Title Page

Report Title: Engage States on Energy Assurance and Energy Security

Type of Report: Final

Report Period start/stop date: Starting October 1, 2004 and ending on September 30, 2008.

Principle Author(s): Kara Colton, John Ratliff, Sue Gander, Darren Springer, Greg Dierkers

Date Report Issued: December 2008

DOE Award Number: DEFG2604NT42337

Address of Submitting Organization:
National Governors Association
Center for Best Practices
Environment, Energy and Natural Resources Division
444 North Capitol Street
Suite 267
Washington, DC 20001
Final Report: National Governors Association Center for Best Practices

Project Award Number: DEFG2604NT42337
Original Recipient Project Officer: Kara Colton
Original Recipient Business Officer: John Ratliff

Title: Engaging States on Energy Security and Energy Assurance
Date: December 30, 2008

Submitted by:
Sue Gander
Director, Environment, Energy and Natural Resources Division
NGA Center for Best Practices

Report Description
This report describes the activities that took place under a cooperative agreement DE-FG26-04NT42337 between the National Governors Association Center for Best Practices (Center) and the U.S. Department of Energy’s (DOE) Office of Energy Efficiency and Renewable Energy (EERE), Office Electricity Delivery and Reliability (OEDR) and the Office of Energy Security and Energy Assurance (OSA) for the period from October 1, 2004 to September 30, 2008.

U.S. Department of Energy Disclaimer
This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof.

Table of Contents
Report Description ........................................................................................................................................ 1
Abstract ....................................................................................................................................................... 2
Major Lessons Learned ........................................................................................................................... 2
Completed Projects Office of Energy Assurance and Reliability ............................................................ 2
Completed Projects Office of Energy Efficiency and Renewable Energy .............................................. 5
Energy Assurance and Reliability – Project Purpose/Goals ...................................................................... 8
Financial Statement Certification ............................................................................................................. 12
Abstract
The NGA Center’s “Engaging States on Energy Security and Energy Assurance” has been successful in achieving the stated project purposes and objectives both in the initial proposal as well as in subsequent revisions to it. Our activities, which involve the NGA Center for Best Practices (The NGA Center) Homeland Security and Technology Division, included conducting tabletop exercises to help federal and state homeland security and energy officials determine roles and actions for various emergency scenarios. This included efforts to educate state officials on developing an energy assurance plan, harmonizing approaches to controlling price volatility, implementing reliability standards, understanding short and long-term energy outlooks and fuel diversification, and capitalizing on DOE’s research and development activities. Regarding our work on energy efficiency and renewable energy, the NGA Center’s Environment, Energy and Natural Resources Division hosted three workshops which engaged states on the clean energy and alternative transportation fuel and also produced several reports on related topics. In addition, we convened 18 meetings, via conference call, of the Energy Working Group. Finally, through the NGA Center’s Front and Center newsletter articles, the NGA Center disseminated promising practices to a wide audience of state policymakers. The NGA Center also hosted a number of workshops and web conferences designed to directly engage states on the deliverables under this Cooperative Agreement. Through the NGA Center’s written products and newsletter articles, the NGA Center was able to disseminate promising practices to a wide audience of state policymakers.

Major Lessons Learned
The NGA Center learned several lessons relating to the deliverables under the cooperative agreement. Related to meeting planning the NGA Center learned that state officials benefited by hearing from a wide range of energy stakeholders. Specifically, feedback from our completed meetings identified that states found it valuable to hear about best practices and project and policy development from a wide variety of state stakeholders: governors’ energy advisors, transportation department officials, environmental staff and economic development agency representatives. Similarly we were able to complete the described tasks in an economically prudent manner, while still ensuring state energy stakeholders were educated – through meetings, reports, working groups and outreach efforts – on a diverse and comprehensive set of public and private sector clean energy topics.

Completed Projects

Major Deliverables in Support of Office of Energy Assurance and Reliability

#1 Identifying and facilitating a network of Governor appointed representatives to serve as state contacts for the Department of Energy and for any multi-state entities, including regional transmission organizations (RTOs) and Independent System Operators (ISOs), in the event of a state, regional or national energy crisis.

For this Task, the NGA Center launched the Governors’ Homeland Security Advisory Council to provide state homeland security directors with a forum for the exchange of ideas, best practices and lessons learned, and an organizational framework through which they can inform the governors and relevant
National Governors Association committees of the impacts of federal legislation, regulations and policies that affect homeland security.

The Council comprises the top homeland security advisor(s) from each state and territory, as designated by the governor. The Council is led by a bi-partisan executive committee whose members are selected from among the general membership. Four members, two representing governors of each party, are designated by the leadership of the National Governors Association. Four members, two representing governors of each party, are elected by the Council membership.

#2 Establishing forums for state officials and policy makers to discuss how state and DOE systems come together and to determine best practices for data collection, information sharing, and contingency planning within and across systems.

On January 19-20, 2006 the Office of Electricity Delivery and Energy Reliability, U.S. Department of Energy brought together an Energy Leadership Forum that enabled utility industries, federal, state and local government agencies in Tunica, Mississippi, to provide a forum in which participants could discuss the events and lessons learned from the Gulf Coast hurricanes of 2005. The event was conducted in collaboration from the Governors Association Center for Best Practices. The key states represented at the forum were: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee and Texas.

The Forum was formatted in to three “game periods”, with each game period focusing on one of the three key aspects of the Forum: preparedness, response and recovery. Prior to beginning each game period, vital statistics for the time period being covered such as Gulf oil and natural gas production, number of electricity outages and actions taken by local, state and federal governments and government agencies.

Ultimately, all participants walked away with some very clear messages. First, every one, individually and collectively as companies and agencies did the very best they could, and they did a lot of things extremely well. No affected party can deny the interconnectedness, and interdependencies of our agencies, companies and infrastructures. Communication can never be too efficient, and that is something that was not done as well as it could have been done during the hurricane season of 2005. Finally, this was a learning experience from which all participants will take away best practices, and lessons learned so that we can all be more effective the next time we are forced to face such a natural disaster.

#3 Conducting tabletop exercises to help federal and state homeland security and energy officials determine roles and actions for various emergency scenarios.

Over the course of this grant, NGA Center staff from the Environment, Energy and Natural Resources Division and the Homeland Security Division, attended or otherwise supported five table top exercises. These regional tabletop exercises were designed to bring together state homeland security and state energy officials to coordinate and interact with federal partners. Experts in the area of emergency
management and energy helped the participants work through the various exercises, assessing performance, and suggesting alternatives to improve security and efficiency of response. They also enabled DOE to education states on topic such as developing an energy assurance plan, harmonizing approaches to controlling price volatility, implementing reliability standards, understanding short and long-term energy outlooks and fuel diversification, and capitalizing on DOE’s research and development activities.

#4 Providing education on topics such as developing an energy assurance plan, harmonizing approaches to controlling price volatility, implementing reliability standards, overcoming “seams” issues, understanding short and long-term energy outlooks and fuel diversification, and capitalizing on DOE’s research and development activities.

To help governors ensure the security of the energy infrastructure in their states and respond effectively to energy emergencies, the National Governors Association Center released A Governor’s Guide to Energy Assurance. As the chief executives of their states, governors are responsible for preparing for and responding to energy emergencies within their borders.

The Governors Guide provides governors and other state officials with an overview of the nation’s energy sector and its general vulnerabilities; a discussion of the roles and responsibilities of state and federal governments and the private sector in planning for and responding to energy emergencies; and recommendations—based on state experiences—for ensuring energy supply and reliability; as well as how to respond effectively to energy disruptions. Effective practices have been identified in several states across the spectrum of energy assurance, including preparedness/mitigation, response and recovery.

#5 To ensure coordination and a regular forum for discussion, the Center will conduct virtual meetings via conference call, web-casting, etc., on an as-needed basis with states, the Department of Energy, and our representative organization partners. Topics will be determined based upon input from stakeholders and partnering organizations. These meetings will serve as a conduit for information sharing between and among states.

Specific deliverables completed under this task included:

Publish newsletter articles on state activity in the area of energy assurance. The articles appeared in the Center for Best Practices’ “Front and Center” newsletter and in the Homeland Security and Technology Division’s weekly homeland security newsletter. During the project period, the NGA Center published the following energy assurance-related articles:

- New CyberSecurity Standards to Protect Nation’s Electrical Grids
- Storm Damage Still Affecting U.S. Oil Markets
- Five Midwestern States Announce Transmission Planning Initiative
- Nation’s Gas Supplies Still below Normal Levels
- Damage to Gulf Refineries Limited, But Gas Supplies Affected
• Colorado to Launch Smart Grid in Boulder
• Hurricane Gustav Disables Power, Oil and Natural Gas Production
• Hurricane Ike Causes Largest Power Outage since Northeast Blackout of 2003
• Three Weeks after Ike, Oil Production Remains Shut-In
• Gas Shortages Continue in Wake of Gustav, Ike

Develop up to three fact sheets on energy assurance for use by governors and their staff. The fact sheets were posted on the Homeland Security and Technology Division’s Web site, under a page dedicated to state energy assurance planning. Fact sheets developed and posted during the project period included: a fact sheet summarizing the “Smart Grid” provisions of the Energy Independence and Security Act of 2007 and state actions to initiate grid-modernization programs; and a second fact sheet outlining Regional Electricity Transmission Planning, including a discussion of relevant provisions of the Energy Policy Act of 2005 and an overview of state activities related to regional transmission infrastructure.

Completed Projects


Deliverable#1: Establish a Working Group of Governor-appointed representatives to facilitate discussion among the states and between the states and DOE on issues related to energy efficiency, renewable energy as well as the integration of environmental and economic development programs. The NGA Center’s State Energy Efficiency and Renewable Energy Working Group (the Group) was formed in April 2007, per invitation from 2007-2008 Chair, Governor Pawlenty of Minnesota. Lead members of the Working Group were appointed by their governors. The Group is comprised of state energy officials, governors’ energy advisors and state agency and regulatory officials who have energy under their portfolio. The Group began with 31 states. A subsequent reissuing of the invitation in September 2007 added four more states, bringing total participation to 35 states.

The goal of the Working Group is to support states in their efforts to better understand energy efficiency and renewable energy trends, policies, and opportunities. The Working Group holds monthly conference calls with national experts to explore leading issues and discuss state best practices, and also exchanges relevant information via the NGA Center website and through the Working Group listserv. The conference calls also provide an opportunity for states to share updates on pressing issues and raise questions for group discussion. States wishing to explore how to tailor best practices to their own context can request follow-up technical assistance from the NGA Center. The NGA Center convenes and hosts the monthly calls.

Since its launch, the NGA Center has hosted and facilitated some 18 convening of the Group, by conference calls. Call of covered a wide range of clean energy and clean fuel topics and served as a forum for states to share information and progress related to these topics.
Deliverable #2: The Center will publish up to 3 Issue Briefs under a 3-year project period. The Center published 1 Issue Brief and one report under the project period. The Center researched and published an Issue Brief, State Strategies on Alternative Energy. As described in the scope this Issue Brief was designed to communicate information on emerging alternative energy policy areas to Governors and their staffs and was also a vehicle for disseminating new and innovative state and federal best practices. Research methods included first-person interviews with state policymakers/regulators and other experts, as well as reviews of existing information such as state legislation, regulations, state and/or regional planning documents and other relevant materials. The Issue Brief was publicized, distributed, and posted on the NGA Center website and emailed all Working Group members and to all states mentioned in the document.

In addition, the NGA Center produced other clean energy reports on fuels, power generation and research, deployment and demonstration. The report, Greener Fuels, Greener Vehicles: A State Resource Guide, provided states with a comprehensive look at a full range of current and future alternative fuels and vehicles including technological and infrastructure barriers to greater adoption. Under this deliverable, the NGA Center also started development of a Governor’s Guide to Clean Power and Efficiency. This report offers governors best practices and policy guidance on increasing clean power generation and promoting increased energy efficiency and conservation. We also began work a Clean Energy Research, Development, and Demonstration Guide that offers governors and states ideas and promising practices on how to foster a policy environment conducive to clean energy RD&D.

The Issue Brief, and these reports (which are mentioned in more detail below), were among the top-ten most popular downloads of all materials on the NGA Center’s website during 2007-2008.

Deliverable #3: Provide workshops for Governors’ senior policy advisors and Working Group members to share best practices and learn from experts how best to develop and promote energy efficiency and renewable energy programs. Under this task, the Center provided three workshops for Governors’ senior policy advisors and Working Group members to share best practices and learn from experts how best to develop and promote energy efficiency and renewable energy programs. The NGA Center sponsored or otherwise contributed to three policy workshops to bring together a cross-section of interested parties to engage a wider audience in dialogue around the project’s major focus areas. These Workshops – held in Delaware, Utah and Florida – identified common goals, and where possible, agree on a path forward. Agendas and locations for these workshops were vetted by DOE. Each is described below.

- Governors’ Energy Forum; Wilmington, Delaware. This meeting, which included an announcement of the formation of the State Energy Working Group, served as an initial resource for and convening of this Group. It presented state participants with information to help governors develop a comprehensive energy strategy that will provide both short- and long-term benefits. During the meeting eight panels considered some of the most salient energy issues faced by states today including: the future of fossil energy, electric siting and transmission, alternative transportation fuels, renewable energy development and energy efficiency. Representatives from twenty-eight states participated: Alaska, California, Connecticut, Delaware, Florida, Indiana, Iowa, Kentucky, Maryland,

• **Governors’ Energy Summit; Salt Lake City, Utah.** The Utah Energy Summit was attended by NGA staff, who also contributed to the planning of this meeting. The Utah Energy Summit began with a field hearing that explored state priorities for energy. The roundtable discussed challenges facing new energy development, carbon constraints and investments. Overall conclusions were that: state legislatures and regulatory commissions have yet to fully appreciate the costs of including renewable energy in the utility mix; transmission lines need to be built but that utilities are unable to attract investment when financial returns can't be guaranteed; and other key obstacles include inconsistent federal tax incentives, a global wind turbine shortage, cost increases for construction, materials and transportation. Participants concluded that all stakeholders must contribute to meeting the long-term demand for energy. In addition, a financing panel noted the ongoing uncertainty in energy investment and expert speakers stressed the need for the transmission grid to handle a diversified supply of electricity, the need to make sure the carbon capture and storage technologies are being funded and, finally, a need for guaranteed financial returns on investments, specifically transmission expansion.

• **Governors’ Summit on Alternative Transportation Fuels and Advanced Vehicles; Tampa, Florida.** The Governors Summit provided teams of high-level policy makers from 37 states with best practice information to develop comprehensive transportation programs. This Summit was kicked off by a Governors’ Roundtable with: Gov. Pawlenty, Gov. Sebelius, Gov. Crist, Gov. Schweitzer that challenged participants to develop recommendations for gubernatorial action. In addition to two days of expert panels and discussion, states participated in state-only break out groups that were provided to all meeting participants and posted on the NGA website, and included in a subsequent report. The meeting generated extremely positive feedback from participants and was followed by requests for technical assistance from a number of states. In another way to evaluate success, the press release from the summit was accessed nearly 1,000 times on the NGA website and news articles included coverage in 38 media outlets.

**Deliverable #4:** Provide tailored technical assistance to the states on promoting the development of renewable energy and energy efficiency program, upon request. Under this deliverable, the Center supplied Governors’ advisors with research, policy analyses and implementation support relating to energy efficiency and renewable energy programs and policies. This included seven memos covering topics including enhanced energy planning, clean energy policy (e.g., electricity generation, energy efficiency and demand response, alternative transportation fuels, and renewable power generation, etc.). In addition to memos, technical assistance efforts included emails and phone calls from NGA Center staff to state officials. States that were supported by NGA’s technical assistance efforts included: Colorado, Connecticut, Florida, Louisiana, Massachusetts, Maryland, Michigan, Minnesota, New Hampshire, North Carolina, Tennessee, Vermont, West Virginia.
In addition to direct technical assistance, the NGA Center launched the 2007-2008 Securing a Clean Energy Future Chair’s website. This site served as a high-profile way to share meeting materials, reports and other deliverables related to the energy efficiency and renewable energy goals of this cooperative agreement.

**Deliverable #5: Write articles for the NGA Center for Best Practices weekly e-newsletters.** The NGA Center highlighted some 400 innovative strategies, reports, polices, planning practices, programs and best practices on states, federal and private sector U.S. clean energy initiatives via the NGA Center’s *Front & Center* newsletter. This newsletter is published for Governors’ on a weekly basis and received by more than four hundred Governors’ policy advisors. It is an invaluable tool for disseminating best practices and successful policy implementation to states on a regular basis.

**Energy Assurance and Reliability**

**Project Purpose/Goals - ORIGINAL PROPOSAL**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Identify and facilitate a network of Governor appointed representatives to serve as the contacts for the Department of Energy (DOE) and for any multi-state entities, including regional transmission organizations (RTOs) and Independent System Operators (ISOs) in the event of a state, regional or national energy emergency.</td>
<td>Invited Governors advisors on energy, homeland security and emergency management to participate in DOE’s Energy Emergency and Assurance Coordinators (EEAC) system.</td>
<td>Distributed information on and invites to Governors office to join the EEAC.</td>
</tr>
<tr>
<td></td>
<td>Prepared list of invitees for DOE’s tabletop energy emergency exercises</td>
<td>Identified invitees and prepared distribution list for Governors’ energy, homeland security and emergency management advisors to participate in DOE’s tabletop energy emergency exercises (Operation Dark Sun in June 2004 and Operation Blue Sand in June 2005)</td>
</tr>
<tr>
<td></td>
<td>Communicated regularly with the States to identify key issues for discussion with DOE.</td>
<td>Identified and signed up to the EEAC more than 25 advisors to Governors offices on energy, homeland security, and emergency management.</td>
</tr>
<tr>
<td></td>
<td>Offered stipends to facilitate travel to and participation in DOE’s tabletop exercises on energy assurance and security.</td>
<td>January 2005, March 2005, April 2005</td>
</tr>
<tr>
<td>2. Conduct and participate in tabletop exercises to help federal and state homeland security, energy and emergency management officials determine roles and actions for various energy sectors.</td>
<td>Invited Governors advisors on energy, homeland security and emergency management to participate in DOE’s tabletop energy emergency exercises.</td>
<td>Identified invitees and prepared distribution list for Governors’ energy, homeland security and emergency management advisors to participate in DOE’s tabletop energy emergency exercise, Operation Dark Sun. Did one-on-one follow-up with Governors offices.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>January 2005.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>April 2004 - June 2004</td>
</tr>
</tbody>
</table>
### emergency scenarios.

- Sent invitations out to Governors’ offices and energy, homeland security and emergency management advisors to participate in DOE’s tabletop energy emergency exercise, Operation Blue Sun. Did one-on-one follow-up with Governors offices.

- Prepared and distributed report to Governor Daniels office on the success of Operation Blue Sand. The report was subsequently distributed to all “N-groups” involved with the tabletop exercise.

### 3. Provide education and disseminate information on topics such as developing state energy assurance plans, harmonizing approaches to controlling price volatility, and capitalizing on DOE’s research development activities.

- Informed Governors advisors of any DOE or “N-Group” reports or events regarding energy assurance and energy security.

- Invited Governors’ advisors on energy, homeland security and emergency management to DOE’s Summer Energy Outlook Conference; Summer Fuels Transportation Outlook, the Workshop on the Electricity Reliability Organization (ERO) as an International Organization - Issues Related to Regional Entities and Enforcement; distributed the National Infrastructure Protection Plan, etc.

- Distribute information on energy assurance and energy security through the NGA Center for Best Practice’s *Homeland Security: News from the States* weekly publication.

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 2005 - June 2005</td>
<td>Sent invitations out to Governors’ offices and energy, homeland security and emergency management advisors to participate in DOE’s tabletop energy emergency exercise, Operation Blue Sun. Did one-on-one follow-up with Governors offices.</td>
</tr>
<tr>
<td>June 2005</td>
<td>Prepared and distributed report to Governor Daniels office on the success of Operation Blue Sand. The report was subsequently distributed to all “N-groups” involved with the tabletop exercise.</td>
</tr>
<tr>
<td>March 2004 and ongoing</td>
<td>Informed Governors advisors of any DOE or “N-Group” reports or events regarding energy assurance and energy security.</td>
</tr>
<tr>
<td>March 2004 and ongoing</td>
<td>Invited Governors’ advisors on energy, homeland security and emergency management to DOE’s Summer Energy Outlook Conference; Summer Fuels Transportation Outlook, the Workshop on the Electricity Reliability Organization (ERO) as an International Organization - Issues Related to Regional Entities and Enforcement; distributed the National Infrastructure Protection Plan, etc.</td>
</tr>
<tr>
<td>Ongoing</td>
<td>Distribute information on energy assurance and energy security through the NGA Center for Best Practice’s <em>Homeland Security: News from the States</em> weekly publication.</td>
</tr>
</tbody>
</table>
4. Assist DOE, in conjunction with other “N-Groups” such as the National Association of State Energy Officials (NASEO), the National Association of Regulatory Utility Commissioners (NARUC), and the National Conference of State Legislatures (NCSL) in coordinating major program decisions with Governors’ energy, emergency management and homeland security advisors to ensure projects/decisions reflect input from these key stakeholders.

- Participated in conference calls and meetings with DOE and other N-groups on developing key activities and goals for state stakeholders.

- Participated in conference calls and face-to-face state stakeholder planning meetings with DOE and N-groups.

- Provided input on meeting agendas, exercise invitations and preparatory information, and state stakeholder activities.

<table>
<thead>
<tr>
<th>April 2005</th>
</tr>
</thead>
</table>

5. Share best practices with Governors’ energy, homeland security and emergency management advisors in a format most useful to Governors and their staff

- Prepared and distributed issue briefs and Governors guide on key issues of interest for Governors offices

- Draft Governors Guide on Energy Assurance and Security

| July 2005 |

### Energy Efficiency and Renewable Energy

**Project Purpose/Goals – 2006 Revisions**
In 2006, the Center revised to the 2006 scope of work that is described above, to amend and add, respectively, the following activities.

<table>
<thead>
<tr>
<th>Task</th>
<th>Deliverable Accomplished</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Established a Working Group of Governor-appointed representatives to facilitate discussion among the states</td>
<td>As mentioned above, budget realignment was necessary to launch the Energy Working Group. The Working Group is described above under Task 2.</td>
</tr>
</tbody>
</table>
and between the states and DOE on issues related to energy efficiency, renewable energy as well as the integration of environmental and economic development programs.

2. Update the NGA Center website. The primary goal of updating the NGA Center’s energy content website was to provide state leaders with tools and information resources they can use to implement clean energy solutions. The Center also used the website as a chance to post final materials meetings and reports described here.

As energy became a higher-priority issue for many states, the NGA Center provided new web updates in 2006. Please see the NGA Center’s Environment, Energy and Natural Resources Division for more information. Further, under the 2007-2008 Securing a Clean Energy Future, Chair’s Initiative, the NGA Center, developed a Chair’s website that helped further highlight key energy efficiency and renewable energy deliverables of this cooperative agreement. This new website is described above under Task four.

Project Purpose/Goals – 2007 Revisions

In 2007, the Center received an amendment to the 2006 scope of work that is described above. This revisions supported the Securing a Clean Energy Future the 2007-2008 NGA Chair’s Initiative that provided states with tools, guides and reports as well as high-profile, results-oriented convening of state policymakers. These resources were introduced above under Deliverable #2 but are described here in detail.

- **Production of the Greener Fuels, Greener Vehicles: A State Resource Guide** This Guide was presented to all governors at the opening plenary session of the NGA 2008 Winter Meeting (and subsequently mailed to all states). It provides states with a comprehensive look at a full range of current and future alternative fuels and vehicles including technological and infrastructure barriers to greater adoption. It also presents best practices states are using to address the three core challenges (bringing fuels to market, improving distribution systems and increasing the supply of alternative vehicles) through financial incentives, rules and mandates, purchasing power, and RD&D. (The report was released at the February 2008 Annual Meeting of the National Governors Association and a copy was provided to all governors attending the Annual Meeting. It is also available on the NGA website as well.

- **Initial development of a Governor’s Guide to Clean Power and Efficiency.** This report offers governors best practices and policy guidance on increasing clean power generation and promoting increased energy efficiency and conservation. Initial research and development of this report was supported by the 2007 amendment to this Cooperative Agreement. The report was released at the July, 2008 Annual Meeting of the National Governors Association and a copy was provided to all governors attending the Annual Meeting. It is also available on the NGA website as well.

- **Initial development of a Clean Energy Research, Development, and Demonstration Guide.** Opportunities for States in Clean Energy RD&D offers governors and states ideas and promising practices on how to foster a policy environment conducive to clean energy RD&D. This included
information on partnership opportunities with DOE labs, universities, and the private sector. It also included information on designing policy drivers aimed at drawing clean energy investment to states, and examining what role states can play in promoting clean energy RD&D. Initial research and development of this report was supported by the 2007 amendment to this Cooperative Agreement. The report was released at the July, 2008 Annual Meeting of the National Governors Association and a copy was provided to all governors attending the Annual Meeting. It is also available on the NGA website as well.

- **Launch of the Climate Savers Computing Initiative (CSCI) Partnership.** This state-industry partnership had states commit to purchase high efficiency computers and activate “power management” options that can cut electricity use from computers by 50 percent. Governor Pawlenty and Governor Sebelius became the first two governors to join the initiative and urged their colleagues to also join. Governor Ritter of Colorado, Governor Kulongoski of Oregon and Governor Granholm of Michigan subsequently joined the program. Further, the CSCI founders, Intel and Google, provide technical assistance to states. The NGA Center helped recruit states and catalog participation.

**Financial Status Report**
A final SF-269, was submitted as of 12/9/08 and is included with this Final Report