

# THE STARS ARE LINING UP FOR ENERGY EFFICIENCY IN MISSISSIPPI

*Dr. Sumesh Arora*

2013 is a historic year for energy efficiency in Mississippi, and the stars are lining up to make us one of the most energy-efficient states in nation.

Simply put, energy efficiency implies maintaining or increasing output while decreasing energy consumption. Using energy more efficiently means reducing the rate at which energy is used by a piece of equipment or in a process while maintaining or improving the user's level of comfort and end-use functionality. Obvious examples include using better insulation to lower heating and cooling bills and using compact fluorescent or LED light bulbs instead of the centuries-old technology of incandescent light bulbs.

In 2012, Mississippi ranked last on the American Council for an Energy-Efficient Economy's State Energy Efficiency Scorecard, the nationally recognized authority for tracking state-level energy efficiency leadership. Rather than ignoring this ranking or coming up with excuses to justify it, Mississippi leadership at multiple levels vowed to change it. A series of actions taken this year by various policymakers within the state are encouraging industrial, commercial, residential and public facilities to become more energy efficient.

The value of energy efficiency was recognized early by Governor Phil Bryant when he released "Energy Works: Mississippi's Energy Roadmap" in 2012, which seeks to expand energy capacity by conserving and using energy more efficiently. The action plan's components were to lead by example, adopt statewide commercial energy building codes for new construction, and initiate an energy efficiency market policy and program analysis.

The roadmap document addressed the fact that energy policy and economic development policy are closely connected, and availability of long-term, affordable and secure energy supply with the necessary infrastructure is an important criterion for businesses as they consider where to locate or expand their operations.

Furthermore, Governor Bryant believes that increased energy efficiency in Mississippi's public buildings will reduce taxpayer burdens and free up funds that would be better spent on infrastructure, public safety and education. State agencies have been empowered to develop more comprehensive energy management plans with the Mississippi Development Authority (MDA) and the Department of Environmental Quality leading the way and providing the necessary resources and support.

Formal legislative action was taken in the 2013 session in the form of House Bill 1281, authored by Representative Angela Cockerham, that made Mississippi the first state in the Southeastern United States to adopt the latest energy efficiency codes for commercial building and public facilities. This set of guidelines, or codes, are promulgated by the American Society of Heating, Refrigerating and Air Conditioning Engineers and are commonly referred to as the ASHRAE 90.1-2010 code.

Prior to HB 1281 coming into effect July 1, Mississippi was governed by the ASHRAE code dating back to 1975! According to the Atlanta-based Southeast Energy Efficiency Alliance (SEEA), Mississippi is not only the first state in the Southeast,

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but the third state in the entire country, to do so – and is defining itself as a “state to watch.”

House Bill 1281 was accompanied by House Bill 1266 that also established ASHRAE 90.1-2010 code as the statewide standard and requires the Department of Finance and Administration to adopt rules and regulations that will optimize the energy performance of all state-funded buildings, including the use of renewable energy.

Rounding out these two bills was the Energy Sustainability and Development Act (House Bill 1296), which prompted SEEA Policy Director Jenah Zweig to comment, “Mississippi shows a clear commitment to delivering on Governor Bryant’s Mississippi Energy Roadmap. By adopting multiple advanced policies this session, they’ve built tremendous momentum for Mississippi’s potential emergence as a regional energy efficiency leader.”

The next action was taken by the Mississippi Public Service Commission (MPSC), which promotes efficient use of electricity and natural gas. On January 15, 2010, the commission issued an Order Establishing Docket (2010-AD-2) pertaining to conservation and energy efficiency. Numerous parties from Mississippi, including Strategic Biomass Solutions, and various parts of the country intervened and filed comments in this docket.

After three years of exhaustive evaluation, Rule 29, which requires the creation of utility-run energy efficiency programs to educate and incentivize their customers for adopting energy efficiency products and processes, was finally adopted July 11, 2013. This set of standards applies to all utilities that fall under the commission’s jurisdiction, including electric companies, rural electric power associations and natural gas providers.

Rule 29 requires electric and gas utilities serving more than 25,000 customers (meters) to file Quick Start Plans with the commission within six months. Quick Start Plans include well-established techniques for customer education, energy audits and evaluations and rebates or other incentives which may be easily and quickly replicated in Mississippi. Eventually, all electric and gas utilities, regardless of size, have to file Comprehensive Portfolio Plans with the commission.

“Energy efficiency and conservation are opportunities for consumers to learn not only how to conserve energy, but allow them to save money on their monthly utility bills,” said Mississippi Central District Public Service Commissioner Lynn Posey. “Rule 29 will ensure utilities are educating their customers about how they can control some elements of their utility bills.”

Energy efficiency is about “being green,” but it is also about “saving green”... and in this case, a lot of green! According to a study commissioned by MPSC, the projected customer retail rate savings in the first year will be approximately \$24,123,000 (compared to only \$15,132,000 in costs) and customer retail rate savings over the lifetime of the program to be \$2.34 billion in today’s dollars (compared to \$129,781,000 in costs).



▲ Southeast Energy Efficiency Alliance Policy Director Jenah Zweig (left) and Mississippi Public Service Commission General Counsel Katherine Collier (right) look on as Mississippi Northern District Public Service Commissioner Brandon Presley signs the adopted rules.

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Brent Bailey, 25 x '25 State Activities Coordinator

Mississippi Southern District Public Service Commissioner Leonard Bentz indicated that this is a tremendous opportunity for job creation, in addition to the huge savings impact. “The prediction is to have 9,500 jobs created by the year 2020,” said Bentz. “This requirement is good for customers, good for business and industry, and good for Mississippians.”

“Mississippi, which has long ranked near the bottom in energy efficiency effectiveness ratings, will now make a tremendous leap upward,” said Brent Bailey, 25x’25 state activities coordinator. “More importantly, energy consumers will now have access to technical, financial and educational resources and other incentives to implement proven energy efficiency measures and solutions.”

Karen Bishop, director of MDA’s Energy and Natural Resources division and a major force for promoting energy efficiency actions in Mississippi, commented, “MDA commends the leadership of the Public Service Commission for their

thoughtful consideration of these rules, which hold so much promise for our state. Their decision complements and reinforces the Governor’s Mississippi Energy Roadmap, building positive momentum for consumer savings and workforce growth in Mississippi.”

There are many resources available in Mississippi for private sector businesses as well as schools, hospitals and other public facilities to learn about energy efficiency and how to implement solutions to save money on energy bills. ■

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Visit [www.biomass.ms](http://www.biomass.ms) to learn more about how to implement energy efficiency measures at your facilities.

The staff at Strategic Biomass Solutions is ready to show you how energy savings can quickly add up (as represented below for example), and how we can assist in connecting you with the appropriate resources to help you “become green” and “save green.”

A simple comparison of energy savings by switching from incandescent light bulbs to compact fluorescent or LED (Light Emitting Diode) light bulbs.

Bulb Type	Equivalent Bulb Wattage	Electricity Price (Per Kilowatt-Hour)	Daily Use Hours	Annual Operating Cost	Average Bulbs in a Home	Annual Savings
Incandescent	60	\$ 0.10	5	\$10.95	30	None
Compact Fluorescent	14	\$ 0.10	5	\$2.56	30	\$ 251.85
LED	9	\$ 0.10	5	\$1.64	30	\$ 279.23

Strategic Biomass Solutions is an official intervener on Docket Number 2010-AD-2 and provided testimony to the Mississippi Public Service Commission in support of the adoption of energy efficiency measures in Mississippi.