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ACORE Previews Phase II Policy for Renewable Energy Regional Roundtables Held in 12 Cities Next Phase of Renewable Energy Policy for the U.S. Begins to Take Shape

Washington, DC – The American Council On Renewable Energy (ACORE) today announced the completion of renewable energy policy roundtable meetings in 12 cities across the nation, seeking to define the next phase of national policy for renewable energy in America.

“The renewable energy provisions in the 2005 energy bill are helpful but are not the total answer. The challenge is to build a strategy that is a market-focused synthesis of the best ideas currently in play from the labs, the states, and Wall Street,” said Hank Habicht, CEO of Global Environment & Technology Foundation and a member of ACORE’s Advisory Board.

“The call for Phase II happened last year at ACORE’s policy conference, and it caught on across the country,” said Rob Pratt, Director of the Massachusetts Renewable Energy Trust and ACORE Chairman. “Now, a question for policy development is: *what are* the national policies that will result in renewable energy contributing 20%-30%-40% of national energy supply by 2020- 2030-2040?”

ACORE held meetings in Austin, Boston, Chicago, Los Angeles, Phoenix, Portland, Raleigh, Sacramento, San Diego, San Francisco, Worcester, and Washington, DC during July and August. Typically, the meetings involved 20 to 40, and as many as 65, experts on renewable energy technologies, economics, applications, industry, regulation, and policy. In total, over 300 experts participated in the series, which leads into ACORE’s national policy conference on October 17-18, 2005 in the Cannon Caucus Room in Washington, DC. More information about the national conference is available at: www.acore.org.

Based on the regional meetings, two key elements of a Phase II policy framework will be a commitment to longer-term, more stable and predictable government policy, and greater political balance with liberal arguments for a better society, moderate arguments for economic growth and jobs, and conservative arguments for lower taxation.

Policy options for the electricity sector emerged in the roundtables, dealing in fundamental economics. These included:

- Developing a backbone transmission system as a national priority to link renewable energy in rural areas with load centers;
- Looking at fundamentally new ways of setting utility rates based on long-term fixed rate options;

- Monetizing the environmental benefits of renewable energy through national and regional trading of RECs so that Wall Street can create a futures market;
- Looking at the RPS mechanism and other means of encouraging utility acceptance of renewable energy, both mandatory and voluntary;
- Shifting economic incentives from cost-based subsidies that were useful for early adopters in Phase I, to revenue-side (or so-called performance based) incentives that attract private investment in Phase II;
- Accelerating the adoption of distributed generation and smart grid technology; and
- Amending DOE's charter to focus on technology transfer rather than demonstrations.

Policy options for the transportation sector also emerged in the roundtables, dealing in economics and consumer behavior. It was noted that there is no government incentive, at any level of government in America for consumers to purchase biofuels, and no government incentive for people to upgrade the efficiency of their cars. "Isn't it odd," one participant asked, "that government policy seems to have missed some of the most basic issues in the real world?"

There was widespread support for developing a more comprehensive policy for the transportation energy sector based on what will be best for the American people, encouraging the basic parameters of "changing the vehicle mix" and "changing the fuel mix."

Policy options for the buildings sector were likewise practical. For example, there was support for integrating economic incentive policies that encourage energy efficiency and solar energy together. There also was support – ranging from New England to Texas to California – for reforming codes, standards and especially permitting. As one participant said: "You shouldn't have to get a permit to put solar on your house...you should have to get a permit for *not putting* solar on your house."

In most cases, it appears that Phase II will cause a refining and combining of existing policies into packages that are more market oriented and less industry oriented. In addition, there are several areas, as noted above, where whole new avenues of policy need to be explored.

"There is a tremendous amount of policy work to be done before Phase II is in the implementation mode," said Roger Ballentine, President of Green Strategies, Inc. and an ACORE conference co-chair. "For that reason, the time to start is now."

The Phase II national policy conference is set to take place October 17-18, 2005 in the Cannon Caucus Room in Washington, DC. Speakers include either Energy Secretary Bodman or Under Secretary Garman, Agriculture Secretary Johanns, one or more Governors who are in process of committing, corporate executives from GE and John Hancock, policy leaders from over ten states in the East, Mid-America and the West, and noted experts in electricity, fuels, transportation, buildings, and other aspects of renewable energy utilization.

"The Phase II conference will set the stage for the next 30 years of renewable energy policy," said conference co-chair Dan Reicher, President of new Energy Capital and former Assistant Secretary of Energy.

The Phase II conference is being organized by ACORE in conjunction with the Renewable Energy and Energy Efficiency Caucuses of the U.S. Senate and U.S. House of Representatives, and in cooperation with the Energy & Environment Studies Institute. There are only 400 seats in the Cannon Caucus Room, so people who are hoping to attend should register earlier than later. Information about the conference can be seen at: www.acore.org.

About The American Council On Renewable Energy (ACORE)

ACORE, a 501(c)(3) membership nonprofit organization headquartered in Washington, D.C., is dedicated to bringing renewable energy into the mainstream of the US economy and lifestyle through information and communications programs. ACORE provides a common platform for the wide range of interests in the renewable energy community including industries, associations, utilities, end users, professional service firms, financial institutions and government agencies. ACORE serves as a forum through which the parties work together on common interests. Membership information is available at: www.acore.org.

