The American Recovery and Reinvestment Act (ARRA) of 2009

### **Energy Efficiency and Conservation Block Grant Program**

Planning and Strategy Development for Local Governments

Office of Weatherization and Intergovernmental Programs

May 15, 2009

#### The American Recovery and Reinvestment Act (ARRA) of 2009

## **Energy Efficiency and Conservation Block Grant Program**

#### Speakers

**U.S. Department of Energy** 

Mark Bailey Johanna Zetterberg

**Guest Speakers** 

Eric Griffin, City of Dallas, TX Wendy Barrott, City of Fort Wayne, IN

#### **Facilitators**

Michael Myers, Lockheed Martin George Burmeister, Colorado Energy Group

#### The Purpose of This Webinar is to Provide You With:

- An overview of the EECBG Program
- A review of the eligible activities and examples of potential projects
- Guidance on the Energy Efficiency Conservation
   Strategy (EE&C Strategy) and;
- Guidance for successful program implementation

### <u>Agenda</u>

- EECBG Overview
- II. Eligible Activities and the EE&C Strategy
- III. City of Ft. Wayne
- IV. City of Dallas
- V. Additional Resources
- VI. Questions and Answers

### Secretary Chu on the Block Grants



"The Block Grants are a major investment in energy solutions that will strengthen America's economy and create jobs at the local level. The funding will be used for the cheapest, cleanest and most reliable energy technologies we have — energy efficiency and conservation — which can be deployed immediately. The grants also empower local communities to make strategic investments to meet the nation's long term clean energy and climate goals."

- Secretary Steve Chu

#### **EERE Recovery Act Funding Overview**

- EERE: \$16.8 billion (10-Fold Increase in Budget)
- WIP: \$11.6 B (70% of EERE Recovery Act Funds)
- WIP is the steward of significant investment in state, local, and tribal governments

<b>Weatherization Assistance</b>	\$ 5.0 B
State Energy Program	\$ 3.1 B
<b>EECBG Program Formula</b>	\$ 2.8 B
<b>EECBG Program Competitive</b>	\$ 400 M
<b>Appliance Rebate Program</b>	\$ 300 M

#### **Program Purpose**

- 1. To spur economic growth and create/retain jobs
- 2. To assist state, local, and tribal governments in implementing strategies to:



- a. Reduce fossil fuel emissions;
- b. Reduce total energy use;
- c. Improve energy efficiency in the transportation, building, and other appropriate sectors.



### Objectives

#### **Recovery Act**

- Spur economic growth and create jobs
- Transparency & accountability

#### **Strategic Energy**

- Save energy and reduce greenhouse gas emissions;
- Invest funds to stimulate economy now and meet long-term energy goals
- Create comprehensive energy programs/strategies with aggressive goals and benchmarks of current performance
- Develop programs and projects that will persist beyond grant period
- Leverage funds with public and private sources
- Coordinate across regions, states and local jurisdictions

# Funding Opportunity Announcement (FOA)

#### FINANCIAL ASSISTANCE FUNDING OPPORTUNITY ANNOUNCEMENT



U. S. Department of Energy

National Energy Technology Laboratory

Recovery Act - Energy Efficiency and Conservation Block Grants

- Formula Grants

Funding Opportunity Number: DE-FOA-0000013

Announcement Type: INITIAL

CFDA Number: 81.128 Energy Efficiency and Conservation Block Grant

Program (EECBG)

Issue Date: March 26, 2009

Application Due Date: For State Applicants Only: May 26, 2009

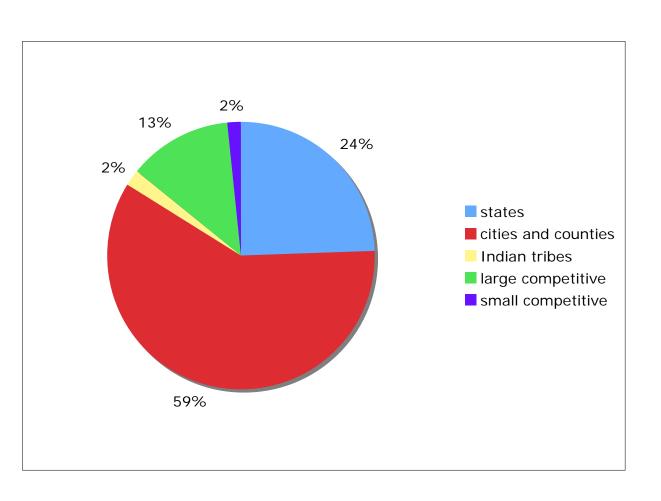
at 8:00:00 PM Eastern Time

Applicants are encouraged to submit their applications well before the due date.

For Units of Local Government and Tribal Applicants Only: June 25, 2009 at 8:00:00 PM Eastern Time. Applicants are encouraged to submit their applications well before this

due date.

### Appropriations: Total \$3.2 billion



#### **Formula Grants:**

**Cities and counties** \$1,880,310,000

**States** \$767,480,000

**Indian tribes** \$54,836,200

**Competitive Grants:** 

To come

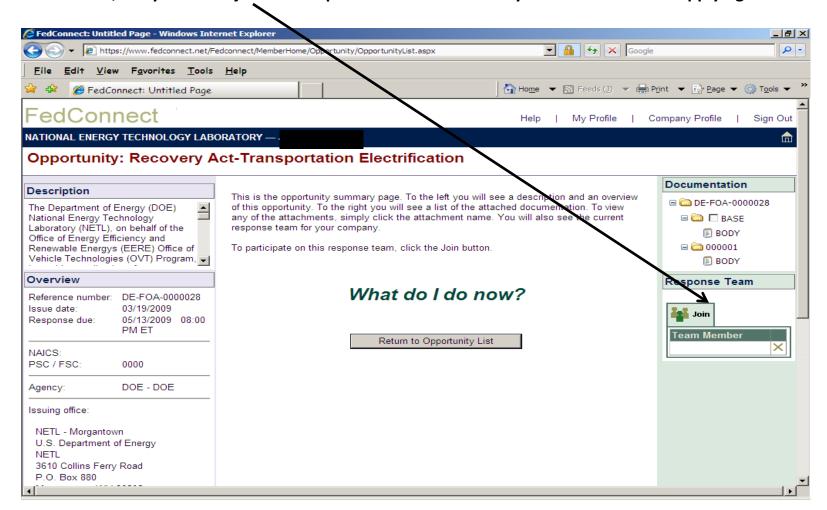
#### Application Deadline is June 25, 2009 8PM ET

- Obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number at <a href="http://www.dnb.com/US/duns update/">http://www.dnb.com/US/duns update/</a>
- Register with the Central Contractor Registration (CCR)\* at <a href="http://www.ccr.gov/">http://www.ccr.gov/</a>
- Register as a vendor with FedConnect \*. Once you are signed in, you MUST join the Response Team as a Team Member. <a href="http://www.fedconnect.net">http://www.fedconnect.net</a>
- Download the application package from Grants.gov and complete. From the main page, click on "Apply for Grants", then click on "download a grant application package" – use CFDA number 81.128. Once you download the application package, save it on your computer.
- Submit the application materials to FedConnect. http://www.fedconnect.net. In FedConnect, submitting your "response" is submitting your application.

\*Applicants who are not registered with CCR and FedConnect, should allow <u>at</u> <u>least 10 days</u> to complete these requirements.

For complete application information and program guidance, read the Funding Opportunity Announcement (FOA). <a href="http://www.eecbg.energy.gov">http://www.eecbg.energy.gov</a>

**CRITICAL STEP!** Join the Response Team. Not only do you have to be signed in to FedConnect, but you MUST join the Response Team for the FOA you are interested in applying to.



### Eligible Uses of Funds

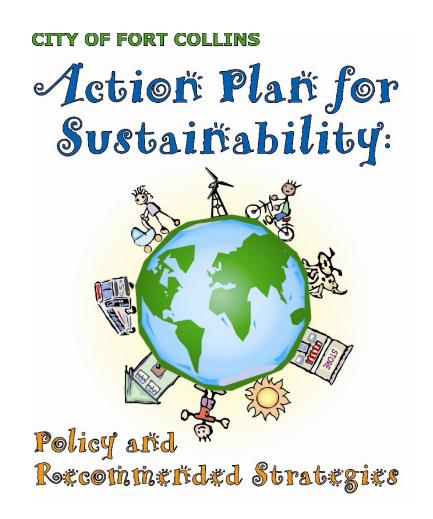
- Primarily for energy efficiency and energy conservation
- Community-wide; not just municipal buildings and facilities
- Don't have to do capital projects, can do programs
- Prioritize activities that pay dividends year after year
- Funds must be obligated within 18 months, expended within 36
- 1. Strategy Development
- 2. Building Energy Audits & Retrofits
- 3. Financial Incentive Programs
- 4. Energy Efficiency and Conservation Programs for Buildings and Facilities
- 5. Development and Implementation of Transportation Programs
- 6. Building Codes and Enforcement
- Energy Distribution Technologies for EE including CHP & district heating and cooling

- 8. Material Conservation Programs including source reduction, recycling, and recycled content procurement programs
- Reduction and Capture of Methane and Greenhouse Gases
- 10. Traffic Signals and Street Lighting
- 11. Renewable Energy Technologies on Government Buildings
- 12. Any Other Appropriate Activity

# What do you plan to do? Eligible activities Model EE&C Strategy

#### 1. Development of a Strategic Plan

- Opportunity to create/modify a community energy/sustainability/climate/clean energy economic plan.
- 2. Hold neighborhood meetings, develop goals and objectives. Determine your priorities.
- 3. Get assistance from DOE, its partners, or other regional or national associations.
- 4. If you DO NOT submit Attachment D with your application, you can receive up to \$250K to develop your EE&C Strategy.
- 5. If you DO submit Attachment D with your application, you can STILL conduct planning activities as an eligible activity.



#### 2. Technical Consultant Services

- Retain technical consultant services to assist in the development of an EE&C strategy
- Provide expert guidance to measure progress in achieving your goals
- Identify strategies to achieve goals
- Develop annual reports
- Other services for implementation



# 3. Residential and Commercial Building Energy Audits

- Fund city-wide residential energy efficiency audit program
- Provide small business audit and retrofit initiative
- Point-of-sale audit requirement
- Conduct benchmarking using tools such as Portfolio Manager



### 4. Financial Incentive Programs

- Create a revolving loan fund\*
- Amortize loans over long time periods
- Buy down interest rates
- Reduce costs through aggregation
- Provide on-bill financing
- Use Energy Saving Performance Contracts

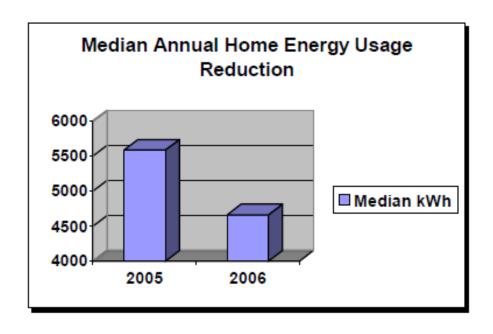


City of Ann Arbor Municipal Energy Fund

\*Cost cap for local governments: Greater of 20% or \$250,000

#### 5. Energy Efficiency Retrofits

- Fund residential, commercial, industrial, or local government energy efficiency facility retrofits
- Implement energy service company retrofit recommendations
- Conduct re-commissioning
- Conduct building retrofit training, including usage of diagnostic equipment, to identify areas of improvement, enhance maintenance practices, and identify new technologies



City of Houston
Pleasantville Weatherization
Program

### 6. Energy Efficiency and Conservation Program for Buildings and Facilities

- Initiate a neighborhood green-energy efficiency retrofit program for residents and local businesses;
- Provide free retrofits to low and moderate income residents and small businesses utilizing retrained displaced workers;
- Establish high performance building practices;
- Improve coordination of energy-related policies;
- Leverage HUD and DOE utility low income & Weatherization programs.



# 7. Development and Implementation of Transportation Programs

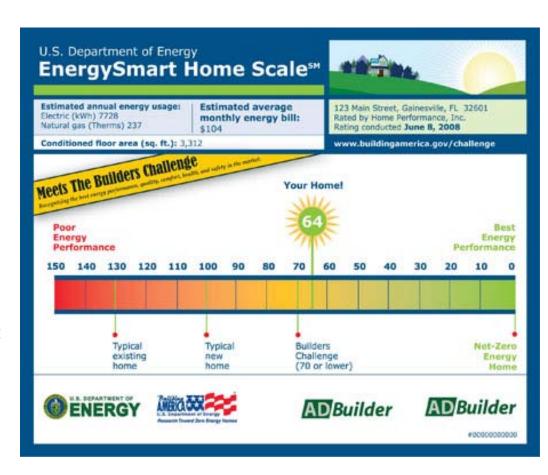
- Employee flex time programs
- Promote use of satellite work centers
- Develop and promote zoning guidelines that promote energy-efficient development
- Create regional transit-oriented development
- Establish alternative fuel polices and purchase alternative fuel vehicles
- Develop infrastructure such as bike lanes
   & walkways
- Create Incentive programs to reduce commutes



Metro Regional Government

# 8. Building Codes and Inspections to Promote Building Energy Efficiency

- Develop and implement building codes and inspection services to promote building energy efficiency
- Adopt advanced building codes that target energy savings of 30% or higher than current standards
- Provide advanced training to builders and/or installers of materials or systems required by new energy codes
- Promote high performance buildings:
  - Green Buildings
  - US DOE Builders Challenge
  - Net Zero homes



### 9. Energy Distribution Technologies

- Technologies that significantly increase energy efficiency
- Build an integrated system
   within the electricity grid
   consisting of thermal generation,
   energy storage, and energy
   management systems—such as
   combined cooling, heat and
   power (CHP)
- Install numerous, small standalone electricity generators to provide back-up power at designated locations as part of an energy assurance plan
- Develop policies and incentives to implement CHP



# 10. Material Conservation Programs that Lead to Energy Efficiency

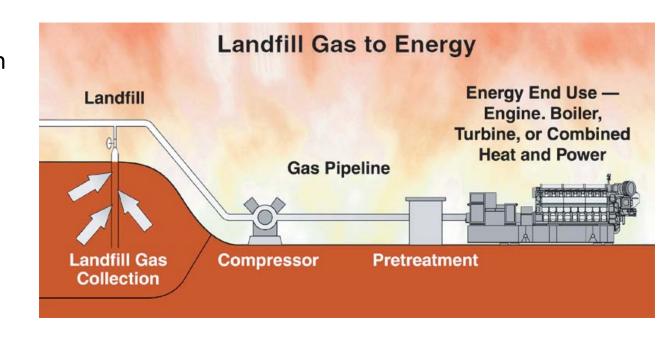
- Implement a Zero Waste Initiative that lead to increases in energy efficiency
- Implement a sustainable purchasing policy
- Conduct business and industrial waste audits
- Implement a construction and demolition (C&D) materials recycling program
- Implement activities to increase participation and efficiency rates for material conservation programs





# 11. Reduction and Capture of Methane and Greenhouse Gases generated by landfills or similar waste-related sources

- Purchase and implement technologies to reduce, capture, and use methane and other greenhouse gases such as a Landfill Gas (LFG) Project;
- Connect related power sources such as a wastewater treatment facility with a LFG operation.



### 12. Traffic Signals and Street Lighting

- Install and/or replace traffic signals and street lighting with energy efficient lighting technologies, including light emitting diodes; and any other technology of equal or greater energy efficiency;
- Implement traffic light synchronization.



# 13. Development or Implementation of On-Site Renewable Energy on Government Buildings

- Develop, implement, and install onsite renewable energy technology that generates electricity from renewable resources, including solar energy; wind energy; fuel cells; and biomass
- Develop a city-wide power purchase agreement for solar/renewable energy installations on all municipal facilities and buildings
- Install renewable energy systems on targeted city facilities—park facilities, libraries, fire stations, etc.



Moscone Center, San Francisco, CA

#### 14. Other Appropriate Activities as Approved

- Entities may submit any other appropriate activity for approval in the Energy Efficiency & Conservation Strategy
- Be innovative
- Propose and defend solutions that work for you

# Attachment D of the FOA

# ENERGY EFFICIENCY AND CONSERVATION STRATEGY

#### Two Options for Submitting EE&C Strategy

- Submit at time of application using Attachment D
- Submit within 120 days of application if you need time to plan
- If you DO submit Attachment D with your application, you can STILL conduct planning activities as an eligible activity.

#### **EE&CS**: Your Answers Should Address

#### **Question 1** – What is your Proposed EE & Conservation Strategy?

- Clearly identify the goals and objectives relating to the use of EECBG funds only.
- If you have an existing strategy, explain how EECBG funding will support it.
- Outline briefly the major milestones.
- Example: "This project, the Capital Improvement Energy Efficiency Retrofit Program, aligns with the eligible activity, Energy Efficiency Retrofits."

#### **Question 2** – What is Your Proposed Implementation Plan?

- Identify the eligible activities that programs and projects fall under.
- How do you plan to implement these activities?
- Relate response to Question 1 goals as appropriate.
- Example: "Under the eligible activity, Energy Efficiency Retrofits, the ESCO's energy audit serves as [County] county's implementation plan. We will use EECBG program funds to provide ..."

#### **Question 3** – How are You Working with Adjacent Units of Local Government?

- How are you coordinating with your neighbors?
- Example: [County] is a member of Regional Council which has convened meetings and held planning workshops for elected officials and staff for the purpose of setting regional energy reduction goals.

#### **EE&CS: Your Answers Should Address**

Question 4 – How Will You Share Information with Your State?

- Explain how are you sharing information with your State
- Example: "We plan to share information with our state by providing them monthly reports and inviting them to our monthly meetings."

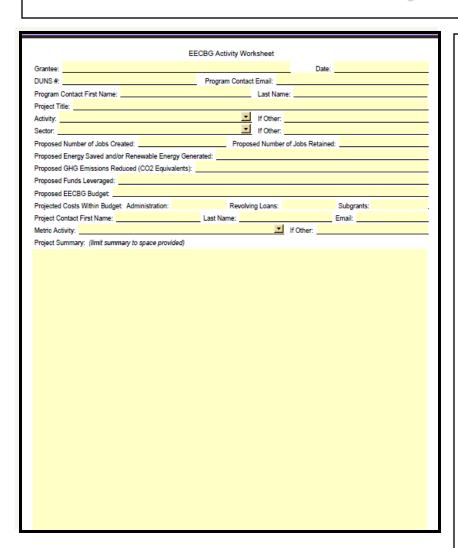
**Question 5** – Describe How the Project Sustains Benefits Beyond the Recovery Act Period?

- Describe how your eligible activities are yielding benefits beyond the three year funding period.
- Show how these funds are being treated as an investment in the community.
- Example: "Energy reductions and cost savings resulting from our activities will sustain over the lifetime of the installed equipment, with added assurance as a result of our city's regular maintenance and operations schedule..."

**Question 6** – How Will You Ensure Transparency & Accountability?

- What steps are you taking to prevent fraud, waste, error, and abuse?
- Example: "The Office director will be responsible for the plan development and implementation, and will regularly present budget and metric results to the city manager and city council. The Office director will work with the city's EECBG working committee of city, utility and public stakeholders to review the plan and provide for public input..."

### **B-1** Attachment -- Project Activity Sheet



- One activity per sheet
- Describe/summarize activity
- Proposed benefits are estimates only
- Be brief, clear and complete

### **Staged Disbursement of Funds**

Award Range	Amount Obligated	Requirements
\$0 to \$250K	100% of allocation will be disbursed at time of award.	No EECS is required prior to award, but EECS must be submitted within 120 days of the effective date of the award.
\$250K to \$2 million	Applicants may receive up to \$250K for development of the EECS and approved activities.	<ul> <li>If the EECS is not submitted with the application, it's required within 120 days of the effective date of the award</li> <li>The balance of the allocation will be obligated upon DOE's approval of the recipient's EECS.</li> </ul>
Over \$2 million	Applicants may receive up to \$250K at time of award for development of the EECS and approved activities or 50% of the total allocation if an acceptable EECS has been submitted with the application and has been approved by DOE.	The balance of funding will be obligated after one or more progress reviews in which the recipient must demonstrate that it has obligated funds appropriately, complied with reporting requirements, and created jobs.

## Limitations on the Use of Funds for Local Governments and Tribes

- Cap on administrative costs, excluding reporting: 10% or \$75,000, whichever is greater
- Cap on revolving loan funds: 20% or \$250,000, whichever is greater
- Cap on sub grants to non governmental organizations for assistance in implementation of strategy: 20% or \$250,000, whichever is greater

#### NEPA – National Environmental Policy Act

- NEPA requires federal agencies to base their major decisions on high quality environmental information
- All EECBG activities are subject to NEPA review
- Not all will be subject to the same levels of review
- Some proposed activities will likely qualify for categorical exclusions
- Others proposals will need an environmental assessment or an environmental impact statement, which could delay the award process and the ability of the grantee to obligate and expend program funds within the required timeframes
- More detailed information starts on page 18 of the FOA
- Need to consider NEPA when developing strategy

#### Start Now!!!

- Start planning activities and developing your strategy
- Meet with local stakeholders
- Look for opportunities to leverage funds
- Coordinate with other grantees to maximize impact
- Determine methods to monitor and manage funds to ensure accountability
- Evaluate options: Will this project be successful? Will this project make a difference? Will it save energy? Will it create jobs?

# Fort Wayne, IN

May 15, 2009



# Positioned for Success

- Green Ribbon Commission Report
- City Energy Policy specific goals
- Energy Baseline gov. ops and community
- Fully populated Portfolio Manager – civil
- Investment grade audit May 29
- Market Potential Study for EE
- Gas Energy Efficiency Initiative



# **Goals - Energy Policy**

- Reduce fuel use of City fleet 1% by 12/31/06 and 5% by 12/31/07
- Reduce fuel use of community 2% by 12/31/2007
- Increase the funding for public transportation 20% by 12/31/2009
- Create 25 miles of bike lanes by 12/31/2009 and 50 miles by 2012.
- Reduce the energy use of City buildings 10% by 2010 and 35% by 2015 baseline of 2003 adjusted for square footage increases or decreases.
- Implement renewable energy portfolio requirements for energy supply of 5% by 2010 and 20% by 2020.
- Increase the tree canopy on a year to year basis.
- Reduce community and commercial energy use 10% by 2010.

# Steps to

- Register on FedConnect completed
- Compare baseline (2003) with 2008
  - Compliance with GHG Protocol
- Embody existing goals into EECBG strategy - drafted
- Plan on submitting strategy with application



# **Project Activities?**

- Buildings
- Final decision after results of audit May
   29
- Maximize GESC with Block Grant to achieve 35% reductions

Drafting activity sheets for all possibilities

- Other possibilities
- Revolving loan
- EE programs partner with utilities and county
- Education and outreach
- Internal grants
  - Leverage other projects consistent with strategy

# Partnerships and Purpose

ARRA Planning Approach in the City of Dallas

## Preparation for ARRA

**January**: S.1 (Reid) introduced in the Senate (1/6/09); H.R. 1 (Obey) introduced in the House (1/25/09)

January 28: Dallas City Manager appoints staff to serve as program task force chairs

February 17: ARRA is signed into law

February-March: Task force strategy development; weekly updates

March 12-13: Interagency planning meetings

April 1: Stimulus funding action plan recommendation to Dallas City Council

**April-May**: Partner engagement; strategy detail; line-item budget preparation; program briefings to appropriate Council Committees

May 14-15: Interagency planning meetings

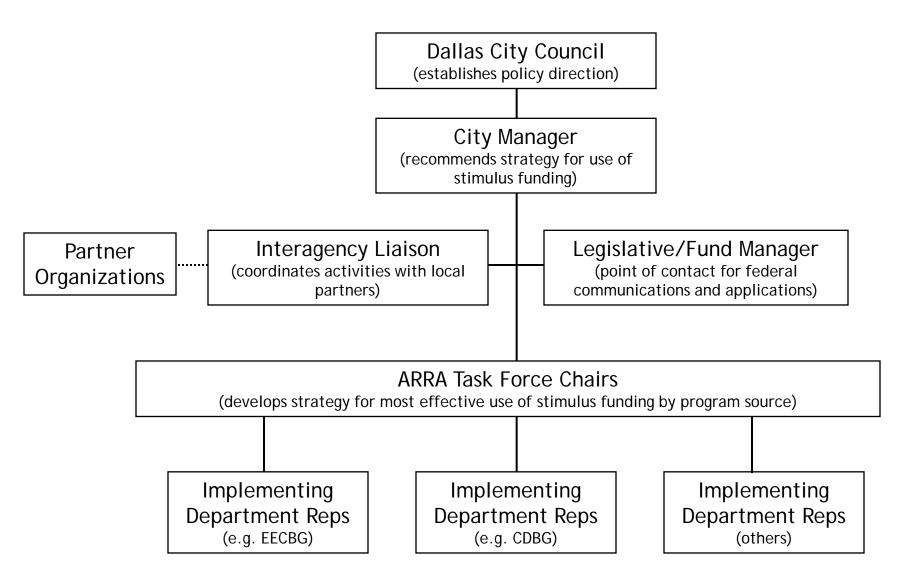
June: New Council swearing in; additional ARRA briefings; EECBG application

July: Council recess

August: Anticipated acceptance of EECBG formula awards

**September-October**: EECBG program implementation begins

## Internal Structure to Address ARRA



# **ARRA Primary Task Forces**

#### Formula:

<ul> <li>Internet Crimes Against Children</li> </ul>	DOJ
Byrne Justice Assistance Grant	DOJ
<ul> <li>Energy Efficiency &amp; Conservation Block Grant (also considered discretionary funding)</li> </ul>	DOE
Community Development Block Grant	HUD
Homeless Prevention & Rapid Re-Housing	HUD

## **ARRA Task Forces**

#### Discretionary:

U	isci etional y.	
•	Clean Cities Petroleum Reduction Technologies (through the regional Council of Governments)	DOE
•	COPS Hiring Recovery Programs	DOJ
•	State & Local Law Enforcement Assistance Program	DOJ
•	Byrne Memorial Competitive Grant	DOJ
•	Economic Development Administration	Commerce
•	Broadband Technology Opportunities Program	Commerce
•	Competitive Grants for Transportation	DOT
•	Firefighter Assistance Grants	DHS
•	SmartWay Clean Diesel Finance Program (through the regional Council of Governments)	EPA
•	National Clean Diesel Funding Assistance Program (through the regional Council of Governments)	EPA
•	Clean Diesel Emerging Technologies (through the regional Council of Governments)	EPA
•	Neighborhood Stabilization Program	HUD
•	Arts Projects and Programs	NEA
•	Clean Water Revolving Fund	State of Texas
•	Weatherization Assistance Program	State of Texas
•	State Energy Program	State of Texas

## EECBG Formula Funding: \$12.8M

#### Dallas Sustainable Communities Initiative (DSCI)

•	Weatherization/Energy Efficiency Upgrades	\$2.4M
	in Low-income Neighborhoods	

•	Community Gardens	\$300K
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#### City of Dallas Green Building Office

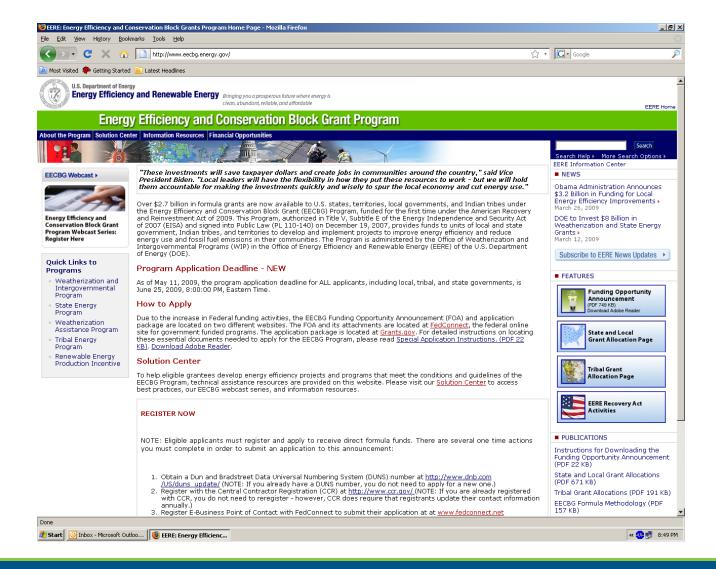
•	External Services:	Building Inspection	\$470K
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• Internal Services: Preventative Maintenance \$500K

21st Century Municipal Building Program

\$9.1M

## Bookmark Program Site: www.eecbg.energy.gov



## For More Information

- EECBG Solutions Center
   <a href="http://www.eecbg.energy.gov/solutioncenter/default.html">http://www.eecbg.energy.gov/solutioncenter/default.html</a>
- EECBG Program Page http://www.eecbg.energy.gov/
- EERE Recovery Act Activities
   <a href="http://www.eere.energy.gov/recovery/">http://www.eere.energy.gov/recovery/</a>
- Weatherization and Intergovernmental Program <a href="http://www.eere.energy.gov/wip/">http://www.eere.energy.gov/wip/</a>

#### **New Resources For Grantees**

- •EECBG Webinars:
  - Planning and Strategy Development
  - Application Process Wed May 20
  - •These will be repeated regularly
  - Register online
- Solution Center
  - Best practices and tools
  - Accessible from eecbg.energy.gov
- Coming soon
  - Technical assistance from DOE National Labs
  - Competitive grants FOA

#### EECBG Webcast >



Energy Efficiency and Conservation Block Grant Program Webcast Series: Register Here

## Questions?

Send your question in an email to <u>EECBG@NETL.DOE.GOV</u>

-Or-

- Contact the EERE Information Center
  - Submit questions online http://www.eere.energy.gov/informationcenter
  - Call via toll-free phone
     1-877-EERE-INF (1-877-337-3463)

# Thank You! Check the website for updates: www.eecbg.energy.gov