Energy Efficiency and Conservation Block Grant Program

Molly Lunn
Office of Weatherization and Intergovernmental Programs
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 Steven Chu
Recovery Act Funding Overview

- **EERE - $16.8 billion**
  - 10-Fold Increase in Budget

- **Weatherization & Intergovernmental - $11.6 B**
  - Steward of 70% of EERE Recovery Act Funds
  - Significant investment in State and Local Govt’s
    - Weatherization Assistance $ 5.0 B
    - State Energy Program $ 3.1 B
    - **EECBG Program Formula** $ 2.8 B
    - **EECBG Program Competitive** $ 400 M
    - Appliance Rebate Program $ 300 M
Program Purpose

• To spur economic growth and create/retain jobs
• To assist state, local, and tribal governments in implementing strategies to:
  1. reduce fossil fuel emissions;
  2. reduce total energy use;
  3. improve energy efficiency in the transportation, building, and other appropriate sectors.
Objectives

Recovery Act Objectives
• Spur economic growth and create jobs
• Transparency & accountability

WIP Objectives
• Save energy and reduce greenhouse gas emissions
• Invest funds for economic stimulus effect now and to meet long-term energy goals
• Create comprehensive energy strategies that benchmark current performance and set goals
• Develop programs and projects that will persist beyond grant period
• Leverage funds with public and private sources
• Coordinate at regional levels
Funding Opportunity Announcement

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 29, 2009 at 8:00:00 PM Eastern Time. Applicants are encouraged to submit their applications well before this due date.

www.eecbg.energy.gov
Appropriations: Total $3.2 billion

- Cities and counties: $1,863,880,000
- States: $767,480,000
- Indian tribes: $54,820,000
- Competitive grants:
  - Large competitive: $54,820,000
  - Small competitive: $398,000,000
- DOE technical assistance: $45,000,000
Tribal Eligibility

• As defined by section 541(4) of Title V, Subtitle E of EISA, for the purposes of the EECBG Program, “‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act.”

• Tribal Allocation is distributed among the 562 federally recognized Indian tribes, listed in Indian Entities Recognized and Eligible to Receive Services from the United States Bureau of Indian Affairs published by Department of Interior’s Bureau of Indian Affairs in the Federal Register on April 4, 2008, 73 FR 18553; and the 12 Alaska Native regional corporations established pursuant to the Alaska Native Claims Settlement Act (33 U.S.C. 1601 et seq.).
Formula Inputs

- The formula for Tribal governments is based on two weighted factors:
  - 75% tribal population
  - 25% climatic conditions in each tribe's state, derived from heating and cooling degree days.

- Formula methodology and allocations available on [www.eecbg.energy.gov](http://www.eecbg.energy.gov)

\[
A_i = \left\{ \begin{array}{c}
WF_1 \frac{P_i}{\sum P_i} + WF_2 \\
\sum \frac{HDD_s}{HDD} + 0.1 \frac{CDD_s}{CDD}
\end{array} \right\} F
\]
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
7. Energy Distribution Technologies for EE including CHP & district heating and cooling
8. Material Conservation Programs including source reduction, recycling, and recycled content procurement programs
9. 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
NEPA – National Environmental Policy Act

- NEPA requires federal agencies to integrate environmental values into their decision making processes by considering the environmental impacts of their proposed actions and reasonable alternatives to those actions
- All EECBG activities are subject to NEPA review
- Some activities will likely qualify for a “categorical exclusion” which means that neither an environmental assessment nor an environmental impact statement is required
- Some activities will need an environmental assessment or an environmental impact statement, which could delay the award process
- More detailed information starts on page 18 of the FOA
- Need to consider NEPA when developing strategy
Reporting and Measuring Success

- Outcome metrics:
  - Jobs created and/or retained
  - Energy saved
  - Renewable energy capacity
  - GHG emissions reduced
  - Funds leveraged

- Web-based reporting system under development
- Individual output metrics based on activity type
- Additional guidance will be released
Limitations on the Use of Funds

- 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
# Staged Disbursement of Funds

<table>
<thead>
<tr>
<th>Award Range</th>
<th>Amount Obligated</th>
<th>Requirements</th>
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<tbody>
<tr>
<td>$0 to $250K</td>
<td>100% of allocation will be disbursed at time of award.</td>
<td>No EECS is required prior to award, but EECS must be submitted within 120 days of the effective date of the award.</td>
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| $250K to $2 million| Applicants may receive up to $250K for development of the EECS and approved activities. | • If the EECS is not submitted with the application, it’s required within 120 days of the effective date of the award  
• The balance of the allocation will be obligated upon DOE’s approval of the recipient’s EECS. |
| 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. |
Applications Accepted Now

- For Tribal applicants deadline is June 25, 2009, 8:00:00 PM, Eastern Time
- There are several one-time actions you must complete in order to submit an application in response to this Announcement – Register Now
- Due to the increase in Federal funding activities, the FOA document and the application package are located on two different websites
  - The Funding Opportunity Announcement is located on https://www.fedconnect.net/FedConnect/
  - The application package is located on http://www.grants.gov/