

Renewable Energy and Energy Efficiency Advisory Committee

Trade Promotion Subcommittee Day
August 22, 2013

Background:

At the first meeting of the REEAC, Central America was the region most commonly cited by Committee members as being a priority for exports. In addition, Representatives of the Department of State highlighted their Energy and Climate Partnership of the Americas and the accompanying Central America transmission project (SIEPCAC), and expressed interest in REEAC input.

Central America can be a good starting point for the Committee to look at how federal programs coordinate on a regional basis. Also, ECPA is due for reauthorization at the end of this year, providing an opportunity for meaningful input.

Participants in Subcommittee Day August 22: Karl Gawell, Scott Sklar, Linda Church Ciocci, Trey Taylor, Terry M. Fry, Bruce Bauchmire, David Rosenberg

Schedule

- 9:45 a.m. Meeting with State Department, Bureau of Western Hemisphere
Amanda Kizer, Foreign Affairs Energy Officer
Kelly Kryc, Water and Power Advisor – Bureau of Energy Resources
- 11:00 a.m. Meeting with Worldwatch Institute
Alexander Ochs, Director of Climate and Energy
Milena Gonzalez, Sustainable Energy Fellow
Chris Flavin, President
- 1:30 p.m. Meeting with U.S. Agency for International Development (USAID)
- Zephyr Taylor, Clean Energy Advisory
 - Mileydi Guilarte, International Cooperation Specialist – Central America and Mexico
 - Kristen Madler, Clean Energy Coordinator
 - Liza Cushion, EC-LEDS Advisor
- 3:30 p.m. Meeting with Inter-American Development Bank
- Juan Roberto Paredes, Renewable Energy Specialist
 - Chris Sewell, Sustainable Energy Consultant
 - Barbara White, U.S. Foreign and Commercial Service Attache
 - Scott Bozek, U.S. Foreign and Commercial Service Attache

Comments/Observations

Among the agencies that the subcommittee met with, there appears to be significant interest in "regional" initiatives as a method for pursuing US policy in the development/energy area.

Because a regional approach allows clearer goals and more tailored policies, this may be a promising direction in which to continue.

The Central American regional approach supports the Export Initiative goals by encouraging cooperation between agencies in pursuit of US policy. However, there did not appear to be a clear strategy related to

market development or exports among the agencies. Without one, it was unclear how the effort would result in additional sustainable energy development in the region.

It was noted that legal/regulatory structures in-country were often fragmented, which undermined new project development. State and AID understood that there were serious gaps in laws and policies in Central American countries that prevent projects from moving forward. Like Commerce, both agencies had capabilities to help address this; however, it was not apparent that efforts to address these problems were being pursued.

Some current priorities appeared to have limited or mixed value to either sustainable energy development or US exports. The SIEPAC transmission line was listed by both State and AID as a top regional "renewable energy" priority; however, 1) there was no policy in place to ensure the transmission line would support sustainable technologies, and 2) the estimated impact in the region on renewable energy use was at best unclear. Bottom line: the SIEPAC line may have its benefits, but it was questionable whether it should be listed as a top "sustainable energy" priority.

There was also discussion of the Department of Commerce's Country Commercial Guides for the region. A quick examination showed that the country guides did not mention energy as an export market, even though it is a policy priority for the region. There is a need to re-examine this effort and find more effective approaches to support export interests.

The approach being pursued by Worldwatch had some notable aspects. Worldwatch was pursuing the development of country-based technology road maps that 1) laid out the potential energy contribution of sustainable technologies; 2) examined and assessed the levelized cost of alternatives, including both utility scale and distributed generation; and 3) examined the externality benefits of sustainable technologies.

The Subcommittee was impressed with their efforts, and participants suggested that perhaps an emphasis on building/supporting sustainable energy country roadmaps should be incorporated into US regional policy. The subcommittee proposed combining support for these roadmaps with a regional Integrated Resource Plan. This would be one approach to give the US policy and export efforts a strategy to build around.

There appeared to be a lack of involvement of US export companies in developing or designing the regional policy effort. This may be due to various legal restrictions, and the roadmap/IRP process might be dovetailed with a process that allows company input.

The Subcommittee plans in the coming weeks to follow up and fashion specific recommendations for the full Advisory Committee.

Karl Gawell, Subcommittee Chair