



American Recovery and Reinvestment Act of 2009 (ARRA) Update Week of March 23 – 27, 2009

I. Overview

BCSE staff is providing Council members weekly and as needed updates on activity surrounding the program structure and funding implementation guidelines associated with the American Recovery and Reinvestment Act of 2009 (ARRA). For quick references on Department of Energy (DOE) programs and links to state accounts, the Council recommends visiting DOE's website, www.energy.gov/recovery/. A listing of DOE and other agency programs that will benefit from the stimulus law include:

Department of Energy (15 Programs)

1. Biomass from Energy Efficiency and Renewable Energy
2. Geothermal from Energy Efficiency and Renewable Energy
3. Energy Efficiency and Conservation Block Grants
4. Advanced Battery Manufacturing Grants
5. Alternative Fueled Vehicles Pilot
6. Transportation Electrification
7. Energy Efficient Appliance Rebate
8. Electricity and Energy – Smart Grid Investment
9. Fossil Energy Research and Development
10. Non-Defense Environmental Cleanup
11. Science
12. Uranium Enrichment Decontamination and Decommissioning Fund
13. Advanced Research Projects Agency – Energy
14. Innovative Technology Loan
15. Defense Environmental Cleanup

Program Funding Directly to Cities

Energy Efficiency and Conservation Block Grant

Department of Housing and Urban Development

Public Assisted Housing Stability and Energy Efficiency

Department of Labor

Green and Health Care Worker

II. Guidance Implementation Update

1. Last week the Council reported that DOE issued program guidance on the \$3.1 billion allocated for the **State Energy Program (SEP)** and the \$5 billion for the **Weatherization Program (WAP)**. Information on the agency's Funding Opportunity Notice for both programs was issued March 12, 2009 and can be found at: http://apps1.eere.energy.gov/wip/block_grants.cfm. Initial state applications are due March 23, 2009 and comprehensive applications are due May 12, 2009.

Discussion: As we understand it, states will get 10% of their allotment by April 1st. Another 40% will be made available when they spend half of the first payment and upon approval of state implementation plans. Another factor impacting distribution is whether Governors have submitted required Notice of Intent letters to the agency expressing interest in receiving the money.

2. ARRA will provide \$4.4 billion for investments in the “**Smart Grid**,” as authorized by Title XIII of the EISA of 2007. A Notice of Intent to Issue Funding Opportunity Notice was released on March 2, 2009. Please note that this is not the same as a Funding Opportunity Notice.

Discussion: The Council understands that the actual Funding Opportunity Notice is expected to come out by the end of March and will cover a portion of the funds, sec. 1304. Sec. 1306 funds on advance metering and distribution will require a separate Notice.

3. \$3.2 billion is provided to the **Energy Efficiency and Conservation Block Grant**, a new program authorized by the EISA of 2007. There are no DOE guidance notices on this program yet. It is likely that DOE will publish something by the end of March.

Discussion: The challenge for this new program will be how the agency and states handle accountability for small recipients.

4. Under ARRA, State and Local governments will receive substantial funding to implement energy efficiency initiatives in their jurisdictions. U.S. Environmental Protection Agency's (EPA's) ENERGY STAR department has been holding informational webinars on how to leverage ENERGY STAR resources. On March 18, a session was held covering information on:

- a. Opportunities in existing buildings for quick reductions in energy use.
- b. How EPA's Portfolio Manager (building energy tracking system) can be used to quickly and easily prioritize energy efficiency projects in buildings, measure progress, and verify/report results.
- c. How you can leverage the ENERGY STAR program to help create a self-renewing energy management program for the long term.

For more information Energy Star and ARRA, please visit: <http://www.energystar.gov/>

III. Key Agency Contacts

DOE Senior Advisor on Stimulus: Matt Rogers, Matt.Rogers@hq.doe.gov
EE/RE Office at DOE: Gil Sperling, Gil.Sperling@ee.doe.gov
National Association of State Energy Officials: David Terry, dterry@naseo.org
National Association for State Community Service Programs: Rebecca Stewart, rstewart@nascsp.org

IV. Helpful Web Sites/Phone Listings

DOE's Department of Energy Efficiency and Renewable Energy Office News List-serve:
<http://apps1.eere.energy.gov/news/subscribe.cfm>

DOE's Energy Information Center: 1-877-337-3463

For the State of New Jersey, Congressman Pallone (D-NJ) has developed an ARRA guidance document with information describing various federal agency programs and New Jersey state

programs and contacts, please see: <http://langevin.house.gov/pallone/pdf/Energy-Provisions-in-Recovery-Act.pdf>

V. ARRA Information and other Resources

Several webinars and other meetings offering information on ARRA have been held recently.

BCSE hosted Jeff Genzer during its weekly Federal Policy Committee meeting on March 17. Jeff is a partner with the Duncan, Weinberg, Genzer and Pembroke law firm and is counsel to the National Association of State Energy Officials (NASEO). He presented a very helpful overview of ARRA and its current implementation status. His presentation can be found on the BCSE website, Member-only area.

On March 18, ACORE presented a webinar on “What the Stimulus Means for Renewables: Viewpoints of Key Players.” Presentations can be found at: <http://www.renewableenergyinfo.org>

Additional information can be found on the Apollo Alliance website, www.apolloalliance.org. Key contact for the jobs portion of stimulus funding is Kate Gordon of the Apollo Alliance, Gordon@apolloalliance.com

VI. ASE Energy Efficiency Coalition

An energy efficiency coalition convened by the Alliance to Save Energy on March 13 has organized several subgroups to track issues related to the implementation of the stimulus legislation, including:

- 1) A subgroup to spearhead efforts to share information about state decoupling efforts via AGA and EEI websites;
- 2) A subgroup to follow up with DOE regarding the transparency of documents, and to request that state letters of intent, are posted on the recovery.gov website;
- 3) A subgroup to reach out to the Conference of Mayors on how municipalities can use stimulus funding;
- 4) A subgroup to request an immediate wage determination for weatherization contractors under the Davis-Bacon provisions. Davis-Bacon requires contractors to be paid the prevailing wage; however, there currently is no wage category for weatherization. The wage determination may create a bit of a catch 22 since it can take some time to get, but without it contractors cannot be hired; on the other hand efficiency projects may fail to meet a cost-effectiveness test if the prevailing wages are too high;
- 5) A subgroup to address issues related to efficiency in federal buildings, including non-GSA buildings; and
- 6) A subgroup to address issues related to job training.

For more information please contact Brad Penney, bpenny@ase.org.