fuel Economy Standards
- Wind, Solar Tax Incentives
- Climate Leaders
- Climate VISION
- SmartWay Transportation

- Hybrid/Clean Diesel **Vehicles**
- Clean Coal Gasification
- Renewable/Efficiency **Partnership***
- Cellulosic Biomass
- Advanced Nuclear
- Geological Sequestration*



- FutureGen*
- **Zero Energy Homes** & Buildings
- Bio-Energy Systems
- GenIV Nuclear/Fusion*



* Denotes International Partnership

Source: June 30, 2005 White House Press **Release on G-8 Summit**



Energy Efficiency Strategy

You use 25 barrels of oil a year

Since 1973 alone, improvements in <u>energy efficiency have resulted</u> <u>in a 50 % reduction</u> of our daily energy intensity per gross domestic production unit, which is the same as discovering 25 extra million barrels of oil equivalent every day

For developed and emerging economies alike, incorporating energy efficient technology into <u>construction projects can reduce</u> <u>consumption by 40 %</u>

If everyone lowered their heating temperature <u>6 degrees</u>, we'd save the energy equivalent of <u>570,000</u> <u>barrels of oil every day</u> Because of surging economies in the developing world and continued growth among the industrialized nations, global energy use is soaring. As a result, supplies are tight. Prices are rising. And energy users are calling for viable alternatives.

The good news is we've got a huge source of alternative energy all around us. It's called conservation, and it's the lowest cost new source of energy we have at hand. Since 1973 alone, improvements in energy efficiency have resulted in a 50% reduction of our daily energy use, which is the same as discovering 25 extra million barrels of oil equivalent every single day. Clearly, saving energy is like finding it. But we all need to do more.

For developed and emerging economies alike, incorporating energy efficient technology into construction projects can reduce consumption by 40%. The use of more fuel efficient vehicles – including hybrids – is encouraging, and if automakers improved fuel economy across the board by just 5 mpg, we'd save over 22 billion gallons of gasoline a year. Governments and businesses need to reduce their own energy use and promote conservation to their citizens and employees. And the average person wields incredible power when it comes to conserving energy; if everyone lowered their heating temperature 6 degrees, we'd save 570,000 barrels of oil every day.

Of course, not only does using less energy mean there's more fuel to go around, it also means fewer greenhouse gas emissions. The fact is, if everyone began conserving today, we'd see results immediately. We've taken some of the steps needed to get started, but we need your help to get the rest of the way.

willyoujoinus.com

WHERE DOES YOUR ENERGY &



Conservation Facts: The U.S. consumes a million dolla worth of energy every minute

Replacing just one incandescent ightbulb with a compact fluorescent amp would save 500 pounds of coal ind over a 1/2 ton of CO₂ emissions

If just one in 10 homes used ENERGY STAR^{*}-qualified appliances, the environmental benefit would be like planting 1.7 million new acres of trees

Chevron Steps Taken:
 Saving our own energy:
 Since 1992: Chevron has reduced its own
 sergy chevron has reduced its own
 or outprised and additional electrology at our
 for outprised acce additional electrology at our
 for outprised acce additional electrology
 aving other people's energy
 energy efficiency: Surgers havings designed
 morovernise as esparate, proven business designed
 morovernise that success that success that success

postai sments that will lower the vincing Melping the U.S. government save taxons SIST million while reducing the vincing missions by an expected 15 millione gas

Illustrative Emerging Technologies

R&D Needed to Meet Goals Associated with Zero Energy Buildings	
Lighting	Develop technologies such as light emitting diodes
Water Heating	Develop high efficiency, low cost electric heat pump water heaters moving to CO_2 as a refrigerant which increased efficiency
Windows	Develop highly insulating dynamic windows (e.g., electrotinted windows using ionic liquids) and next generation reflective electrochromatic technology
Space Conditioning	Develop high efficiency and low capacity, near zero- loss HVAC systems
Building Controls and Appliances	Develop the technologies to control home appliances and equipment connectivity and communication both inside the walls and with external services including utilities and repair services

Energy Efficiency Windows

Windows annually are responsible for 3.8 quads of energy in the U.S. in the form of heating and air conditioning loads, at a cost of more than \$30 billion.



Energy Efficiency Vehicle Technologies

Vehicle Systems

- Aerodynamics
- Rolling Resistance
- Accessory Loads
- Systems Analysis and Modeling
- Non-Highway

Hybrid Propulsion

- Hybrid Electric Vehicles
- Electric Vehicles
- Power Electronics
- Batteries (NiMH & Lithium)
- Inverters/Controllers
- Motors
- Ultracapacitors

Deployment

- EPACT Fleets
- Test & Evaluation
- Vehicle
 Competitions

Innovative Concepts

• GATE

Combustion and Emissions Control

- Combustion R&D
- Emissions Controls
- Clean Combustion

Fuels

- Advanced Petroleum Based Fuels
- Gasoline/ Diesel Fuels and Blends
- Fischer-Tropsch Fuels
- Non-Petroleum Fuels

Materials Technology

- Metals
- Composites
- Ceramics
- Propulsion Systems
- High Strength Weight Reduction
Part 3a: Potential Light-Duty Vehicle Oil Savings



Potential for Combined Heat and Power Systems (CHP)



Food & beverage processing industry is fifth largest industrial user of energy

There is an estimated 276 MWe of potential CHP in this industry



Bakeries & Tortillas



Dairy





Seafood Preparation & Packaging

Fruit & Vegetable Preserving



Sugar & Confectioneries

Combined Heat and Power (CHP) Application Tool

 DOE has developed a software tool to help industrial users evaluate the feasibility of CHP for heating systems such as fuel-fired furnaces, boilers, ovens, heaters, and heat exchangers.



Sample CHP tool user screen showing the tool's main menu and available options.

For more information: http://www1.eere.energy.gov/industry/bestpractices/software.html#chp or contact EERE Information Center 1-877-EERE-INF (1-877-337-3463)

What Are Business Executives Saying?

- Peter Brabeck Nestle CEO Predicts Rising Energy Costs
 - 5 10% increase in energy related costs fuel bills, packaging, transportation etc.
 - Increased global reliance on nuclear
 - Biggest threats to growth in the food industry
 - Higher energy prices
 - Water shortage

Renewable Energy – Wind

Wind Capacity and Cost Trends



*Year 2000 dollars

Increased Turbine Size - R&D Advances - Manufacturing Improvements

U.S. Wind Resources and Installed Capacity





Visioning a Prosperous Energy Future OffShoteiwinEnergynółogý d

www.windpoweringamerica.gov



Wind Electricity Generation Installed World Capacity



Solar Energy Technologies



Solar Technologies Cost Trends



With **improved technology supported by DOE**, the cost of solar energy in the United States has steadily **declined**.





Worldwide Solar Thermal Capacity



Photovoltaics Installed World Capacity



Photovoltaics (PV) Costs and Shipments



Ranges of Solar Cell Efficiencies



Geothermal Energy Technologies







Electricity Generation

- Distributed Power
- Central Station Power > Process Heat

Direct Uses

- District Heating
- > Agriculture (Horticulture)
- > Aquaculture

Geothermal Heat Pumps

- Heating
- Cooling

Geothermal Costs Coming Down

Geothermal Energy Increasingly Competitive

1980: 10-16 cents/kWh

2000: 5-8 cents/kWh

 Electricity Generation: Current capacity is roughly 2,800 MW in US; 8,000 MW worldwide

2010 Goal: 3-5 cents/kWh



Geothermal Direct Use – Capacity and Utilization

World and North America



Source: Direct Heat Utilization of Geothermal Resources, John W. Lund

Source: John W. Lund, et. al., The United States of America Country Update, Proceedings World Geothermal Congress 2005. Geothermal Heat Pump Case Studies of the West, GHC Bulletin, September 2005.

U.S. Biomass Fuel Production Growing - Ethanol and Biodiesel

Ethanol

- 82 U.S. ethanol plants operating >16 new plants and 2 major expansions under construction
- Nearly 3.5 billion gallons per year (BGY) capacity; >755 million gallons per year capacity under construction
- 3.35 BGY production estimated for 2004

Biodiesel

 Production capacity of about 150 million gallons per year (National Biodiesel Board estimate)



Sources: Renewable Fuels Industry, Industry Outlook 2004, p.4 and National Biodiesel Board, FAQs cited in Eidman, Vernon; "Agriculture as a Producer of Energy," Proceedings – Agriculture as a Producer and Consumer of Energy" June 24-25, 2004, Arlington, VA

Renewable Fuel Standard - Ethanol Production



Location of Ethanol Plants



Change in Net Returns 2025 at \$40/dt





1974 - - Integrated On-Farm Food/Energy System - - Columbia, Mo

The Up and Down Support For Biomass



The Recent Turn Around in Interest Concerning Biomass is a Refreshing Change!



Increasing Role for Agriculture in Supplying Energy



The New Bio-Industry from Plants to Products



Food and Feed and Fiber

- Co-firing

Biorefinery Technologies



U.S. Biomass Resources







Visioning a Prosperous Energy Future Biorefineries & Bioproducts



- Help farms stay competitive in the global marketplace
- Add vigor to rural American economies
- -Decrease reliance on imports
- -Environment benefits



July 2003

Top Value Added Chemicals from Biomass Volume I—Results of Screening for Potential Candidates from Sugars and Synthesis Gas

1,4 succinic, fumaric and malic acids

- 2,5 furan dicarboxylic acid
- 3 hydroxy propionic acid

aspartic acid

glucaric acid

glutamic acid

itaconic acid

levulinic acid

3-hydroxybutyrolactone

glycerol

sorbitol

xylitol/arabinitol

Produced by the Staff at Pacific Northwest National Laboratory (PNNL) National Renewable Energy Laboratory (NREL) Office of Biomass Program (EERE) For the Office of the Biomass Program T. Werpy and G. Petersen, Editors

Production of Biochemicals as Intermediates for Bioproducts







- A DuPont/DOE collaboration will develop a new form of biorefinery
- ➤ This New technology will convert corn stover into fermentable sugars for the production of added-value chemicals such as 1,3 propanediol for the high performance polyester, Sorona[™].

Cellulosic Ethanol

- Barriers cost of enzymes for the production of sugars
- > Two U.S. enzyme companies, Genencor & Novozymes have successfully reduced cost of enzymes by ½
- Have cut costs tenfold and are working on further cost reductions to make the production of ethanol from lignocellulosic material economical.

Visioning a Prosperous Energy Future Biomass Technology — Back To The Future?





Henry Ford wearing a suit made of soy fiber

From Harold Brock, The Fords of My Past Renowned botanist George Washington Carver made rubber from sweet potatoes, marble from wood shavings, and ink, dye, and insulating board from peanuts¹

Commercialization of Bioproducts



Source: Toyota Motor Corp.

Toyota Motor Corp. Pursuing Bio-plastics

- Bio-plastic (polylactic acid, or PLA) pilot plant with yearly production capacity of 1,000 tons under construction
- First use of bio-plastics for vehicle interior parts on the new Raum and Prius
- Goal: To supply 20 million tonnes of bio-plastics by 2020
Visioning a Prosperous Energy Future

The Hydrogen Economy



Visioning a Prosperous Energy Future



Visioning a Prosperous Energy Future

Renewable Energy Pathways to Hydrogen

Sustainable Paths to Hydrogen



U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy (EERE) Budget

		FY 2006	FY 2007
\setminus		Approp	Request
- \	Biomass and Biorefinery Systems R&D	90,718	149,687
	Building Technologies	69,266	77,329
	Federal Energy Management Program	18,974	16,906
	Geothermal Technology	23,066	0
	Hydrogen Technology	155,627	195,801
	Hydropower	495	0
	Industrial Technologies	56,855	45,563
	Solar Energy	83,113	148,372
ewable Entropy	Vehicle Technologies	182,104	166,024
	Weatherization & Intergovernmental Activities	316,866	225,031
	Wind Energy	38,857	43,819
	Program Support	13,321	10,930
	Program Direction	98,529	91,024
	TOTAL EERE	1,173,843*	1,176,421

*Congressionally directed activities = \$159 million

The Fiscal Year 2007 Budget-in-Brief can be downloaded from www1.eere.energy.gov/ba/pdfs /FY07_budget_brief.pdf

Fiscal Year 2007 Budget-in-Brief



DOE is the THIRD largest government sponsor of basic research and FOURTH largest sponsor of applied research in the United States.

The Future is Coming at Us Very Fast — What is Your Strategy to Catch It?



President George W. Bush — State of the Union Address

- "America is addicted to oil, which is often imported from unstable parts of the world."
- "The best way to break this addiction is through technology."
- ".... replace more than 75 percent of our oil imports from the Middle East by 2025."



Capitol, Tuesday, Jan. 31, 2006 White House photo by Eric Draper

"By applying the *talent and technology* of America, this country can

- > dramatically improve our environment,
- > move beyond a petroleum-based economy, and
- > make our dependence on Middle Eastern oil a thing of the past."

Renewable and Clean Energy Production



- \$281 million for development of clean technologies
 - \$54 million for the FutureGen program
 - zero-emissions coal plant
 - with carbon capture capacity
 - \$148 million for solar energy programs
 - \$44 million for wind energy programs

Developing Strategies Renewable and Clean Energy Production



\$150 million for cellulosic ethanol -

- "practical and competitive" within six years.
- displace up to 30 percent of the nation's fuel use
- \$60 million above the Biomass and Biorefinery Systems R&D FY 06
- \$30 million for work to improve battery technology for hybrid vehicles and "plug-in hybrids.
- \$289 million to speed up development of hydrogen fuel cells and₈₁ hydrogen-powered cars

Developing Strategies Technology — Key Energy Efficiency and Renewable Energy Research Goals

	Hydrogen 8 Fuel Cell Technology		Industry decision by 2015 to commercialize hydrogen-powered fuel cell vehicles
	Solid State Lighting		Capture at least a 50 percent electricity peak demand reduction in commercial buildings' lighting load
Zero Energy Buildings		y I	Enable the design and construction of net Zero Energy Buildings by 2020
Distributed Energy Resources			Develop by 2015 a diverse array of integrated distributed generation and thermal energy technologies
	/ind echnology	tech By 2	elerate offshore wind and low wind speed nology 2010, facilitate the installation of a least ₈₂ MW in 16 states (currently 20MW)

Technology

Key Energy Efficiency and Renewable Energy Research Goals

Vehicle Technology	Improve engine efficiency for passenger vehicles to 45 percent by 2010 and for commercial vehicles to 55 percent by 2013		
Solar Technology	Developing next-generation PV technologies such as "thin film" PV cells and "leap frog" technologies such as polymers and nanostructures		
	If photovoltaic (PV) goals are met, industry projects that PV capacity could reach 30,000 megawatts (MW) in the United States by 2020 (currently 100-150 MW)		
Biorefineries	In 2008, complete construction of at least one industrial scale project for a near term pathway such as agricultural residues or oilseeds with validation in 2009		
	In 2009, complete preliminary design of a least 2 additional biorefineries for longer term pathways such as pulp and paper and perennial grasses		

Technology

Energy Success Stories - Progress **IS** Underway





Energy Star

- Voluntary labeling program to help promote energy-efficient products to reduce greenhouse gas emissions;
- More than 8,000 private and public sector organizations as partners;
- Driving force behind the more widespread use of such technological innovations such as:
 - efficient fluorescent lighting,
 - LED traffic lights,
 - power management systems for office equipment, and
 - low standby energy use.
- ENERGY STAR saved businesses, organizations, and consumers about \$10 billion in 2004 alone.

Money Isn't All You're Saving

Developing Strategies Technology — Advancing Technologies Through R&D



Soldiers, homeowners, and campers

Lightweight, mobile power source

Thin-film Copper Indium Gallium diSelenid (CIGS) photovoltaic (PV) modules

National Renewable Energy Laboratory, Golden, CO, and Global Solar Energy, Tucson, AZ



"Smart windows" that boast a 22 – 42 % gain in energy savings performance over other low emissivity glazings

Transition Metal Switchable Mirror (TMSM) coating

Lawrence Berkeley National Laboratory



Researchers at Oak Ridge National Laboratory developed an advanced heating system for highperformance aluminum forgings that uses less energy than conventional techniques.

Technology — Partnering with Industry for Success



FreedomCAR and Fuel Partnership

- BP America
- ChevronTexaco Corporation
- ConocoPhillips
- Exxon Mobil Corporation
- Shell Hydrogen (U.S.)

- U.S. Council for Automotive Research (USCAR)
- DaimlerChrysler Corporation
- Ford Motor Company
- General Motors Corporation
- U.S. Department of Energy



Energy Policy Act of 2005

- The Energy Policy Act of 2005 was signed into law by President Bush on August 8, 2005.
- The comprehensive 1,724 page bill provides over \$12 billion in tax breaks and other production and conservation incentives for both industry and consumers (The Table of Contents alone is 19 pages!)



Energy Policy Act of 2005 - Major Titles of Energy Act

Title I—Energy Efficiency	Title X—Department of Energy Management
Title II—Renewable Energy	Title XI—Personnel and Training
Title III—Oil and Gas	Title XII—Electricity
Title IV—Coal	Title XIII—Energy Policy Tax Incentives
Title V—Indian Energy	Title XIV—Miscellaneous
Title VI—Nuclear Matters	Title XV—Ethanol and Motor Fuels
Title VII—Vehicles and Fuels	Title XVI—Climate Change
Title VIII—Hydrogen	Title XVII—Incentives for Innovative Technologies
Title IX—Research and Development	Title XVIII—Studies

EPAct 2005 Provisions

Government Procurement Helping to Create Markets for Energy Technologies

- Federal Government Renewable Purchase Requirement (Sec. 203)
 - By 2013, federal government must buy at least 7.5 percent of its electricity from renewable energy sources
- Federal and State procurement of fuel cell vehicles and hydrogen energy systems (sec. 782)
- Federal procurement of stationary, portable and micro fuel cells (Sec. 783)
- Federal procurement of energy efficient products (Sec. 104)

EPAct 2005 Provisions



Financing Incentives

Renewable Energy Production Incentive (Sec. 202)

Sets a renewable fuels standard of 7.5 billion gallons per year by 2012 for increased use of ethanol and biodiesel.

- Grants for Facilities using Forest Biomass to Produce Energy (Sec. 210)
- Grants to Producers of Certain Ethanol (including cellulosic biomass, waste-derived-ethanol, approved renewable fuels (Sec. 1512)

EPAct 2005 Provisions

Tax Incentives

Renewable Energy

- Extension and Equalization of the Production Tax Credit
- Clean Renewable Energy Bonds (CREBs)
- Extension of Biodiesel Income and Excise Tax Credits
- New Small Producer Biodiesel Credit
- Modifications to the Small Ethanol Producer Credit
- Alternative Fuel Refueling Property
- Residential Solar (heat and electricity) tax credit
- Business Solar Investment Tax Credit







Energy Efficiency and Conservation Incentives

- High-Efficiency Vehicles
- Residential Fuel Cell Equipment
- Business Tax Credit for Purchase of Fuel Cell Power Plants
- Personal Credit for Energy Efficient Home Improvements
- Credit for Commercial Building Energy Reductions
- Business Tax Credit for Developer Constructing Fuel Efficient Homes
- Manufacturers' Tax Credit for High-Efficiency Appliances

Setting New Appliance Efficiency Standards

 By 2030, standards could save 180 billion kilowatt-hours and about \$15 billion in utility bills each year (ACEEE)

In Process of Setting Appliance Standards On:

- Air Conditioners And Heat Pumps
- Clothes Washers
- Distribution Transformers
- Exit Signs
- Fluorescent Lamp Ballast
- Ice-makers

- Mercury Vapor Lamp Ballast
- Pedestrian Signals
- Pre-rinse Spray Valves
- Refrigerators And Freezers
- Traffic Signals
- Unit Heaters







Opportunities

- Take advantage of EPACT provisions to leverage efforts and make strides at local, regional, and national level:
 - Utilities and other agencies implementing electricity-saving programs could gear their programs to complement these new tax incentives (including enhanced programs to promote efficient new homes; new commercial buildings; appliances; heating, air conditioning, and water heating equipment; and retrofits to existing homes)
 - State agencies and others interested in distributed generation could consider policy initiatives and promotions to complement federal incentives for stationary fuel cells and microturbines.
 - States and others interested in promoting advanced cars and trucks could use federal hybrid, fuel cell, and advanced diesel vehicle tax credits to support their efforts.

Additional Information on EPACT 2005

http://aceee.org/pubs/e053.htm

Excellent summary of EPACT 2005 energy efficiency provisions from the American Council for an Energy-Efficient Economy (ACEEE)

http://www.ncseonline.org/NLE/CRS/abstract.cfm?NLEid=22053

Good material from Congressional Research Service on renewable energy and EPACT 2005

http://energycommerce.house.gov/108/0205_Energy/conference/EnergyConf_ report.pdf

Full text version of the Energy Policy Act of 2005

2002 Farm Bill

THE FARM SECURITY AND RURAL INVESTMENT ACT - 2002

TITLE I – COMMODITY PROGRAMS

<u>TITLE II – CONSERVATION</u>

<u> TITLE III – AGRICULTURAL TRADE AND AID</u>

TITLE IV – NUTRITION PROGRAM

<u> TITLE V – FARM CREDIT</u>

<u> TITLE VI – RURAL DEVELOPMENT</u>

<u> TITLE VII – RESEARCH</u>

TITLE VII – FORESTRY

TITLE IX - ENERGY

TITLE X – MISCELLANEOUS PROVISIONS

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Title IX Energy

Section Name

- 9001 **DEFINITIONS (OCE)**
- 9002 FEDERAL PROCUREMENT OF BIOBASED PRODUCTS (OCE)
- 9003 BIOREFINERY DEVELOPMENT GRANTS (RD)
- 9004 BIODIESEL FUEL EDUCATION PROGRAM (OCE)
- 9005 ENERGY AUDIT AND RENEWABLE ENERGY DEVELOPMENT PROGRAM (RD)
- 9006 RENEWABLE ENERGY SYSTEMS AND ENERGY EFFICIENCY IMPROVEMENTS – (RD-RBS)
- 9007 HYROGEN AND FUEL CELL TECHNOLOGIES (OCE)
- 9008 BIOMASS RESEARCH AND DEVELOPMENT (NRE)
- 9009 COOPERATIVE RESEARCH AND EXTENSION PROJECTS (REE-CSREES)
- 9010 CONTINUATION OF BIOENERGY PROGRAM (CCC)

Summary of Section 9006 Technology Grants for Energy Efficiency and Renewable Energy

	2003 (\$)	2004 (\$)	2005 (\$)
Digesters	7,446,530	9,508,946	4,813,267
Bioenergy	2,529,005	3,136,132	2,118,391
Efficiency, Buildings	262,037	1,635,799	783,019
Efficiency, Industrial	1,242,215	177,175	187,813
Geothermal		285,353	94,930
Hybrid	2,112,977	126,992	199,863
Solar	725,566	54,822	661,855
Wind, large	6,701,769	7,301,540	11,251,373
Wind, small	187,134	585,290	101,157
Total	21,207,233	22,812,049	20,068,246

Summary of National Applications for Past Three Years

	Grant Applications		Grant Funds \$\$		Project Funds\$\$	
	Requests	Awards	Requests	Awards	Requests	Awards
2003	149	114	24.1M	21.7M	733.3M	498.2M
2004	249	167	37.5M	22.8M	825.6M	165.9M
2005	388	154	62.2M	22.2	1,071M	20 2 9.2M

STRATEGIES

President George W. Bush – State of the Union Address

- "America is addicted to oil, which is often imported from unstable parts of the world."
- "The best way to break this addiction is through technology."
- ".... replace more than 75 percent of our oil imports from the Middle East by 2025."



Capitol, Tuesday, Jan. 31, 2006 White House photo by Eric Draper

"By applying the *talent and technology* of America, this country can

- > dramatically improve our environment,
- > move beyond a petroleum-based economy, and
- \succ make our dependence on Middle Eastern oil a thing of the past."

- A Strategy For the Future -Develop a Partnership

National Association Of State Universities and Land Grant Colleges

The United States Department of Energy





That will develop the TALENT and TECHNOLOGY to achieve a prosperous future where energy is clean, abundant, reliable and affordable

Research, Outreach and Curriculum Under One Roof

Renewables – Geothermal, Solar, Hydrogen, Biomass, Wind

PHYSICAL			Social
SCIENCES	-	E E E	SCIENCES
CHEMISTRY		5.5	GOVERNMENT POLICY
Physics	Technology	Social	Economics
GEOSCIENCE MATERIALS	Disciplines	Disciplines	STATISTICS
M	such as	such as	Psychology Marketing
BIOLOGICA	Science and	Economics,	
Sciences	Engineering	Marketing,	
BIOLOGY	Cr Mn Fe Co No Cu Zh Us Ru Rh Pd A9	and	
HORTICULTURE		Psychology	
Agronomy Genetics	Sm 1		

Energy Efficiency – Buildings, Vehicles, Industrial & Distributed Energy

Renewable Energy and Energy Efficiency Disciplinary Expertise

- Agricultural engineering
- Genetics
- Molecular biology
- Chemical engineering
- Mechanical engineering
- Electrical engineering
- Economics
- Physics
- Chemistry
- Civil Engineering
- Materials Science
- Mechanical Engineering
- Architecture
- Urban and Regional Planning
- Construction Science and Management
- Psychology
- Economics
- Materials Sciences
- Communications and Marketing
- Education
- Finance
- Policy "centers or institutes"—
- Materials Engineering

- Automotive engineering
- Micro, Cellular and Animal biology
- Aerodynamics
- Hydrogeology
- Fluid Dynamics
- Geological Sciences
- Mining Engineering
- Petroleum Engineering
- Reservoir Engineering
- Drilling Engineering
- Industrial engineering
- Metallurgy and material sciences
- Mathematics and artificial intelligence
- Urban and Regional Planning and Landscape Architecture
- Business and marketing
- Extension Education
- Psychology
- Statistics
- Business
- Marketing
- Fluid Mechanics/Aerodynamics
- Meteorology
- Environmental Sciences



THE PARTNERSHIP

Regional Programs for Outreach and Deployment

PARTNERSHIP

Project Leadership Teams Executive Steering Committee

NASULGC Research Teaching Extension **Vision** A Prosperous Future Where Energy is Clean, Abundant, Reliable and Affordable

EERE Science Technology Deployment

Universities

Regional Associations

EERE

Programs Laboratories, State Offices

Anticipated Successes And Impacts

ENGAGEMENT

Three-Year Engagement Fiscal Years 2005-2008

Program Plan of Work

PARTNERSHIP Regional Energy Efficiency and Renewable Energy Programs for Outreach & Deployment

VISION

ENGAGEMENT

GOAL: Facilitate interactions and dialogue between the respective staff of Regional Associations of NASULGC institutions, EERE Program Managers & Offices, and the state energy offices.

WHAT:

 Increase consumer's knowledge of energy efficiency and renewable energy systems

HOW:

Conduct train-the-trainer workshops

Train local Extension educators

Provide technical assistance and education to clientele WHO:

147 Extension Service personnel in the four states
Alaska – 32, Washington – 38, Oregon – 42, Idaho – 35

H. Michael Harrington, Ft. Collins Gary Burch, EERE, Golden, CO Anthony Nakazawa, Alaska Tobin Harvey, EERE Linda Fox, Washington State U Jake Fey, WSU Energy Program

James Wade, NASULGC Roy Mink, EERE/DOE Scott Reed, Oregon State University Lyla Houglum, Western Extension Exec. Charlotte Eberlein, University of Idaho

Pacific Northwest Extension Energy Initiative



- Collaborating to provide energy assistance to local governments.
- Local Extension offices tap into and direct constituents to one-stop energy resource center — The EERE Information Center
- Specific examples of assistance from each state available at: http://www.energy.wsu.edu/ftp-ep/pubs/ assistance/howwehelpedothers.pdf
- Pacific Northwest Energy Extension Pilot project,: http://www.energy.wsu.edu/projects/assistance/

THE PARTNERSHIP

Regional Programs for Outreach and Deployment

PARTNERSHIP

Project Leadership Teams Executive Steering Committee

NASULGC Research Teaching Extension **Vision** A Prosperous Future Where Energy is Clean, Abundant, Reliable and Affordable

EERE Science Technology Deployment Extension Outreach in EERE Programs

Program

Plan of

Work

Universities

Regional Associations

EERE

Programs Laboratories, State Offices

Anticipated Successes And Impacts

ENGAGEMENT

Three-Year Engagement Fiscal Years 2005-2008


VISION

ENGAGEMENT

Extension Outreach Capacity in EERE Programs

Goal: Develop process, mechanisms, guidelines to link EERE (scientists, engineers; Building America teams) with Extension; later with teaching and research

WHAT:

✓ Increase consumer demand for energy efficient housing

 ✓ Increase homebuilder capability to supply energy efficient housing HOW:

- Develop curriculum and training packages
- > Train local Extension educators
- Provide technical assistance and education to clientele WHO:

* 1-2 Extension Service personnel per institution (Southern Region) to participate in a train-the-trainer session focusing on Building America

James Wade, NASULGC Mark Ginsberg, EERE Ed Pollock, EERE George James, EERE Ronald Brown, Southern Exec. Director Daryl B. Lund, North Central Exec. Director Tim Eastling, EERE Southeast Region Jim Powell, EERE Lorenza Lyons, Exec. 1890 Extension Joe Wysocki, USDA/CSREES Jack Jenkins, EERE Central Reg. Office















Best Building Practices for the Gulf Region

6-hour continuing education seminar for residential contractors, building officials, inspectors and designers



When you protect your clients and their homes from water, mold, wind and rising energy costs, you build so much more than a house.



DATES LOCATIONS

- April 25 Baton Rouge: Room 212 Efferson Hall, LSU
 - 6 Houma: Woodman of the World Hall
- May 3 Metairie: 2424 N. Arnoult Rd., HBA of GNO office
- May 4 Mandeville: St. Benedicts Restaurant
- May 17 Lafayette: 135 N. Domingue Rd., AHBA office
- May 18 Lake Charles: Lake Charles Civic Center

A Building Sciences Community of Practice for the Southeast Region

- -Capture regionally appropriate DOE Building Sciences information
- Integrate this information into outreach materials targeted to specific audiences
- -Conduct Workshop and Distribute outreach products

The Florida Energy Extension Service (http://www.energy.ufl.edu) North Carolina Solar Center (www.ncsc.ncsu.edu) Louisiana House http://www.louisianahouse.org/¹¹¹

THE PARTNERSHIP

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NASULGC Research Teaching Extension Vision A Prosperous Future Where Energy is Clean, Abundant, Reliable and Affordable

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Youth Education with EERE

Three-Year Engagement Fiscal Years 2005-2008

Program

Plan of

Work

PARTNERSHIP Youth – Education, Energy, Science & Math

VISION

ENGAGEMENT

GOAL – Introduce youth to energy systems and in the process, strengthen their understanding of the practical application of science and mathematics







WHAT:

✓ Increase youth's knowledge of energy

✓ Excite young people about the applications of math and science HOW:

Conduct train-the-trainer program

> Obtain first-hand knowledge of energy programs at NREL

Establish linkages with NREL scientists, engineers and educators WHO:

NREL Scientists & Engineers and 4 H Educators from all regions

Ian L. Maw, NASULGC Linda Kay Benning, NASULGC Samuel L. Donald,1890 LGUs Peter Faletra, Office of Science/DOE Susan Halbert, National 4-H Council Jessie Harris, NREL Cathann Kress, USDA/CSREES Carl O' Connor, NC Extension Assoc. Matthew Seney, EERE/DOE Mary Spruill, NEED

Solar Balloon







Light And Chemical Changes

- Chemical reactions can produce light
- Heat can speed chemical reactions; cold can slow them down





It Takes Energy to Make Light

 Life cycle cost is the total cost of using an appliance and is a more important measure than purchase price





OSU 4-H Center Goes "Green"

- Nationwide and Ohio Farm Bureau 4-H Center on OSU campus, to be completed in 2005
- "Green" design high-performance, sustainable building that is healthful, environmentally responsible, and energy efficient



THE PARTNERSHIP

Regional Programs for Outreach and Deployment

PARTNERSHIP

Project Leadership Teams Executive Steering Committee

EERE

Programs

Laboratories,

NASULGC Research Teaching Extension Vision A Prosperous Future Where Energy is Clean, Abundant, Reliable and Affordable

ENGAGEMENT

EERE Science Technology Deployment Extension Outreach in EERE Programs

Program

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Work

Universities

Regional Associations

Joint University/ Anticipated DOE Laboratory Successes Workshops And Impacts State Offices Youth Education with EERE

Three-Year Engagement Fiscal Years 2005-2008 PARTNERSHIP

VISION

ENGAGEMENT

Joint University/DOE Laboratory Workshops

Goal – Increase working relationships between DOE/EERE scientists/engineers and faculty

WHAT:



✓ Increase knowledge of laboratory's research & education needs and capacity

 Excite faculty and lab scientists/engineers about opportunities to work together HOW:

Conduct Two Workshops

➢ Building Technologies at ORNL on Feb. 14 – 15, 2006

- Wind Energy at NREL on April 12 13, 2006
- > Obtain first-hand knowledge of programs at ORNL and NREL

Establish linkages with ORNL & NREL scientists, engineers and educators

Conduct Biomass Listening Session

WHO:

Faculty in Colleges of Engineering, Architecture, Sciences, Agriculture
DOE Laboratory Scientists and Engineers

Stan Bull, Co-Chair, Associate Director, NREL

H. Michael Harrington, Exec. Director, Western Assoc.

Eric Young, Co-Chair, Exec. Director Southern Assoc.

Robert Shelton, Interim Director, ORNL









We Need Help Getting the Word Out

- Teaching architects & engineers building science
- Training builders and trades
- Helping realtors & financial people understand and market energy efficiency
- · Educate the consumer
- Industry/university partnerships to develop high performance products & equipment

Building Technologies Workshop Oak Ridge National Laboratory Oak Ridge, TN February 14, 2006

THE Program **Regional Programs for** PARTNERSHIP Plan of **Outreach and Deployment** Work PARTNERSHIP Executive Project **Extension** Steering Leadership **EERE** and Outreach Committee Teams University in **Scientists** EERE Vision Exchanges EERE Programs NASULGC Science **A Prosperous Future Where** Research Technology **Energy is Clean, Abundant,** Teaching **Deployment Reliable and Affordable** Extension Universities EERE Regional **Programs** Associations Laboratories, State Offices Joint Youth **ENGAGEMENT Three-Year University**/ Education Anticipated DOE Laboratory with EERE Engagement Workshops **Successes Fiscal Years** And Impacts 2005-2008



EERE and University Relationships

GOAL: Build Linkages between EERE and Universities in Education, Recruitment and Scientists Exchange

WHAT:

- Determine partnership opportunities with universities i.e. curriculum development
- ✓ Establish mechanisms to identify key graduates for professional positions
- Develop Methods to Improve formal Exchanges Between DOE-EERE and University Scientists/Engineers

HOW:

- Establish education programs and new types of cooperation with EERE such as internships and graduate fellowships with joint participation at universities occurring today
- > Determine communication mechanisms for recruitment purposes
- Explore and develop a number of alternative approaches for expanding DOE-NASULGC collaborations among scientists and DOE Program Directors WHO:
- Faculty in Colleges of Engineering, Architecture, Sciences, Agriculture

Jill Long Thompson, Exec. Director Jerry Bellows, Associate Director, NREL Ian Maw, Director, NASULGC Michael Mills, DOE/EERE Steven Lee, Director, DOE/EERE Tom Fretz, Exec. Director-Northeast

Curriculum Development

University Curriculum Development in Bio-Based Products

IOWA STATE UNIVERSITY

Biorenewable Resources and Technology Graduate



Program



Engineering New Products from Agriculture



ROBERT C. BROWN

M.S. and Ph.D. Degrees Engineering

- Agricultural and Biosystems
- Civil and Construction
- Chemical
- Mechanical

Sciences

- Agronomy
- Biochemistry
- Biophysics
- Molecular Biology
- Botany
- Chemistry
- Food Science and Human Nutrition

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Forestry

Integrative Graduate Education and Research Traineeship (IGERT)



- IGERT is a program developed by the National Science Foundation to provide interdisciplinary graduate training for students who wish to pursue careers in the sciences, mathematics, engineering or technology.
- Approximately 20 new IGERT programs are funded each year, and there are now over 100 IGERT programs at universities across the United States.





How Much Time?



As We Reflect on Our Energy Future We Will Gain The Wisdom To Develop a Prosperous Future If We - - -



Together – we will build a prosperous future

where energy is clean, abundant, reliable and affordable

where energy is clean, abundant, reliable and affordable

