

### **Prosperity Through Renewable Energy and Energy Efficiency**

Dustin Chudy, Arkansas State University, Jonesboro



















OFL.

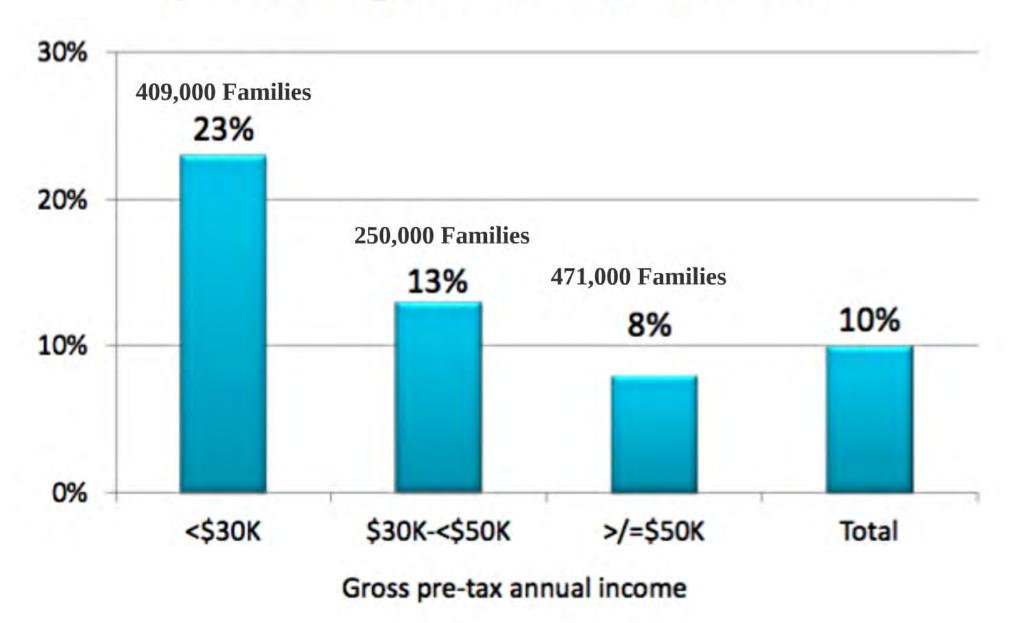




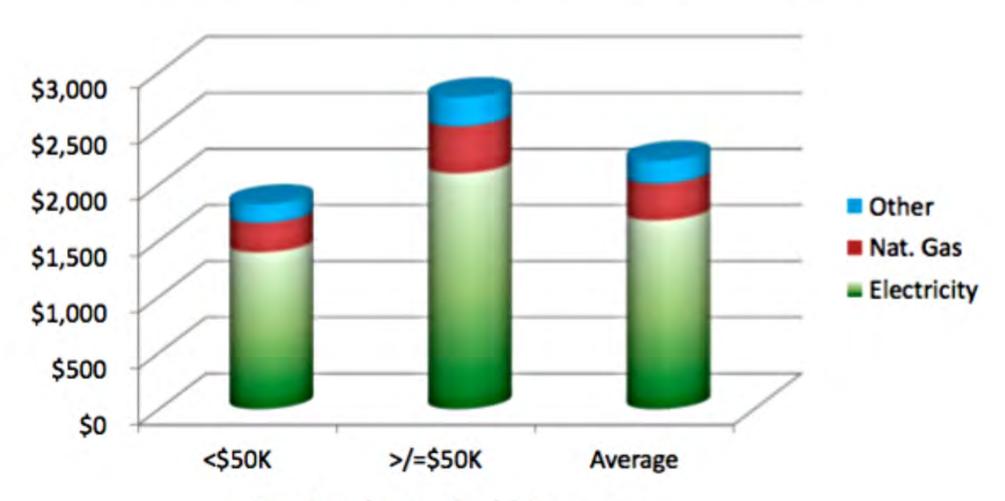
# Prosperity Through Renewable Energy and Energy Efficiency

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# Arkansas household energy costs as percentage of after-tax income

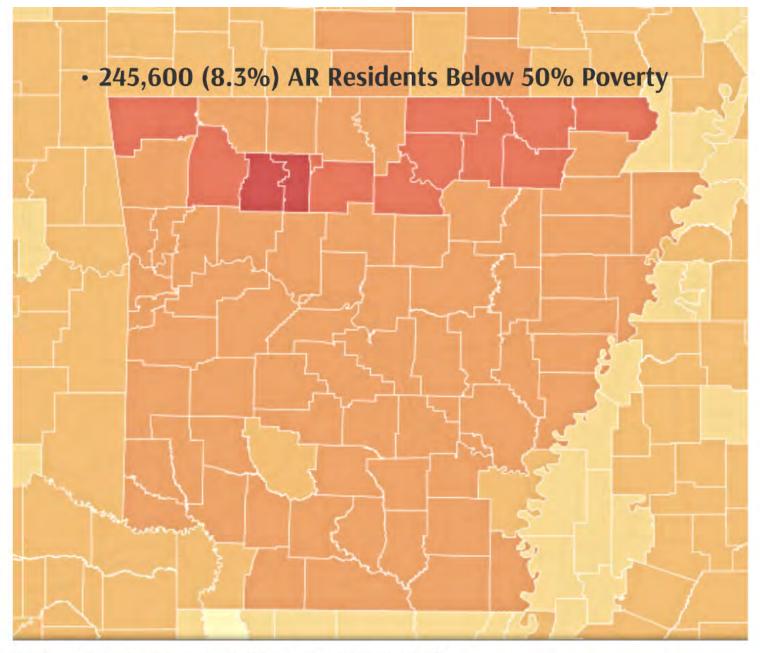


# Estimated 2015 Arkansas residential energy expenditures by pre-tax household income



Pre-tax household income

Sources: U.S. DOE/EIA; U.S. Bureau of the Census.



Source: theatlantic.com/energy-poverty-low-income-households

Percent Income Spent on Energy Bills for Homes Below 50% of Federal Poverty Level

LESS THAN 24% 53% TO 75%

Craighead County Arkansas PERCENT OF INCOME SPENT ON • 10,150 (14.2%) Jonesboro ENERGY 37.9 **Residents Below 50% Poverty ESTIMATED ANNUAL ENERGY** COSTS 2750.23 Percent Income Spent on Energy Bills for Homes Below 50% of Federal Poverty Level **LESS THAN** 53% TO 24% 75%



# Low Income Home Energy Assistance Program – LIHEAP

- LIHEAP benefits have three components
  - Cash benefits are paid to provider of heating fuel
  - Crisis benefits are made to resolve heating emergency such as shut-off or being out of fuel
  - Weatherization help with repairs, insulating and weatherizing homes to reduce energy consumption

### LIHEAP funding

- Federal block grants to states
- State funds
- Private donations





Source: theatlantic.com/energy-poverty-low-income-households





### HOME ENERGY SAVER™

START

DESCRIBE

COMPARE

UPGRADE

COMMUNITY

Save money, live better, help the earth!

Over 9 million visits!



#### **Case Studies**

- Everything You Wanted To Know About Solar Pool Heating
- Efficient Usage of Electricity...
- . Is building a new home energy efficient?
- Your House is a System
- Living Off The Sun, Or, No Electricity Bill
- · Kermit was Right! It's not easy being green...
- Case Study: Low-Pain Gain in California
- · Case Study: Pacifica Coastal Cottage
- Case Study: Experiences in an All-LED Home

### **Energy Blogs**

- · Aging in Place in Energy Efficient Homes
- . Fall & Winter Energy-Saving Tips
- Everything you need to know about water heaters
- How Energy-Efficient Light Bulbs Compare with Incandescents
- Home Energy Audits
- Tips for Making Your Home Safer While Saving Energy
- . Making the Most Out of the End of Summer
- Which water heater is right for you?
- . The Simple Dollar's Guide to Going Solar

### Videos

- Energy Savings Project: Insulating Your Water Heater Tank
- Energy Savings Project: Insulating Your Hot Water Pipes
- Energy Savings Project: Lowering Your Water Heater Temperature
- · Efficient Electronics: Home Office
- Living Efficiently: Kids

More resources for: Teachers... Energized Learning • Professionals... HESpro • Help implementing our recommendations... ENERGYSTAR.gov

Add/ Remove	Upgrade Check/Uncheck All Upgrades	Upgrade Choice & Description	Yearly Savings		Estimated Added Cost		How Much is Too Much?	Simple Payback Time	Estimated Return on Investment	Avoided Emissions (lbs. CO <sub>2</sub> )
0		Total for Selected Upgrades	s: \$477							
<b>2</b>	Thermostat	ENERGY STAR-labeled programn	\$339	\$	85	0	\$6,780	0	400%	3,731
	Indoor lights	CFLs in high-use fixtures	\$41	\$	146	0	\$820	4	13%	1,518
0	Cool roof	Solar reflectance = 0.50 low-slop	\$5	5	0	0	\$100	0	10,000%	59
	Heat pump	SEER=14 HSPF=8.2 ENERGY STA 😊 2	\$340	\$	310	0	\$6,800	1	110%	3,750
	Electric water heater	EF=0.95	\$33	\$	90	0	\$660	3	36%	366
	Clothes washer	MEF=1.42 WF=9.5 ENERGY STAF 😊 🕗	\$30	\$	90	0	\$600	3	32%	172
	Duct Sealing	Reduce leakage to 6% of total air 😊 🕗	\$119	5	890	0	\$2,380	7	10%	1,311
0	Central air conditioner	SEER=14 ENERGY STAR	\$22	\$	218	0	\$440	10	5%	247
	Air sealing	25% air leakage reduction	\$75	5	850	0	\$1,500	11	8%	822
	Windows	2-pane/solar-control low-E/argol 🔾	\$37	5	450	0	\$740	12	7%	411
0	Attic insulation	R-38	\$96	5 5	1330	0	\$1,920	14	6%	1,057
	Dishwasher	EF=0.58 ENERGY STAR	\$10	\$	300	0	\$200	30	NCE	88
	Duct Insulation	R-6	\$23	\$	910	0	\$460	40	NCE	249
0	Refrigerator	15% better than standard ENERG 💿 😢	\$6	5	244	0	\$120	41	NCE	71
	Slab insulation	R-5 slab edge	\$27	S	1459	0	\$540	54	NCE	294
	Ceiling fan	ENERGY STAR-labeled	\$0	\$	30	0	\$0	9,999	NCE	0
	Well pump	60% combined pump and motor	\$0	\$	190	0	\$0	9,999	NCE	0



### **HOME ENERGY SAVER™**

START DESCRIBE COMPARE UPGRADE COMMUNITY

SUMMARY | DETAILS | CARBON MAP

Print: This page | Report

Building 4704 Summit

ID: Ridge Dr.

Location: Jonesboro,

Arkansas

Zip Code: 72404

Session: 4702334

**Potential Yearly Savings** 

Money:

\$477

Electricity 5,236 kWh

Emissions: 5,248 lb. CO2

This reduction in greenhouse-gas emissions is like taking 0.5 car(s) off the road.

60

Will I make a difference?

Existing Home Configuration

### YEARLY ENERGY COSTS

Providing more details will make your results more accurate.

Existing Home \$1,612

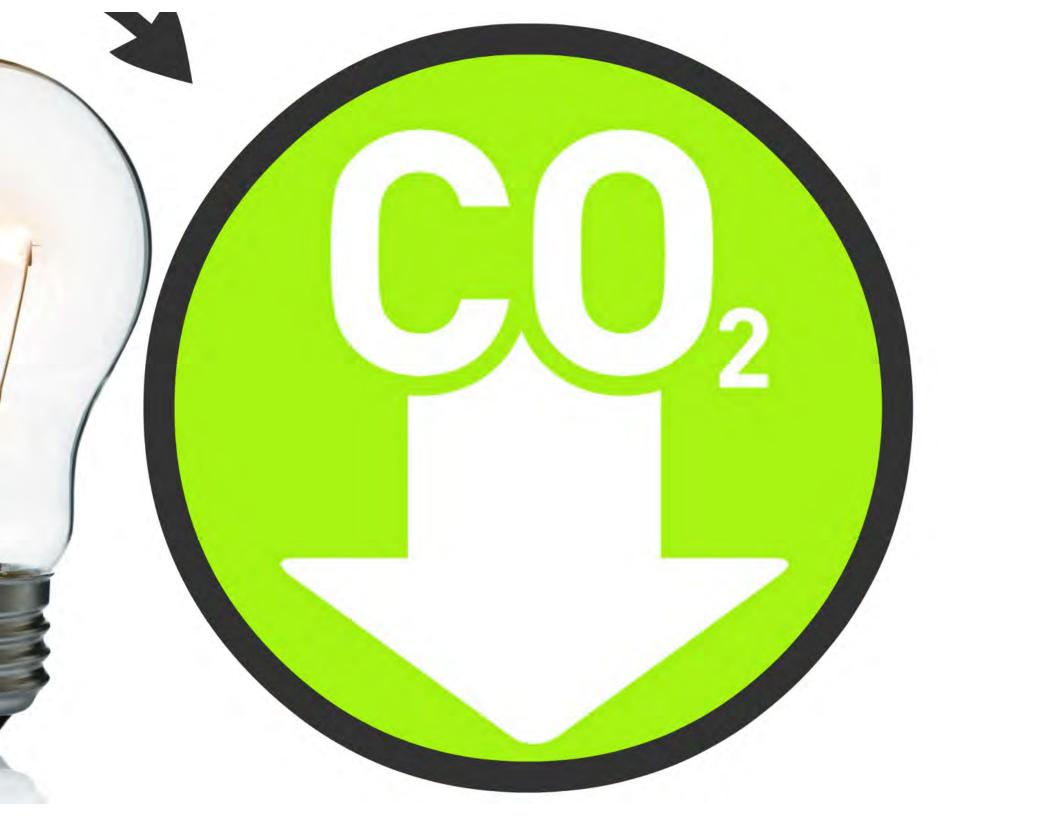
With Upgrades

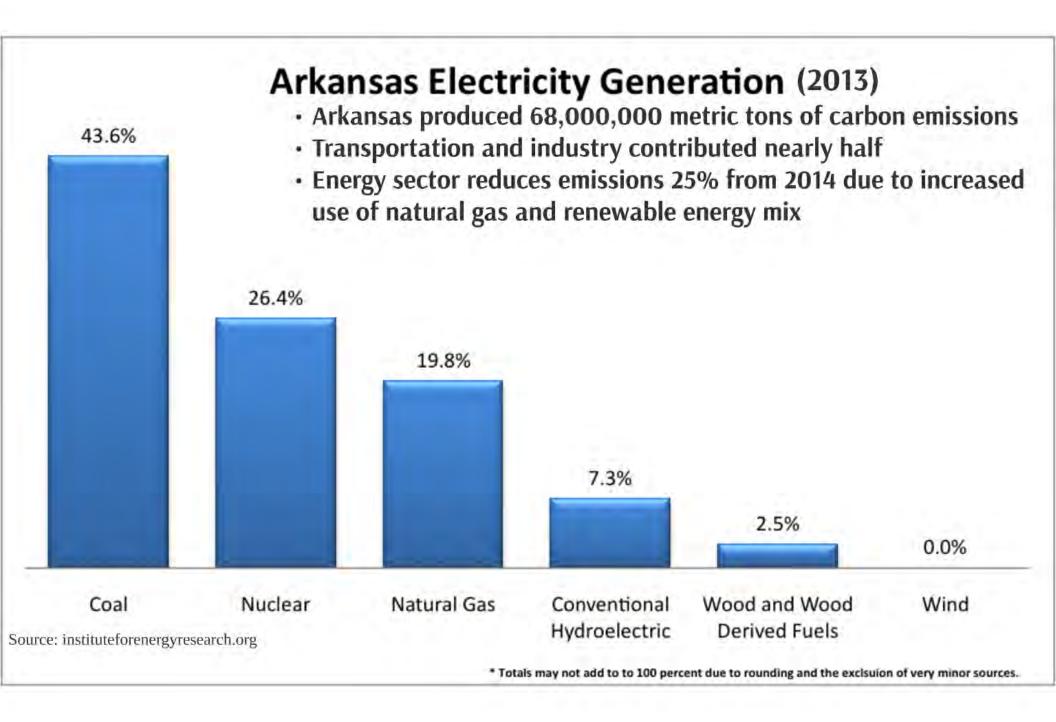


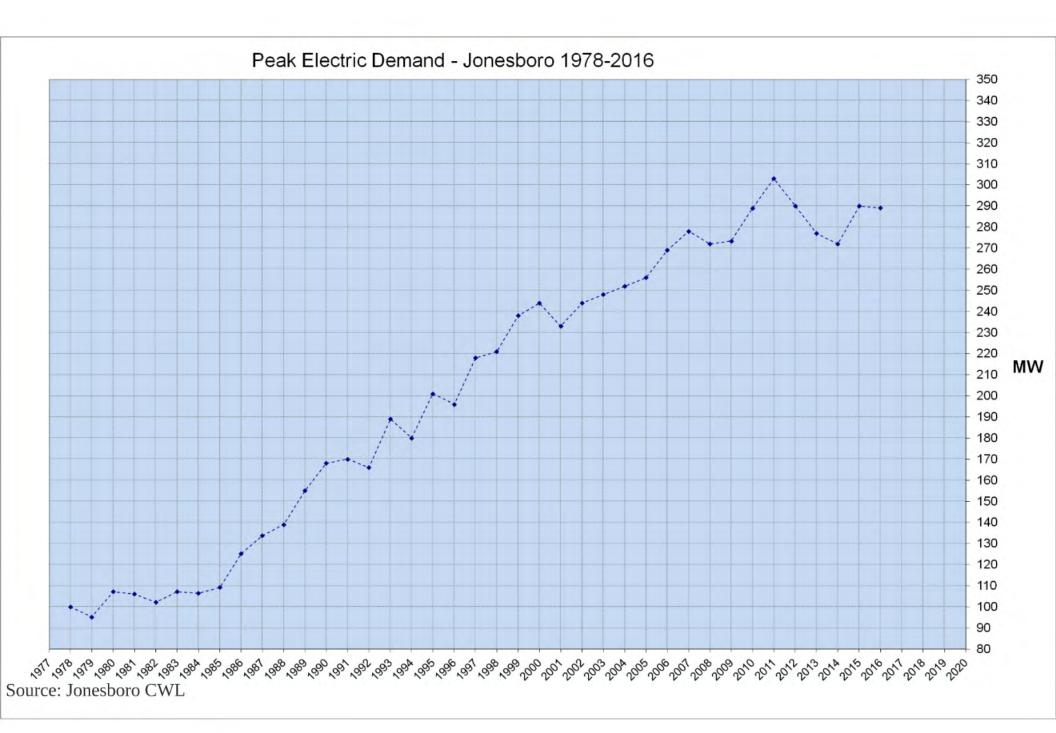
	Total	Heating	Cooling	Hot Water	<u>Large</u> <u>Appliances</u>	Small Appliances	<u>Lighting</u> \$179	
Existing Home	\$1,612	\$484	\$297	\$191	\$243	\$218		
With Upgrades	\$1,135	\$330	\$112	\$191	\$243	\$218	\$41	
Savings	\$477	\$154	\$185	\$0	\$0	\$0	\$138	

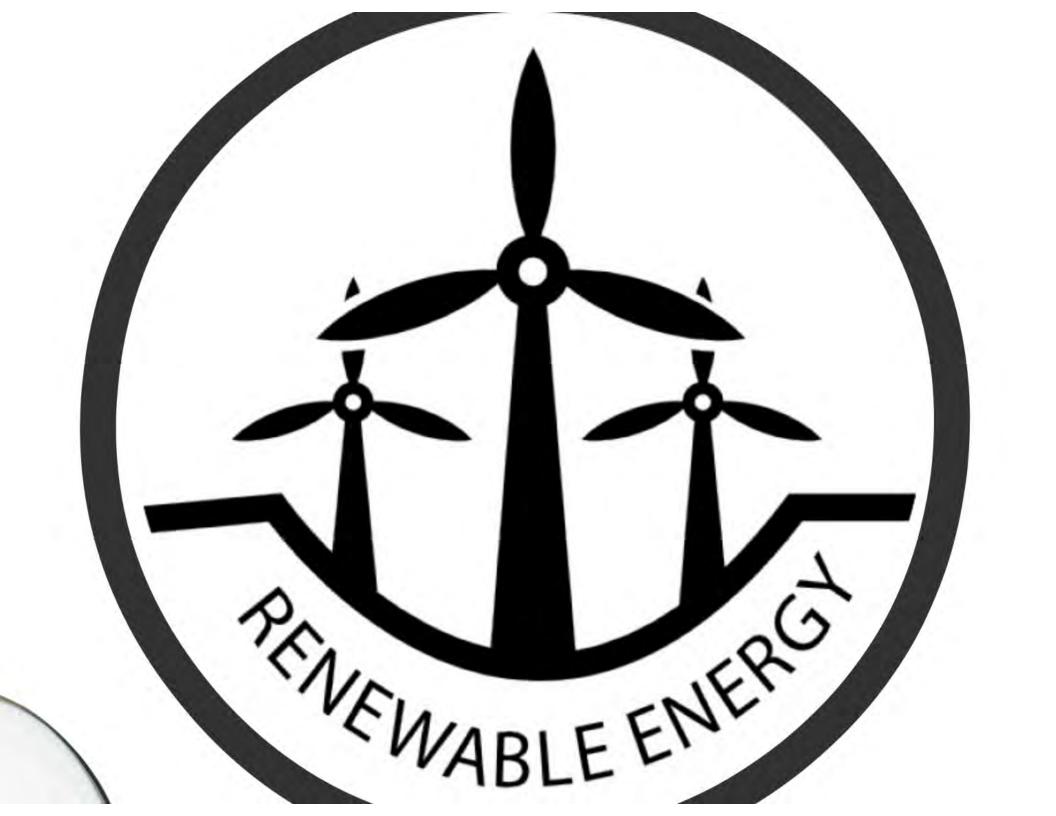
Important Note: These are initial estimates only, and results may vary. If the owner has not already done so, we strongly recommend that they retain a professional energy auditor to develop a detailed work scope and budget for improving the home. We also recommend the Home Performance with ENERGY STAR program when considering home improvements.

Comparing Results to Home's Utility Bill









# **Arkansas**

O D Solar Power Rocks.com







### Policy

- F RPS Law
- F Solar Carve-Out
- Electricity Cost
- Net Metering
- F Interconnection

### Incentives

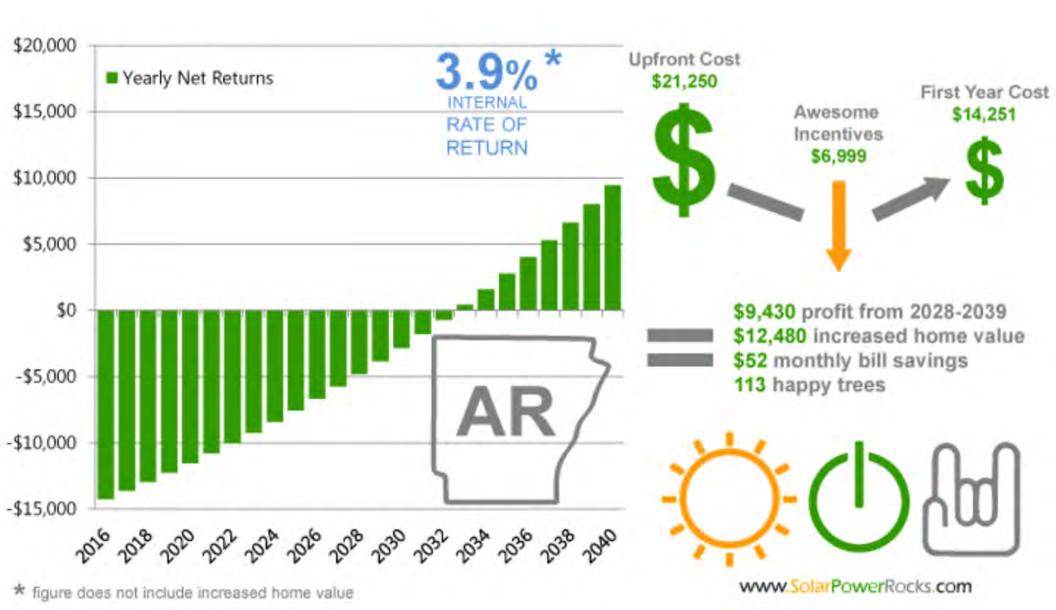
- F Tax Credits
- F Rebates
- F Performance Payments
- Property Tax Exemption
- F Sales Tax Exemption

5-kW Solar Payback Time:

18 Years

Investment Return (IRR):

3.9%



### ARKANSAS WIND, SOLAR PROJECTS IN THE ENERGY MIX

- 16.3 MW solar installed in AR in 2015, 640% increase over 2014
- 460 kW residential, 244 kW commercial, 15.5 MW utility-scale solar installed in 2015
- 20.1 MW total solar installed ranks AR 40th in U.S. for installed capacity
- 12 MW solar energy facility in Camden recently came online
- 81 MW solar energy facility in Stuttgart coming online in 2018
- For the first time in Arkansas, Ozarks Electric Cooperative of Fayetteville, is allowing its members a chance to purchase shares of solar output as a low-cost alternative to roof-top panels
- L'Oreal begins 1.2 MW array at their Little Rock facility
- 500 kW array in Van Buren soon to go online
- Proposed Clean Line Energy electric transmission venture expected to deliver up to 3,500 MW of wind power
- Four companies supporting the wind industry to open major facilities in AR creating 2,500 jobs

Sources: www.SEIA.org; Arkansas Business VOL. 33, NO.39



- Average installed residential and commercial PV system prices have dropped by 48% from 2010
- Many Arkansans still unable to afford out-ofpocket expenses
- PACE financing allows for energy efficiency upgrades and renewable energy installations at no up-front cost

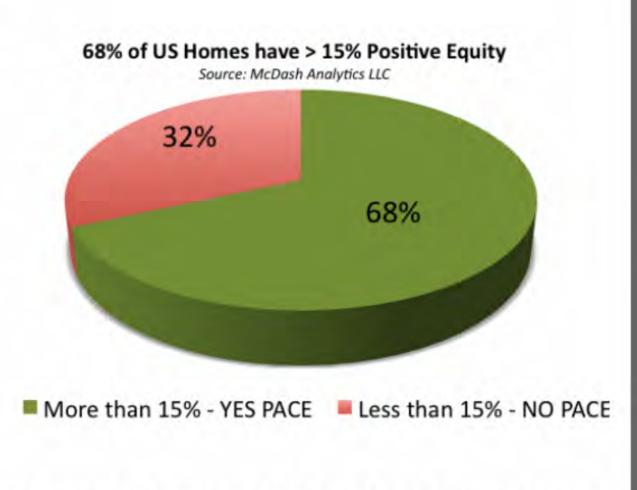
Source: www.SEIA.org



# The PACE Process State passes enabling legislation Municipality designs local program, selects program administrator Municipality raises funding &/or forms agreements with private lenders Municipality markets program thru pre-qualified service providers Owner develops retrofit plan and applies for special assessment 5 Work is completed; assessment payments collected on property tax bill Source: Institute for Building Efficiency

### **PACE Legislation Requirements**

- Homeowner must have at least 15% positive equity.
- Projects capped at 10% of home value.
- Homeowner must have solid property tax payment history.
- PACE lien does not accelerate in event of default.



Energy assessment must demonstrate projects pay for themselves.

#### Where is PACE Open for Business? **PACE** Equity Washington North Dakota Hampshire Montana Minnesota Vermont Maine South Dakota Wisconsin Oregon Idaho Michigan Wyoming **New York** Massachusetts lowa Nebraska Pennsylvania Rhode Island Ohio Indiana Illinois onnecticu Maryland Nevada Utah West New Jersey Colorado Virginia Kansas Missouri Delaware Kentucky Virginia California Tennessee North Carolina Oklahoma **Arkansas** New Mexiko South Arizona Carolina Mississippi Georgia Alabama Texas Louisiana State Enabling Legislation Active **Programs**

# Use less energy

Minimising the demand for energy & cut unnecessary use, for example switching off the television when not watching or boiling the required amount of water in a kettle

# Use efficiently

consume optimally such as using energy efficient lights, insulating the loft, double glazing the windows, draft proofing doors and windows

# Use renewable energy

use energy from renewable resources such as solar photovoltaic, solar hot-water panels, ground source heat pumps etc. or alternatively buying electricity from renewable energy suppliers





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