



**AN ENERGY
ACTION PLAN
FOR NEBRASKA**

Governor E. Benjamin Nelson appointed 52 Nebraskans to the Nebraska Energy Policy Council in April 1991. He directed the Council members to use their expertise, to solicit suggestions from other Nebraskans and to make recommendations for the state's first comprehensive energy policy plan.

Citizen involvement was the cornerstone in the development of recommendations. The Energy Policy Council compiled these ideas into the *Nebraska Energy Policy Plan — Recommendations to the Governor*, which was given to the governor in January 1992.

The feasibility, cost, effectiveness and potential savings of each recommendation in the *Nebraska Energy Policy Plan* was assessed by the Energy Office.

This document, *An Energy Action Plan for Nebraska*, brings together recommendations from Nebraskans with goals, objectives and action plans that have been developed to meet present and future energy needs. It serves as the first step in an ongoing process to plan and implement effective energy policies and programs for Nebraska.

Organizationally, each page contains specific recommendations from the *Nebraska Energy Policy Plan* on the left and goals, objectives and action plans resulting from the assessment on the right.

The vitality of our state is strongly influenced by our energy policies. As your Governor, I am asking all Nebraskans to work together to **achieve the efficient, economic and environmentally responsible use of energy resources**. With this statement guiding our energy policy, we must focus our efforts on goals to:

- Advance the conservation and efficiency of traditional, non-renewable energy sources;
- Encourage the development of alternate and renewable energy sources; and
- Further energy-related economic development activities.

This document is the beginning of *An Energy Action Plan for Nebraska*. It presents a strategy to establish energy as a priority in our "One Nebraska." The long-term commitment to the efficient, economic and environmentally responsible use of energy resources will benefit all Nebraskans through energy and dollars saved, job opportunities expanded and more successful competition in world markets.

More is left to be done in implementing an action plan for the energy policy that was conceived by Nebraskans. To begin the process, I am announcing the following two major energy initiatives:

1. State government will ensure the efficient, economic and environmentally responsible use of energy throughout state government beginning with a special focus on transportation, buildings, landscaping and interagency coordination;

2. State government will facilitate increases in energy efficiency in the private and local government sectors beginning with a special emphasis on buildings, transportation, education, information and economic development.

These initiatives offer Nebraskans many new ideas and opportunities. For example, every effort will be made to begin to remove financial barriers to making energy efficiency improvements in the private and local government sectors. Up to \$1.75 million will be added to the Dollar and Energy Saving Loan Program to be matched from private sources. These funds will be used to expand the existing loan program categories and to add new financing opportunities in the areas of telecommunications and alternate fueled vehicles. In addition, proposed changes to the School Weatherization Loan Program Fund will authorize no interest loans to school districts to purchase alternative fueled school buses and fueling facilities.

Efforts to provide education, information and economic development tools to Nebraskans will be expanded. Efficiencies in the operation of state government will receive particular emphasis in the areas of interagency coordination, building and transportation efficiency and the use of alternative fueled vehicles in the state fleet. Of particular interest will be the use of energy efficiency, low-maintenance planting and xeriscaping techniques around state-owned buildings and highway rights-of-way.

The *Energy Action Plan for Nebraska* contains these and other ideas for improving the energy efficiency of the state. We can and will accomplish positive changes for the future of Nebraska. Your help is appreciated.


Governor

TABLE OF CONTENTS

Initiatives Affecting State Government

Transportation

Objective 1 Fleet purchase of alternative fueled vehicles	1
Objective 2 Installation of alternative fueling stations	2
Objective 3 Alternative fuel and vehicle incentive plan	2
Objective 4 Expand ridesharing opportunities	3
Objective 5 Increasing telecommunications use	3

Buildings

Objective 6 Increase energy efficiency	4
--	---

Landscaping

Objective 7 Use xeriscaping around buildings	5
Objective 8 Incorporate low maintenance plantings along roadways	5

Interagency Coordination

Objective 9 Coordinate energy goals among state agencies	6
--	---

Initiatives Affecting Private Businesses and Local Governments

Transportation

Objective 10 Alternate fuel and vehicle incentives	8
Objective 11 Financing alternate vehicle conversions and fuel stations	8
Objective 12 Create alternate fuels advisory committee	9
Objective 13 Increase telecommunications use	10

Buildings

Objective 14 Develop state energy building code	10
Objective 15 Adopt and enforce state energy building code	11
Objective 16 Remove financing barriers for local governments	11
Objective 17 Increase efficiency of local government buildings	12

Education and Information

Objective 18 Create energy education and information center	13
---	----

Economic Development

Objective 19 Increase funds in the Dollar and Energy Saving Loan pool	14
Objective 20 Promote energy efficiency through the Development Network	15

State government will lead by example to ensure the efficient, economic and environmentally responsible use of energy throughout state government beginning with a special focus on transportation, buildings, landscaping and interagency coordination.

TRANSPORTATION

GOAL

Increase substantially the number of alternative fueled vehicles operating within the state by the year 2000.

Increase the use of alternate fuels such as ethanol, natural gas, propane and electricity in the public and private transportation sectors to lessen the use of petroleum and improve air quality.

Objective 1

Beginning in 1993 (model year 1994), ten percent of the light duty motor vehicles (excluding law enforcement and emergency vehicles) purchased by the state will operate on alternative fuels. For model years 1995 and 1996, ten percent of the light duty motor vehicles purchased by the state will operate on alternate fuels. Minimum percentages for purchases in subsequent years are 15 percent, model year 1997; 25 percent, model year 1998; 50 percent, model year 1999; 75 percent, model year 2000 and thereafter.

The recently enacted *National Energy Policy Act* requires the use of alternate fuel vehicles in state fleets by 1996. The *Act* permits a state to receive a credit toward future requirements for alternate fuel vehicles placed in service before 1996.

Rationale

Increasing alternate fueled vehicles in the state fleet will reduce the cost of operation. Fuel costs can be lower and reduced maintenance costs are possible since alternate fuels are generally cleaner than traditional fuels. By state government taking a leadership role in the use of alternate fueled vehicles, the development of fueling infrastructure will be stimulated and familiarity and confidence of the public with alternative fueled vehicles will be increased.

Action Plan

According to Risk Management's 1992-1993 inventory of state-owned vehicles, the Department of Roads, Game and Parks Commission, State Patrol, Department of Administrative Services and University of Nebraska at Lincoln, own the majority of state governments' cars, trucks and tractors. Representatives of these agencies will provide recommendations on the kinds of vehicles, fuel types and necessary fueling arrangements.

This group will also make recommendations on whether the state should submit a light duty alternative fueled vehicle plan for state fleets as permitted by the *National Energy Policy Act* of 1992 and if a plan is to be submitted, the content of the plan. The plan would provide for voluntary conversion or acquisition or a combination thereof, beyond any acquisition required by the above percentages.

The plan, if approved by the Secretary of Energy, would be in lieu of the state meeting the annual percentages solely through purchase of new vehicles.

A draft plan will be ready by November, 1993.

Objective 2

Over the next two years, state government will make provision where necessary for the fueling of alternate fueled vehicles in its fleet.

Rationale

The provision of adequate fueling stations throughout the state is necessary to enable the efficient operation of alternate fueled vehicles in the state's fleet. The possibilities include installation of state-owned fueling stations throughout the state, the use of provider operated fueling stations and some combination of these.

Action Plan

Representatives of the Department of Roads, Game and Parks Commission, State Patrol, Department of Administrative Services, University of Nebraska at Lincoln and Energy Office will address the feasibility of providing fueling stations to accommodate alternate fueled vehicles at some locations within the state. These recommendations will be incorporated in the alternative fuels plan to be prepared by the Energy Office pursuant to the *National Energy Policy Act* of 1992.

Objective 3

Develop a comprehensive state alternative fuels and vehicle incentives plan designed to accelerate the introduction and use of such fuels and vehicles.

Rationale

Objectives 1 and 2 contain steps which can be taken immediately toward realizing the goal of increasing the use of alternative fueled vehicles. In addition, a comprehensive plan should be developed which will satisfy the requirements of the *National Energy Policy Act*. This will position the state to take advantage of any financial assistance which becomes available under the *Act*.

Action Plan

The Energy Office, in consultation with the Department of Roads and other state agencies, will prepare a comprehensive state alternative fuels and alternative fueled vehicle incentives plan. The plan will include a description of how the state will coordinate implementation with federal and local entities. This plan will also satisfy the requirements of the *National Energy Policy Act*.

Specifically, the plan will examine exemption of alternative fueled vehicles, fuels or fueling facilities from state or local taxes or surcharges. Other alternate vehicles concerns addressed by the plan will include state fleet purchases, designated parking, public education programs and fuel sales. The role of state and local government promotion of fuel availability and electric vehicle recharging at public locations. Rate recovery by public utilities for the purchase or conversion of vehicles and installation of fueling stations will also be considered.

A draft plan will be ready by the end of 1993.

Achieve efficient use of transportation.

Create policies and programs to promote fuel efficiency, reduce dependence on petroleum and improve air quality in Nebraska.

Objective 4

The rideshare roster developed by the Energy Office for use by state employees commuting from Omaha to Lincoln will be expanded to cover employees commuting to Lincoln from other locations.

Rationale

Transportation accounts for 68 percent of the consumption of petroleum products in Nebraska. Much of transportation use of petroleum is simply in single occupant vehicles. Significant savings of motor vehicle fuel can be realized through ridesharing. As a first step in facilitating ridesharing, the Energy Office maintains and revises quarterly a roster of state employees who commute from Omaha to Lincoln and who are willing to share information about their work schedules. There is a significant number of employees from towns besides Omaha who commute to work in Lincoln to justify expansion of rideshare rosters to these towns.

Action Plan

The Energy Office will identify state employees commuting from Beatrice, Crete, Seward and York who are willing to share information regarding work schedules, points of departure and destinations with other employees. The expansion will be announced in the *Statehouse Observer*. Rosters of these employees will be developed, maintained and revised quarterly. The initial rosters will be developed by May 1993, with quarterly updates to follow.

Objective 5

Increase state agency use of telecommunications in educational and conferencing activities to substitute for travel.

Rationale

Telecommunications are effective in bringing together people at different distant sites without traveling to one central location. Conference calls, video-conferencing, facsimile and computer transmittals have improved the efficiency of communications. Conference calls permit the grouping of people, whereby previously a series of calls would have to be made to individuals. Where previously a series of workshops might be held across the state, it is possible through video conferencing for a single workshop to be held and communicated to people at various sites who can respond via conference call. Telecommunications are in use in state agencies. Their full potential is yet to be realized, however.

Action Plan

The governor will direct agencies which normally conduct educational and informational meetings throughout the state to make provision for substituting video-conferencing for some regional meetings and to replace on-site attendance with video-conferencing at statewide meetings where appropriate.

STATE BUILDINGS

GOAL

State government will achieve maximum efficiency of energy use in all its existing buildings.

Maximize energy efficiency in public buildings so government serves as a model for conservation and to reduce the tax burden on the state's citizens.

Objective 6

Require agencies responsible for state-owned buildings to adopt a comprehensive energy efficiency program.

Rationale

A 1988 study for the Nebraska Public Buildings Energy Program Task Force showed a significant potential for saving energy in the state's public buildings. The study also found that energy saving improvements in public buildings is a sound investment of public dollars.

Although no comprehensive data base exists on the use of energy in state buildings, we do know the state, including the university system, spends over \$38 million each year for energy. Hospitals, prisons and air-conditioned office buildings are often used 24 hours a day, 365 days a year. Comprehensive engineering studies of schools and hospitals show the costs of the greater portion of these projects can be recovered through energy savings over a period of five years or less. Therefore, spending money to save even more money is a good economic principle and should be practiced throughout state government.

Action Plan

Consider legislation creating the Nebraska State Building Energy Efficiency Program to be operated by the Department of Administrative Services. This program could be operated by the 309 Task Force. The legislature might consider adding an energy specialist to the 309 Task Force. Future funding for energy improvements could remain a line item in the General Fund. Specific energy improvements could also be identified in agency budgets. It is possible that a budgetary arrangement could be made for agencies to be allowed to keep some of the energy savings generated.

LANDSCAPING

GOAL

Reduce energy use in state-owned buildings, the maintenance cost of planted areas surrounding them and the maintenance cost of highway rights-of-way through the use of energy efficient, low maintenance plantings and xeriscaping techniques.

Encourage the planting of trees as a renewable energy source, a method of pollution control, a conservation technique, a local economic development opportunity and an improvement in quality of life.

Objective 7

Over the next ten years, the land areas surrounding state-owned buildings will be converted to low maintenance plants and grasses in the course of regular maintenance and replacement. Trees and shrubs which are replaced will be situated to enhance energy efficiency in buildings. Mulch will be systematically used to reduce water use.

Rationale

Substantial dollar and energy savings can be achieved. Energy Office staff have estimated that maintenance costs can be lowered by 50 to 75 percent if blue grass is replaced by buffalo grass; this includes a 10 to 25 percent reduction in water use. Areas on the UNL campus show the variety of plants available and their natural suitability to Nebraska.

Action Plan

The University has taken a leadership role in xeriscaping with the planting and maintenance of its grounds. University officials should evaluate possibilities for further expansion of energy efficient planting and maintenance of grounds on all of its campuses. The projects to be undertaken and the time-frame for their completion should be included in an energy conservation plan for the university which would be incorporated in its annual budget requests. The energy conservation plan would be completed by July 1994.

There are 19 state agencies with buildings and grounds for which they are responsible. By July 1994, each agency will submit to the governor a progressive plan for converting its grounds to xeriscaping. The plans will include replacement of high maintenance plants with low maintenance ones as appropriate; conversion of grassed areas around trees and shrubs to mulched areas and other appropriate xeriscaping measures which will save energy by conserving on water and maintenance. To assist agencies to prepare their plans, the Energy Office will provide a workshop on xeriscaping and use of low maintenance plants by October 1993. Implementation of the plans should begin by October 1994.

Objective 8

Over the next ten years, as part of the regular maintenance and replacement program, road rights-of-way will continue to be maintained in low maintenance plants. As rights-of-way are reseeded, low maintenance plants requiring little mowing will be used.

Rationale

The use of buffalo grass would virtually eliminate the need for mowing. In practice, the Department of Roads uses a mixture of grasses suitable to Nebraska's climate—the basic mixture consisting of buffalo grass, blue grama and western wheat. Use of this mixture provides some insurance against cool weather grasses encroaching on the rights-of-way. However, energy and labor costs used in mowing might be further reduced if the mixture were evaluated for mowing savings. The state maintains approximately 9,970 miles of public roads with an average 100 foot right-of-way, or a total of about 120,850 acres. Only 15 feet on either side of the road is mowed two or three times annually; mowing the rest out to the fence varies geographically. In the eastern part of the state, mowing to the fence is done every three years. In the northern tier of the state, mowing to the fenceline is not required due to sandhills considerations. In the southern area of the state, the right-of-way is mowed to the fence every four years.

Action Plan

By July 1994, the Department of Roads will evaluate rights-of-way areas where mowing can be reduced by reseeding with buffalo grass, blue grama, or other appropriate low-growing plants. The rights-of-way to be evaluated include existing and prospective rights-of-way. The results of this evaluation and a time-phased plan for accomplishing the reseeding and seeding will be incorporated in the Department of Roads' plans including the Transportation Improvement Plan and State Transportation Plan required by the *Intermodal Surface Transportation Efficiency Act* of 1991.

INTERAGENCY COORDINATION

GOAL

Foster and promote interagency cooperation and coordination to increase state government efficiency and to achieve energy policy goals and objectives.

Objective 9

Identify state agencies whose activities are naturally related to energy and encourage them to integrate energy issues into their programs.

Rationale

All state agencies have the responsibility to serve the same constituency — the citizens of the state. Many agencies have responsibilities and programs with commonalities. Where there are mutual issues, specific goals and common target audiences, agency resources can be more effectively utilized if agencies come together for planning, resource development, program implementation and evaluation. The development of public-private partnerships will also be easier as agencies share information, contacts and resources. The results will be greater than the sum of the parts — this synergistic approach will enable state government to achieve greater positive results for the energy, economic and environmental future of Nebraska.

Study the feasibility of coordinating all state agencies with energy responsibilities.

Implement programs which encourage the reduction and recycling of construction waste.

Government at all levels must lead by example in waste management through source reduction, reuse and recycling.

Action Plan

By January 31, 1993, the governor will direct code agencies (and request non-code agencies, boards and commissions) to work cooperatively with the Energy Office in an effort to integrate energy issues into their short and long-term program planning, implementation and evaluation processes.

The Energy Office will be directed to develop and maintain on-going communications with appropriate state agencies. It will provide information, share resources, implement and evaluate joint efforts among the agencies to achieve energy goals.

By July 1, 1993, the Energy Office and the respective agencies, boards and commissions will develop definitive working plans for the kick-off and implementation of joint-programs, information and resources sharing and joint efforts. These joint plans shall identify specific strategies for 1993 and 1994, 1995-1997 and potential initiatives to 2013.

All agencies will be encouraged to look for creative ways to work with their federal and traditional funding sources to further the state's energy goals.

A sample of the potential for this type of effort follows:

- **The Department of Roads** should coordinate with the Energy Office to integrate energy efficiency and alternate fuel issues into the development of rural transportation plans, the implementation of federally funded transportation programs and the planning of statewide bike and recreation trails. The Department of Roads should coordinate with the Energy Office to integrate energy issues into the development of state transportation and long-range planning efforts.
- **The Department of Economic Development** should coordinate with the Energy Office to utilize the Nebraska Development Network (including the Development Academy and Nebraska Online) to provide information about energy efficiency and financing options; to offer education opportunities for Nebraskans in making sound energy choices; to maintain and create energy jobs, services and products; to address issues related to transportation and getting Nebraska-based products to market in an energy efficient manner; and to develop markets for alternate fuels.
- **The Rural Development Commission** should work with the Energy Office to integrate energy issues into its work, specifically in the areas of rural transportation and economic development.
- **The Department of Education** should coordinate with the Energy Office to utilize expertise and coordinate resources for educators.
- **The Department of Environmental Quality** should coordinate with the Energy Office in providing referral services on issues such as waste reduction and recycling which have energy ramifications.
- **The Department of Agriculture** should coordinate with the Energy Office to integrate energy issues into its information and education programs and to assist in market development of agriculture-based alternate energy sources.

State government will facilitate increases in energy efficiency in the private and local government sectors beginning with a special emphasis on buildings, transportation, education, information and economic development.

TRANSPORTATION

GOAL

Provide incentives for the purchase and conversion of vehicles to operate on alternate fuels.

Encourage the use of compressed and liquefied natural gas as a motor vehicle fuel for private and government fleets and develop the fueling infrastructure necessary to support these fleets.

Objective 10

State government will facilitate and/or provide incentives for local governments, including public schools, for the acquisition of alternate fueled vehicles, installation of alternative fuel refueling facilities and conversion of vehicles to alternate fuels.

Rationale

As providers of public transportation services within their jurisdictions, local governments are well positioned to advance the use of alternate fueled vehicles by introducing and operating them in their fleets. Market research indicates that targeting centrally-housed public fleets is a sound approach for beginning the development of an infrastructure for ethanol and natural gas fueled vehicles. The high visibility of these vehicles will foster public acceptance of alternative fuels.

Action Plan

During the 1993 regular session of the Legislature, the Energy Office will propose amendments to Section 81-1632 of the School Weatherization Loan Program Fund to authorize no interest loans to school districts to purchase alternative fuel school buses and fueling facilities. The loan fund would revolve and would be administered by the Energy Office. The Department of Roads will ensure through its work with the Public Transportation Coordinating Committee, the Nebraska Rural Development Commission and other agencies and organizations, including the Federal Transit Authority, that the fleets of local governments and nonprofit community organizations contain increasing numbers of alternate fueled vehicles. This action will be formalized by its incorporation in the Transportation Improvement Plan and State Transportation Plan required by the *Intermodal Surface Transportation Efficiency Act* of 1991.

Objective 11

Provide low cost financing for the conversion of public and private fleet vehicles to operate on alternate fuels and the purchase and installation of required fueling facilities.

Rationale

The Energy Office is working with the state's major alternate fuel suppliers to

Increase Nebraska's energy security by investigating the full potential of all types of environmentally responsible renewable resources by developing and funding demonstration projects.

design a loan program which would best assist the marketing of these alternate fuels. The suppliers are unsure whether there is a significant demand for low interest loans for vehicle conversions, but seem to believe that there is a demand for low cost financing for fueling facilities, which can cost as much as \$100,000 for each natural gas fueling station.

Private sector matching funds will be required.

Action Plan

The governor would set aside \$250,000 in oil overcharge funds, to be matched dollar-for-dollar by the state's alternate fuel providers, to establish an Alternate Fuel Incentive Fund. This program would be operated as part of the agency's Dollar and Energy Savings Loan Program.

If there is insufficient demand for these loans or alternate fuel providers do not provide matching funds, the money can be re-directed to another sector served by the loan program.

Objective 12

Establish an Alternate Fuels Advisory Committee to develop strategies which assist Nebraskans to decrease their use of petroleum products, thereby enhancing national security and reducing the state's reliance on imported petroleum. Using alternate fuels produced in this state also enhances economic development.

Rationale

America's appetite for imported oil continues to climb in spite of the warning signs from the oil crisis of the 70s and the more recent Gulf War. In 1985, the United States imported almost 30 percent of its petroleum needs. In 1991, even with the supply interruption caused by the Gulf War, the United States imported over 43 percent of its petroleum. This represents a 58 percent increase from 1985 through 1991. National consumption of petroleum products has increased six percent over that same six year period. Nebraska is no exception. The state's hunger for petroleum increased eight percent over the same period. In 1991, Nebraska imported 100 percent of refined petroleum products — a net balance of 80 to 90 percent — consuming 37.6 million barrels of refined petroleum products.

Action Plan

The Energy Office will form the advisory committee seeking representation from the state's fuel suppliers and other appropriate interest groups. The suppliers include the ethanol, electric, natural gas and propane industries. Other groups that may be invited to participate on the committee could be agriculture, transportation, petroleum marketers, natural resources, education, consumer and conservation groups like the Association of Car Manufacturers and New Car Dealers Association. The purpose of the advisory committee will be to coordinate efforts and resources in the marketing, promotion and education of the public and in the development of the alternate fuels infrastructure. The committee will also address the issue of the supply of fuel and demand for vehicles to comply with the provisions of the *National Energy Policy Act of 1992*.

Promote initiatives which reduce fossil fuel consumption and reduce consumer energy costs.

Adopt a state-developed energy building code for new and retrofit construction which is affordable, cost-effective, user-friendly and enforceable. Special consideration must be given to achieving energy efficiency without unduly reducing housing affordability.

Objective 13

Increase private sector and local government participation in telecommunications throughout the state.

Rationale

Use of telecommunications throughout the state is often limited by lack of facilities and/or knowledge and familiarity with their use. Expanding the telecommunications infrastructure within the private and local government sectors is needed. Telecommunications technology will permit video conferencing much the same way that telephone conferencing is used. This technology will facilitate the dissemination and exchange of information throughout the state. The Energy Office's expansion of the telecommunications infrastructure will complement economic development efforts and could be furthered by low interest loans from the Dollar and Energy Saving Loan Program.

Action Plan

A telecommunications category would be established in the Dollar and Energy Saving Loan Program. Telecommunications vendors and carriers would be requested to fund part of this category of the loan program. The governor would match, with oil overcharge funds, up to \$500,000 of the telecommunications vendors' and carriers' funds dedicated to the loan program. If there is insufficient demand for these loans or the matching funds are not forthcoming, the money can be re-directed to another category of the loan program.

BUILDINGS

GOAL

Increase energy efficiency of new construction.

Objective 14

Formulate a state-developed energy building code for new and retrofit construction which is affordable, cost-effective, user-friendly and enforceable.

Rationale

The Nebraska Building Energy Conservation Standard was implemented in 1979 but has not been updated since 1983. In addition, large geographic areas of the state have little or no code enforcement. As a consequence, newly constructed buildings are often not energy efficient.

The current code, the 1983 Model Energy Code, is difficult for lay people to understand and use. Contractors have complained about the rigidity of the code. A state-developed code would allow for flexibility and state specific requirements.

Updating the code will not substantially change building practices or costs for most builders. Many builders already exceed standards because of consumer demand. The code will require shoddy or careless contractors to meet higher standards strengthening the state's building industry and potentially eliminating contractors who would take advantage of the buying public.

To improve the overall efficiency and affordability of buildings, the state should institute a comprehensive and coordinated approach to energy improvements including a home energy rating system, energy efficient mortgages, enforcement of energy building codes, coordination between federal, state and local government agencies and incentives to building owners to make energy improvements.

Action Plan

The Energy Office will appoint a building code council responsible for developing the code and enforcement standards. The council would represent affected groups such as residential and commercial builders, real estate and banking industries, building suppliers, zoning officials and state and local leaders. The council would be responsible for developing a new code and building consensus among affected groups throughout the state. The council can either develop a code based on one of the national codes or can develop a code strictly for Nebraska. Drafting of the code, including procedures for its enforcement, will be completed by November 1993.

Objective 15

Through legislation, adopt the state-developed energy building code, establish an enforcement mechanism and establish a periodic update system.

Rationale

Some of the problems facing the current Nebraska Building Energy Conservation Standard are a lack of understanding by those required to use the code, adequate and fair enforcement across the state and a procedure to regularly assess the code to ensure its effectiveness based on current technology. A state-developed code could be written specifically for Nebraska and in a manner easily understood. Through other education channels, such as information distribution and inclusion of information in city and county clerk training, a greater understanding of the importance of energy efficient buildings could be achieved.

The legislation should establish a procedure to regularly update the code. Given the advancing technology in the energy field, it is important that the code be kept current if the energy saving innovations are to be fully promoted and adopted in Nebraska.

Action Plan

The code and its enforcement procedures will be presented to the Legislature in January 1994.

GOAL

Increase the energy efficiency of existing buildings.

Objective 16

Remove statutory language which impedes participation by public entities in state operated energy saving loan programs.

Rationale

Nearly all public entities run on tight budgets. Most administrators or building operators consider energy improvements to be a maintenance activity funded when money is available. By establishing and promoting attractive funding mechanisms, more energy improvements will be made, thereby reducing the operating cost of the building and ultimately the cost of running government.

Take action to implement and encourage programs and processes which increase the affordability, cost effectiveness and energy efficiency of buildings in Nebraska. Total operating costs, including the savings from energy efficiency along with initial construction costs, should be considered in building design.

To promote energy efficiency in all buildings in the state, encourage building owners to make energy efficiency improvements without incurring "penalties" for making those improvements.

Two current programs provide funding for public building energy improvements — the Nebraska School Weatherization Program and the Dollar and Energy Saving Loan Program. Minor legislative changes are needed to make these programs more accessible to public entities. The School Weatherization Program, offering loans at zero percent interest, limits schools to projects having a seven year payback or less. Schools making energy improvements exceeding the seven year payback are sometimes forced to finance these improvements through the Dollar and Energy Saving Loan Program and pay five percent interest. The proposed legislative change to the School Weatherization Program would allow K-12 school districts to borrow money for any energy project in which the loan term did not exceed the payback.

The Dollar and Energy Saving Loan Program offers financing to units of local government as well as others. Many city and county attorneys contend local governments cannot borrow funds for longer than two years. A legislative change is necessary, expressly permitting local governmental units to participate in state loan programs.

Action Plan

The needed legislative changes will be proposed in the 1993 legislature.

Objective 17

Increase the energy efficiency of public buildings owned and operated by local governments.

Rationale

Local government officials need information and training to assist them in managing public buildings in a more energy efficient manner. The Energy Office operates three programs that local governments can use to finance energy efficiency in public buildings — the Dollar and Energy Saving Loan, School Weatherization and Institutional Conservation Programs.

Action Plan

A plan will be developed by July 1993, to integrate information and training opportunities about energy efficiency for local leaders and decisionmakers into existing programs such as the Energy Management Circuit Rider and the Nebraska Development Academy. This plan will also include a marketing strategy for encouraging local government units to utilize the three existing financing programs.

EDUCATION AND INFORMATION

GOAL

To provide timely and reliable information and education opportunities to help Nebraskans learn about energy and make good decisions regarding their energy costs and use.

Organize an energy education council to facilitate resource sharing, communications and implementation of results-oriented activities to achieve a greater level of understanding and responsibility regarding energy production, use and environmental impact.

Objective 18

Establish a Nebraska Energy Education and Information Center within the Nebraska Energy Office as a means to centralize, organize and disseminate energy education and information resources to the general public.

Rationale

All Nebraskans need easy access to timely and reliable energy data, information, training and evaluation tools to assist them to make good energy decisions. The Nebraska Energy Office serves the state best as a centralized source for the coordination and referral of energy education and information resources.

Several groups throughout the state have responsibilities, or interest, to provide education and information opportunities — many of which are common to energy issues. A few examples of active network and delivery mechanisms that should be utilized to provide energy education and information opportunities include: the Nebraska Development Network, the Nebraska Development Academy, Nebraska Online, the Nebraska Rural Development Commission, utilities, community colleges, institutions of higher education, trade associations and statewide organizations. Such groups should be utilized to inform Nebraskans about energy issues related to the state's economy.

Nebraska has traditionally ranked high in the nation's educational efforts. The need for greater energy education across all sectors of our state continues to exist. Educating Nebraskans about the interrelationship of energy with the economy and environment continues to be a necessity.

The education and information oriented interest groups, in the public and private sectors, must expand their communication and coordination efforts to accomplish common goals. A synergistic approach will achieve greater results for Nebraska.

Action Plan

Establish contacts, develop partnerships and develop a comprehensive energy education and information plan by June 30, 1993. The Energy Office will provide leadership to coordinate the various partners in the development and implementation of the plan. National information networks, originating from the U.S. Department of Energy, will also be utilized.

The purpose of the plan is to market the availability of energy data sources, education and information services, financing options as well as conservation and efficiency programs.

Work will continue by the Energy Office, as prescribed by State Statute and required by federal rules, to collect and analyze energy data. Education and information functions will be planned and implemented to motivate the public to

engage in energy conservation and efficiency practices. These activities may include, but need not be limited to presentations; technical assistance; workshops, seminars and conferences; computer networking; and programs developed and implemented in cooperation with educational institutions and trade associations.

The latest technology and information will be brought together with those who can best utilize that information to meet their energy needs. Computer networking, teleconferencing, satellite programming and television programs will be used to provide reliable information, save energy and reduce transportation costs.

The Energy Office, through the Energy Education and Information Center, will facilitate resource sharing, communications and implementation of results-oriented activities. The intent is to achieve a greater level of understanding and responsibility regarding energy production, use and environmental impacts in our state.

Energy education and information activities will go beyond formal elementary and secondary classrooms to reach students of all ages in our communities. A variety of programs and partners will be utilized to carry the energy message throughout the state.

ECONOMIC DEVELOPMENT

GOAL

Utilize energy efficiency strategies to strengthen Nebraska's economy and contribute to the state's ability to compete in world markets.

Explore opportunities to provide additional funding for the 5% Dollar and Energy Saving Loan Program.

Promote the purchase and use of energy efficient appliances.

Objective 19

Use the Dollar and Energy Saving Loan Program as an effective energy efficiency strategy and economic development tool.

Rationale

In 1986, the Nebraska Energy Office commissioned a marketing study to assess the need for energy efficiency improvements within the state. The research indicated that one in seven of Nebraska's homeowners was willing to undertake \$97 million worth of energy saving home improvements if three to five percent financing were available. Fourteen percent of small businesses indicated a willingness to make similar types of improvements. Local government leaders were almost unanimous in their reaction to low cost financing for energy improvements. The research indicated that Nebraskans would be most comfortable in obtaining these loans from the state's financial institutions.

After a brief pilot test, the Dollar and Energy Saving Loan Program was announced to the public in July, 1990. In just over two years, 5,475 energy project loans totaling in excess of \$31 million have been processed by financial institu-

tions. The Energy Office has invested \$17 million and lenders have invested almost \$14 million in these loans.

The economic activity generated by the loan program in the heating/air conditioning, construction, insulation, window manufacturing and associated retail businesses has spurred the state's economy in spite of the national economic downturn. A new source of loan demand was created for financial institutions during a time of relatively low demand for loans. In addition, the program allows financial institutions an excellent opportunity to satisfy some of their obligations under the *Community Reinvestment Act*.

There are still sectors of the economy where energy efficiency improvements will result in real dollar savings, where improvements will result in energy efficiency and where demands for energy related products and services can be created spurring new businesses and jobs in Nebraska. Current funding barely meets the continuous demand for loans. Without additional funds for the loan pool, expansion of the program is impossible.

Action Plan

The Energy Office has been actively seeking additional investments in the loan program. This effort must continue to increase the loan pool.

Because of the mutual benefits to Nebraskans, the governor will direct that a diversified effort be organized to increase funds in the loan pool. To begin the effort, the governor will set aside \$1 million of oil overcharge funds for the loan pool and challenge the private sector, industry and energy suppliers who have benefited from the program to match it. The oil overcharge funds will be added to the program as the matching funds are received.

In addition, an Energy Loan Program Investment Committee will be organized. This committee may consist of such individuals that may invest and/or may influence others to invest in the loan program. This committee, will be responsible to develop an investment strategy, identify prospective investors and ask for investments into the loan program. This committee will be organized and a plan developed by June, 1993.

Objective 20

Utilize the Nebraska Development Network to promote energy efficiency as an effective economic development tool.

Rationale

The purpose of the Network is for developing people, communities and businesses that can compete in a global economy. Energy is a critical issue for all Nebraskans. The Network has the potential to be an effective means for matching energy technology, financing and information with the education, environmental and economic needs of our citizens, communities and businesses.

Action Plan

Establish contacts and develop a comprehensive plan for marketing energy information through the Network by March 31, 1993. The specific plans would integrate energy in various ways into the leadership development, community devel-

opment and economic development network activities. The Community Academy, Working Groups and Nebraska Online will all be utilized to accomplish energy goals.

Establish contacts and develop a plan with the Rural Development Commission to integrate energy issues into its working objectives. The commission is working through the Network to address specific issues in the areas of economic development, health, transportation and federal initiatives. Energy needs to be a consideration in the planning and a factor in the implementation of the commission's activities.

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