



American Recovery and Reinvestment Act of 2009 (ARRA) Opportunities for Counties in Energy Efficiency

NACO Presentation 4/16/09

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Introduction

- **The American Recovery and Reinvestment Act of 2009 (ARRA) provides billions of dollars in new funding for energy efficiency programs.**

Key contacts:

- **Department of Energy, in charge of stimulus:**
 - **Matt Rogers**
- **Energy Efficiency and Renewable Energy Office at DOE:**
 - **Gil Sperling**

Energy Efficiency and Conservation Block Grant

- **\$3.2 billion is provided for the Energy Efficiency and Conservation Block Grant (EECBG)**
 - EECBG had not previously been funded
- **\$400 million of the \$3.2 billion will be distributed through a competitive program among state, local and tribal entities**
 - Cooperative/coordinated proposals encouraged
- **Of the remaining \$2.8 billion, funds will be distributed:**
 - 68% directly to over 1700 of the larger cities in the U.S.
 - 16% through the states to counties of under 200,000 and towns of under 35,000
 - Funds must be distributed within 6 months of DOE approval of a plan
 - 12% directly to state energy offices for SEP
 - 2% for competitive program, likely to be added to \$400 million noted above
 - 2% available to tribes
- **Operated by the Office of Weatherization and Intergovernmental Programs (OWIP) under the Energy Efficiency and Renewable Energy Division at DOE (EERE)**
- **Contact your state energy office, and coordinate with your statewide Mayor's group**
- **DOE Funding Opportunity Notice (DE-FOA-0000013) (Issued 3/26/09), applications due for local governments 6/25/09**

State Energy Program

- **\$3.1 billion provided for State Energy Program (SEP)**
 - SEP received \$44 million in federal fiscal year 2008
 - Funds provided to state energy offices
 - Governors must send letter to Energy Secretary Chu regarding utility regulatory policies on energy efficiency and upgrading of building energy efficiency codes
- **Funding can be used for a wide variety of programs, projects & policies, including:**
 - Energy efficiency
 - Renewable energy
 - Alternative transportation programs
- **ARRA waived a 20% cost share for the states and also waived a regulatory provision that limited capital investments to 50% SEP funds.**
- **Operated by the Office of Weatherization and Invergovernmental Programs (OWIP) within the Office of Energy Efficiency and Renewable Energy (EERE).**
- **Find your state energy director at www.naseo.org [David Terry – dterry@naseo.org]**
- **DOE Funding Opportunity Notice (DE-FOA-0000052 Issued 3/12/09, initial state applications due 3/23/09 and comprehensive applications due 5/12/09)**

Weatherization Assistance Program

\$5 billion is provided for the Weatherization Assistance Program (WAP)

- **WAP received \$227 million in federal fiscal year 2008**
- **ARRA statutory changes:**
 - **Amount that can be spent on each home increased from \$2,500 to \$6,500, to allow more comprehensive energy efficiency measures to be implemented**
 - **Eligibility increased to 200% of poverty, from 150% of poverty**
- **Preference for community action agencies to serve as delivery agents for WAP, but to expand the program, local government coordination and/or delivery is expected**
- **National Association for Community Services Programs (NASPC) coordinates state-level program managers [Rebecca Stewart – rstewart@nascsp.org]**
- **National Community Action Foundation (NCAF) represents community action agencies**
- **DOE Funding Opportunity Notice (DOE-FOA-0000051 Issued 3/12/09, initial state applications due 3/23/09 and comprehensive applications due 5/12/09)** 5



Energy Star Appliance Rebates Program

\$300 million is provided to state energy offices to provide rebates to encourage consumers to purchase Energy Star appliances

- Program has not previously been funded
- **Contact your state energy office**

Smart Grid

\$4.4 billion is provided for investments in the “smart grid,” as authorized by Title XIII of the Energy Independence and Security Act of 2007 (EISA)

- **Expected to include advanced metering and demand response equipment, as well as other measures**
- **Funding open to utilities (including public power, cooperatives and investor-owned utilities) and “other parties” involved in smart grid development**
- **50% cost-sharing requirement, including regional demonstrations, utility scale energy storage demonstrations, etc.**
- **Operated by the DOE Office of Electricity Delivery and Energy Reliability**
- **Additional \$100 million allocated through this office for “Green Jobs” initiative**
- **Notice of Intent to Issue Funding Opportunity Notice 3/2/09 [DE-FOA-0000036] for regional demonstrations, utility scale storage demonstrations and synchrophasor demonstrations – target end of March 2009**

HUD Assisted Housing

\$2.25 billion is provided for the HOME Investment Partnerships Program at HUD

Funds are provided to state housing finance agencies for low-income housing

The program encourages funding for energy efficient and environmentally friendly designs

\$250 million is provided for energy retrofit and green investments for certain kinds of low-income housing

\$2.25 billion is provided more generally for project-based rental assistance

\$1 billion provided is provided for the Public Housing Capital Fund for competitive grants

Includes investments that leverage private sector funding or financing for renovations and energy conservation retrofit investments

Clean Cities and Plug-in Vehicles

\$300 million is provided for the Clean Cities Program

Program has previously been funded at much lower levels

Funds available to states, local governments and metropolitan transportation agencies for up to 30 geographically dispersed vehicle demonstrations

Supports alternative fuel vehicles, neighborhood electric vehicles, fuel cell vehicles, ultra low sulfur diesel vehicles, acquisition and installation of fueling infrastructure, etc.

50% cost-sharing requirement

\$400 million is provided for transportation electrification for local, metropolitan transportation agencies and state grants for qualified electric transportation projects

Can be used for truck stop electrification, etc.

Schools

- **No specific funding for energy efficiency in schools**
 - **Encourages schools to be modernized “consistent with a recognized green building rating system”**

Federal Buildings

\$4.5 billion is provided to the General Services Administration for high performance green buildings

\$3.24 billion is provided to the Department of Defense to “repair and modernize facilities, restore and modernize real property and invest in the energy efficiency of facilities”

\$1 billion is provided to the Veterans Administration of “non-recurring maintenance including energy projects”

\$220 million is provided for military construction energy projects

- **If you have any federal facilities in your service area, you may be able to work with those agencies**¹¹



ARRA Timelines

Energy Efficiency and Conservation Block Grant

DOE Funding Opportunity (DE-FOA-0000013) (Issued 3/26/09, revision 4/13/09)

- State applications due 5/26/09;
- Local government and tribal applications due 6/25/09;
- Notice issued yet – expected prior to 4/1/09 [\$3.2 billion]
- Operated by Department of Energy, Energy Efficiency and Renewable Energy Office
- 68% of Funds directly to over 1700 largest cities and counties;
- 16% through states to towns under 35,000 and counties under 200,000 and states must distribute within 6 months of plan approval;
- 12% to states; and \$400 million competitive (no announcement yet for competitive).

State Energy Program

- DOE Funding Opportunity Notice (DE-FOA-0000052) (Issued 3/12/09, amended 3/19/09)
- Initial state applications due 3/23/09 and comprehensive applications due 5/12/09 [\$3.1 billion]
- Operated by Department of Energy, Energy Efficiency and Renewable Energy Office
- Funds are distributed based upon performance
- Virtually all states, territories and DC have submitted Governors' assurance letters as of 4/7/09 (Governor of Alaska has turned down energy money).

Weatherization Assistance Program

- DOE Funding Opportunity Notice (DE-FOA-0000051)
- Issued 3/12/09; initial state applications due 3/23/09 and comprehensive applications due 5/12/09 [\$5 billion]
- Operated by Department of Energy, Energy Efficiency and Renewable Energy Office
- Funds are distributed based upon performance [<http://www.waptac.org>]



Energy Star Appliance Rebates Program

- No Funding Opportunity Notice issued yet [\$300 million]
- Operated by Department of Energy, Energy Efficiency and Renewable Energy Office

“Smart Grid”

- Preliminary Notice issued on 3/2/09 (DE-FOA-0000036, for regional demonstrations, utility scale storage demonstrations and synchrophasor demonstrations – Section 1304 - EISA),
- No Funding Opportunity Notice issued yet – expected prior to 4/17/09, with 30 day comment period and actual responses to solicitation no earlier than mid-June, 2009;
- Separate announcement for advanced metering and demand response equipment – Section 1306 - EISA [\$4.4 billion]
- Operated by Department of Energy, Office of Electricity Delivery and Energy Reliability

“Green Jobs”

- \$100 million through Department of Energy, Office of Electricity Delivery and Energy Reliability, and associated with “Smart Grid” (no announcement yet)
- \$500 million through the Department of Labor
- Up to \$1 billion for Training and Technical Assistance associated with the Weatherization Assistance Program

Energy RDD&D

- \$800 million for Biomass through DOE, Energy Efficiency and Renewable Energy Office
- \$400 million for Geothermal through DOE, Energy Efficiency and Renewable Energy Office
- \$256 million for Industrial programs through DOE, Energy Efficiency and Renewable Energy Office [Funding designated for combined heat and power (\$106 million), district energy systems, waste energy recovery, efficient industrial equipment and "Save Energy Now"] (preference will be given to projects that can "initiate implementation" within 120 days)
- Remainder of \$2.5 billion unallocated

“Clean Cities”

- DOE Funding Opportunity Notice (DE-PS26-09NT01236-04)
- Initial state/local consortium applications due 5/29/09 – Area of Interest 4[\$300 million]
- Operated by Department of Energy, Energy Efficiency and Renewable Energy Office

Transportation Electrification

- DOE Funding Opportunity Notice (DE-FOA-0000026)(Issued 3/19/09)(Application Due Date – 5/13/09)
- Grants to establish development, demonstration, evaluation and education projects to accelerate market introduction of advanced electric drive vehicles, especially including plug-in hybrid cars \$400 million for transportation electrification for local metropolitan transportation agencies and state grants;
- \$1.5 billion for battery development for hybrids and \$500 million for other components, such as electric motors, etc.(DE-FOA-0000028)(Issued 3/19/09, closing date 5/13/09).



Federal Loan Guarantees

- DOE has over \$42 billion, much of it since 2006.
- First announcement on 3/20/09 of a \$535 million loan for a solar energy development plant (Solyndra, Inc.); indications are that the process will speed up.

Resources

- <http://www.recovery.gov> (Government-wide sources)
- <http://www.energy.gov/recovery> (Department of Energy)
- <https://e-center.doe.gov>
- <http://www.treasury.gov/recovery> (tax issues)
- <http://www1.eere.energy.gov/informationcenter/> (1-877-EERE-INF)(1-877-337-3463)
- <http://grants.gov/GetStarted> (register)
 - In order to register directly, you will need to obtain a Dun and Bradstreet Number – Dun and Bradstreet Date Universal Numbering System (DUNS) site; Complete a Central Contractor Registration; Register with FedConnect.