

**South Carolina has a serious energy efficiency problem.**

- South Carolina is 18th in per-capita energy use, due to high demand for A/C, the general reliance on electric heat, and the aging, energy-wasting housing stock here.
- South Carolina is 49th in per-capita income, so this wasted energy is not only harmful to the environment, but also a serious financial burden for families struggling to make ends meet.
- About 40% of the electrical energy generated in South Carolina comes from coal. These emissions pose not only a health risk, but also an obstacle to economic development. The Obama Administration is unlikely to allow these facilities to increase their capacity, so if businesses are to grow here, then we need to reduce demand for energy among existing users.

**We're building a coalition to do something about it.**

- Although developing more and cleaner supplies is part of the answer, a comprehensive solution must also incorporate demand reduction.
- The co-ops, the investor-owned utilities, the state's own utility (Santee Cooper), and a variety of environmental groups are working with us.

**We have an approach in mind.**

- A revolving loan fund – possibly with a grant option – to finance residential energy-efficiency projects.
- The state and the utilities would pitch in for the initial capitalization. We think we can get at least \$50 million to start, but possibly a fair amount more.
- We'd like to incorporate "on-bill repayment" to reduce the hassle factor for participants and to let them see their savings each month.

**What we DON'T have is the time or the expertise to develop a legitimate business case on our own.**

- We need help with the research, analysis, and development of the business case.
- The report must be seen as legitimate and independent as we try to cement the coalition and build legislative support for the initiative.
- If we don't have something tangible to help us sell the project, we'll never get it off the ground.

**We're seeking financial support to pay a consultant to help develop that business case.**

- The project will languish until someone steps forward and takes a position of leadership and also until opinion-makers have something tangible and credible to consider and respond to.
- This business case can help lay out a roadmap for other states to follow and can make a very real difference for a relatively small amount of money (likely \$500,000 or less, depending upon the firm selected). The report would address questions such as these, many of which would be generalizable for other states, but some of which would be specific to South Carolina:
  - How much would be needed for the initial and subsequent capitalization rounds?
  - How much would the average loan need to be in order to have a meaningful impact?
  - What are reasonable repayment terms and mechanism? Is on-bill financing viable?
  - How should the program be governed? Through an authority? A public-benefit corporation?
  - What statutory and/or regulatory changes would be needed in order to facilitate this project?
  - How should such a program be marketed to residential users in order to encourage participation?
- The grant would likely be formally requested by one of the participating non-profits.

### Working Group – Current Participants

<b>Name</b>	<b>Company/Organization</b>
Heather Anderson	South Carolina Senate
Jenni Asman	Conservation Voters of South Carolina
Bryan Cordell	The Sustainability Institute
Mike Couick	Electric Cooperatives of South Carolina
Hamilton Davis	South Carolina Coastal Conservation League
Ben Gregg	South Carolina Wildlife Federation
Reid Hipp	Energy Logic
Juan Holmes	Santee Cooper
Felicia Howard	SCANA
Christopher Jacobi	Duke Energy
Trish Jerman	South Carolina Energy Office
Ashlie Lancaster	South Carolina Energy Office
Bob Long	SCANA
Leighton Lord	Nexsen Pruet
Ron Robinson	Wofford College
Dukes Scott	South Carolina Office of Regulatory Staff
Ken Sercy	South Carolina Coastal Conservation League
Lindsey Smith	Electric Cooperatives of South Carolina
Christian Soura	Office of the Governor
Charles Terreni	Terreni Law Firm
Mark Tye	Santee Cooper
Ford Tupper	Electric Cooperatives of South Carolina
Laura Varn	Santee Cooper
Allen Ward	Ward Edwards Engineering