

Message from the Secretary of Energy, Bill Richardson

Americans are entering the new millennium with a deeper understanding of our new energy-efficient technologies. The Department of Energy's new report, *Sharing Success – State Energy Program Special Projects Results*, highlights examples of how Federal organizations, State Energy Offices and industry partners are working together to save energy by fostering efficient building, industrial, and transportation technologies.

Congratulations to all of our State and community partners who are committed to the success of the State Energy Program Special Projects. These and other projects like it are helping to propel State and national goals for a cleaner environment, more efficient energy use, a healthier economy, and increased energy security.

Message from the Assistant Secretary for Energy Efficiency and Renewable Energy, Dan Reicher

Sharing Success – State Energy Program Special Projects Results highlights a number of innovative projects, which are helping to promote energy efficiency and provide clean and green energy for the 21st century.

In Ohio, Louisiana, New England, and Puerto Rico, Special Projects are upgrading building codes to improve energy efficiency. Drivers in Arizona, Connecticut, Oklahoma, and other States are learning more about the use of alternative-fuel vehicles as part of the Department of Energy's Clean Cities Program. Americans across the country are being introduced to the energy-savings potential of geothermal heat pumps, the benefits of wind energy use, and photovoltaic systems.

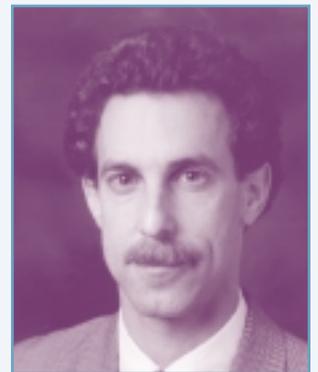
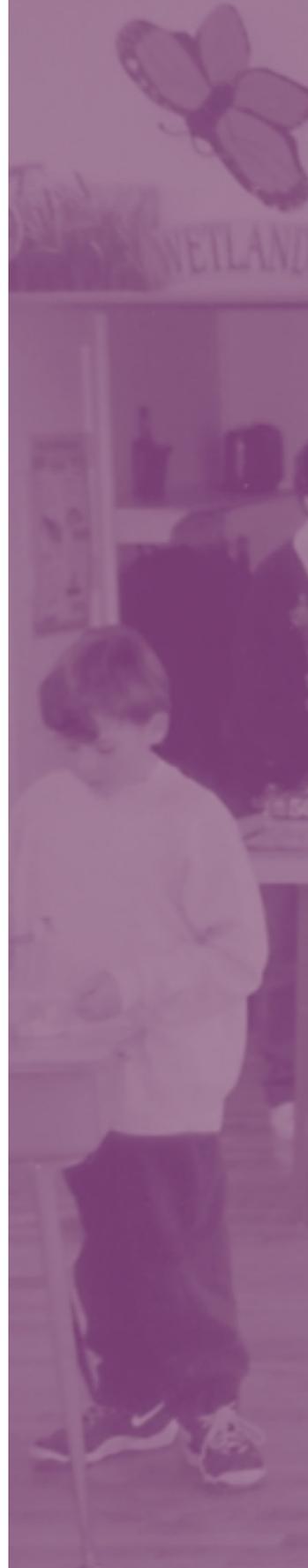


Table of Contents



Introduction	2
Buildings	4
FEMP	12
Industrial	16
Power Technologies	22
Transportation	30
Future Outlook	38
Appendix	40

Introduction

The State Energy Program was created in 1996 by an act of Congress through the consolidation of the State Energy Conservation Program (SECP) and the Institutional Conservation Program (ICP). Formerly, SECP provided funding for a variety of energy efficiency and renewable energy projects, and ICP assisted schools and hospitals with technical analysis and installation of energy conservation measures. Through these programs, more than 8,000 specific State conservation projects have been implemented since 1983 and more than 69,000 buildings have been made more energy efficient since 1979. The Department of Energy's Office of Energy Efficiency and Renewable Energy recognized the value of delivering programs through the States and created Special Projects in 1996.

Energy is a vital component of U.S. citizens' everyday lives and it influences the country's economic growth, national security, public health, and community livability. The Department of Energy's State Energy Program recognizes these essential connections and seeks to strengthen these related concerns through the development and deployment of energy efficiency and renewable energy technologies and practices.

The State Energy Program (SEP) makes it possible for State and Territorial Energy Offices ("States") to design and carry out energy efficiency and renewable energy programs tailored to their State-specific needs, while contributing to national energy priorities. The wide range of activities that the States have carried out under SEP produces tangible energy, economic, and environmental benefits. Increased energy

Special Projects Report

efficiency and renewable energy use raises economic competitiveness, creates jobs, reduces industrial waste, avoids emissions, and promotes sustainable development. Increased energy efficiency and renewable energy use enhances national security by diversifying energy sources and providing a stabilizing element in the trade balance.

The State Energy Program enables the States to address both national energy initiatives and local energy priorities through two funding mechanisms: formula grants and Special Projects grants. SEP formula grants are awarded to States according to a national allocation formula derived from the Energy Policy and Conservation Act. States utilize these funds to design and implement energy projects tailored to meet community needs, economic conditions, individual energy situations, and climactic variations.

SEP Special Projects funds are awarded on a competitive basis to States from each of the four end-use sectors (buildings, industrial, power technologies, and transportation) and the Federal Energy Management Program (FEMP) for cost-shared technology projects. Through Special Projects, the end-use sectors and FEMP are able to capitalize upon existing partnerships and programs at the State and community level and utilize the strong SEP infrastructure. These projects represent high-priority activities within each sector's overall program and advance the ability of the end-use sectors to successfully demonstrate and deploy energy efficiency and renewable energy technologies and practices. In many instances, Special Projects serve as the spark which encourages States and Territories to implement broader

energy efficiency and renewable energy projects. Special Projects often provide the data which present new technologies as viable options and train personnel who will implement these projects.

Federal funding for SEP Special Projects has been significantly bolstered by cost share funds from the States. Over the first four years of SEP Special Project grants, DOE has provided \$51.9 million with the States and partners providing a total estimated cost share of \$33 million for 520 projects. The Department of Energy has contributed more than \$24 million for 177 buildings projects, \$10.8 million for 133 transportation projects, \$9.4 million for 96 industrial projects, \$4.9 million for 78 power technologies projects, and \$2.8 million for 36 FEMP projects.

The success of the SEP Special Projects illustrates how effectively the States and DOE's Office of Energy Efficiency and Renewable Energy work together to develop and deploy energy efficiency and renewable energy technologies and practices throughout the country. Each of the Special Projects highlighted in this report demonstrates a unique success within the program. Ground-breaking regional collaboration, replication in other States, substantial private leveraging, widespread information dissemination, and comprehensive data collection are all signs of a successfully executed SEP Special Project. Successful SEP Special Projects utilize the latest technologies, the most innovative practices, and the most visionary partnerships. While this report does not include all the program's successes, it provides a representative cross-section of the Special Projects implemented to date.