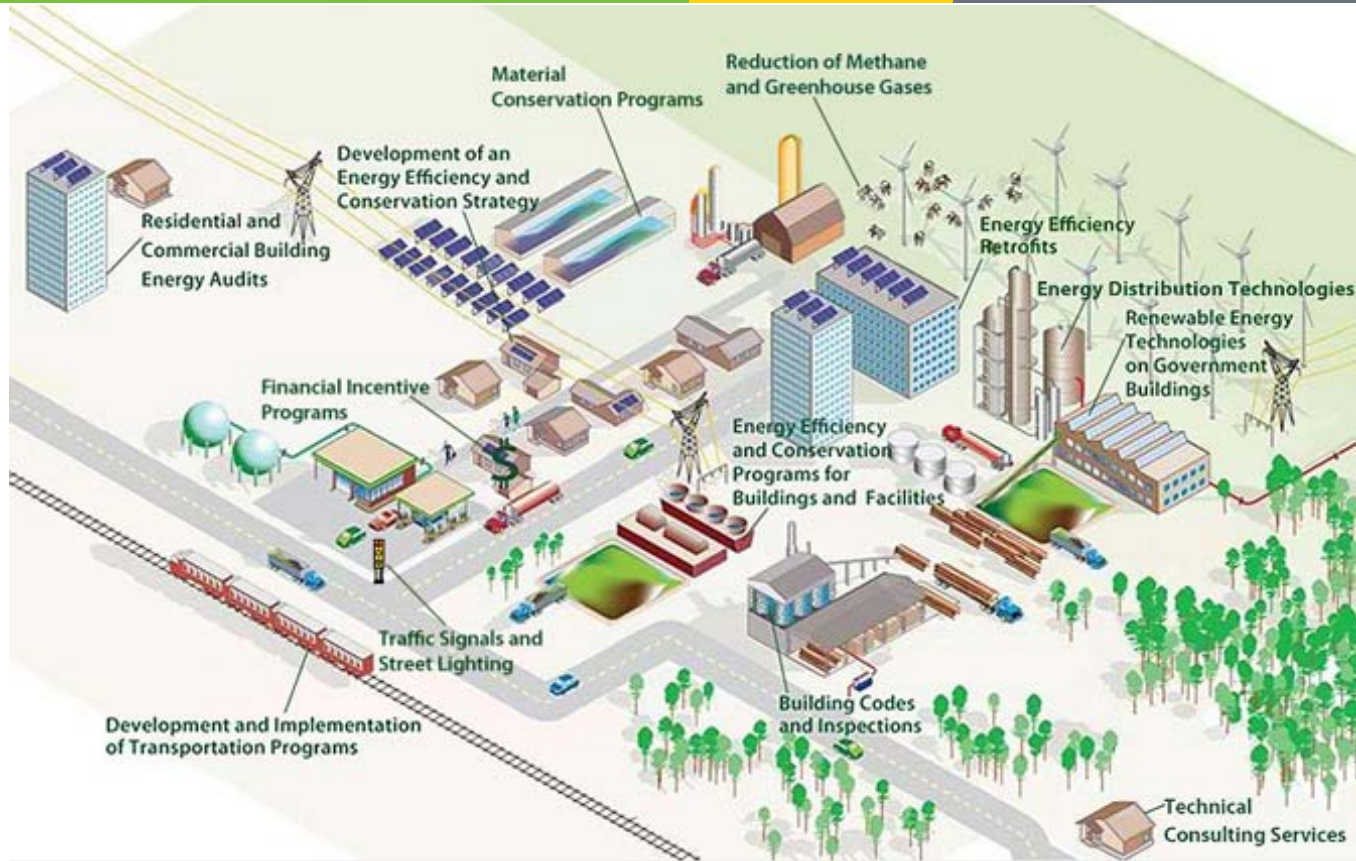


The Impact of the Stimulus Money on State and Local Government Spending on Efficiency: What We Know So Far



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NAESCO
Federal Market Workshop
March 19, 2010
Washington, DC

U.S. DEPARTMENT OF
ENERGY

Energy Efficiency &
Renewable Energy

- Drivers from the White House
 - Deploy the cheapest, cleanest, fastest energy source – energy efficiency
 - Pick up the fruit on the ground
 - Job creation and economic growth
- Focus
 - Built environment – homes/buildings use 71% electricity in U.S.
- Need
 - Deep market penetration
 - Comprehensive, deep retrofits in each home/building
 - Scale Up and replicate!



Office of Weatherization & Intergovernmental Program (OWIP)

- Steward of **\$11.6 B** in Recovery Act Funds
 - Weatherization Assistance Program (WAP) **\$ 5.0 B**
 - State Energy Program (SEP) **\$ 3.1 B**
 - EE and Conservation Block Grants (EECBG)
 - Formula Grants **\$ 2.7 B**
 - Grant Competitive Solicitation **\$ 450 MM**
 - Appliance Rebate Program **\$ 300 MM**
- 70% of EERE Recovery Act funds
- Game-changing investments in EE
- Leveraging the knowledge of State and Local Governments

- The Weatherization Assistance Program (WAP) reduces energy costs for low-income households by increasing the energy efficiency of their homes, while ensuring their health and safety.
- Operates in every state, District of Columbia, among Native American tribes, and U.S. Territories.
- \$350* average first year energy savings.
- Improves energy affordability making housing more affordable, reduces cases of homelessness and demand for public assistance.
- Weatherization returns \$1.67 in energy related benefits for every \$1 invested.

* Calculated 2009 ORNL/CON-493, ORNL/CON-484, EIA Annual Energy Outlook for 2009, EIA Short Term Energy Outlook.

Current WAP performance

- 100% Obligated to States (\$4.73 B).
- Spending at **\$610 MM (12.8% of state total)** on March 9.
- Spending and production expected to accelerate in spring months; winter weather slows production in many areas.

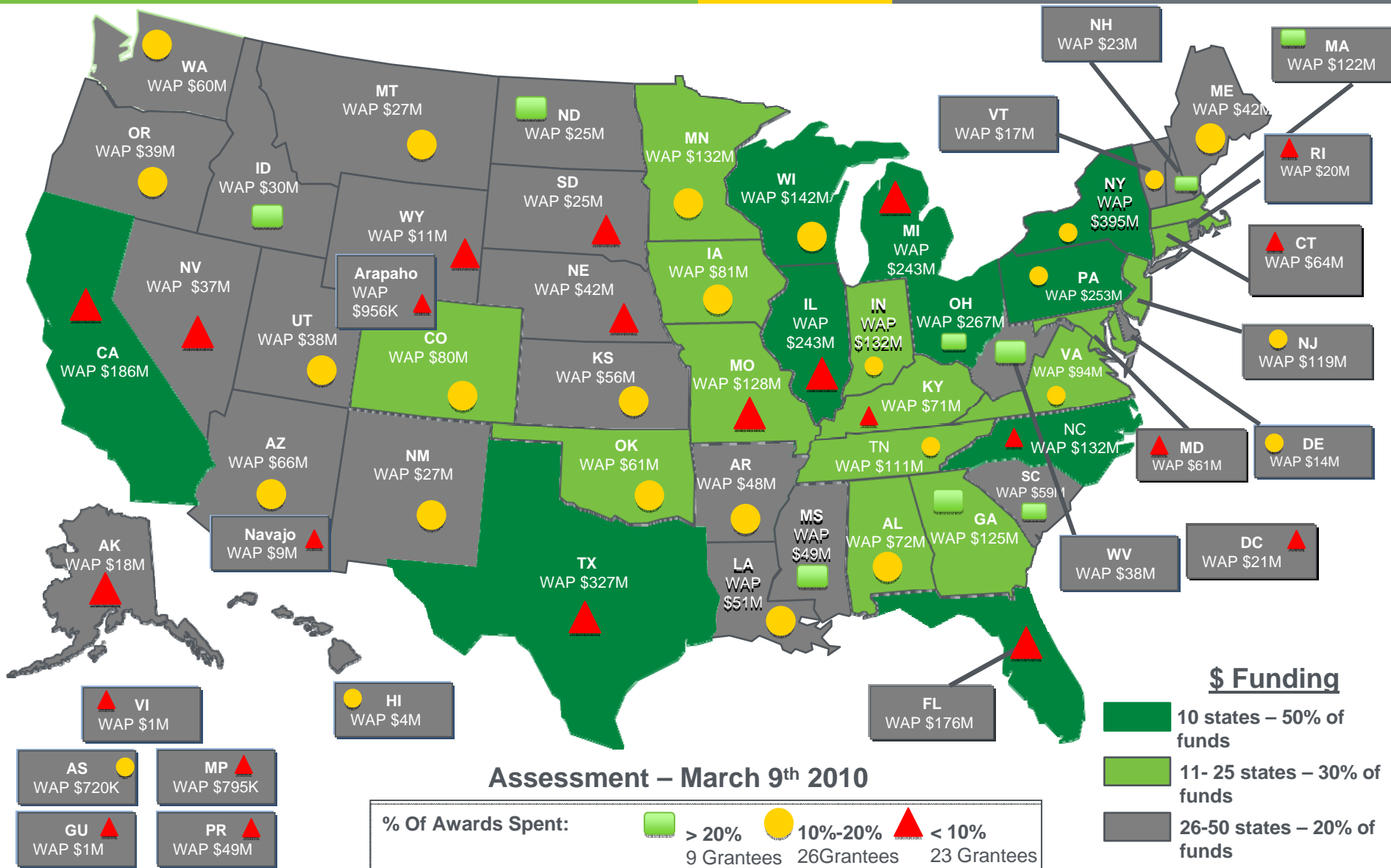
Unit Production:

- Reported total for units weatherized with ARRA funds thru **December 31, 2009 was 30,252**, with 22,770 (75%) in the Oct-Dec '09 quarter and 7,200 in July-Sep '09 quarter. **Indicates substantial ramp-up.**
- Estimated **January 2010** units weatherized: **15 - 17,000.**
- Estimated **February 2010** units weatherized: **16 - 18,000.**
- **Peak Production target is 25-30,000 monthly** to attain overall ARRA total of 593,000.

Monitoring:

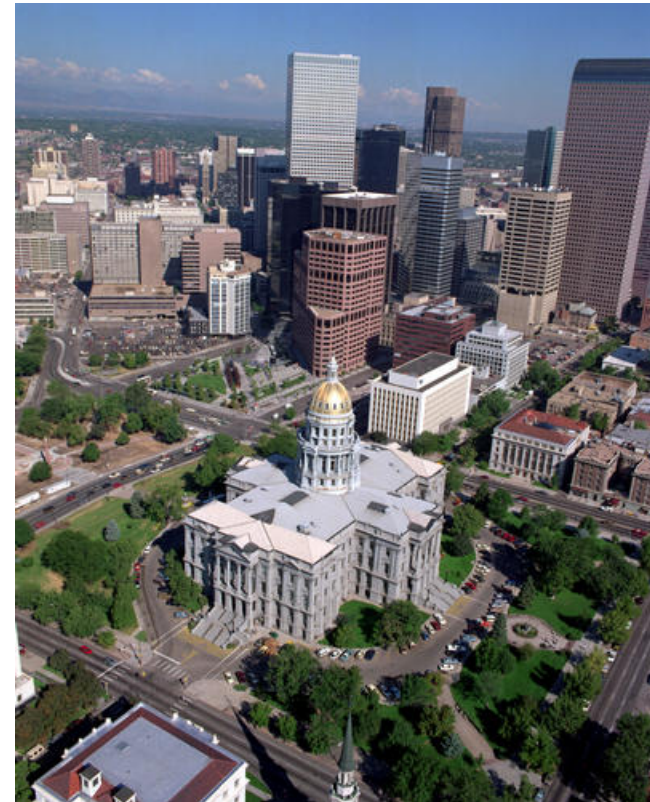
- Large-scale Quality Assurance and Quality Control operation (1,900 visits planned by April 30, 2009).

WAP Spending Indicates WAP Ramping Up Across the Country

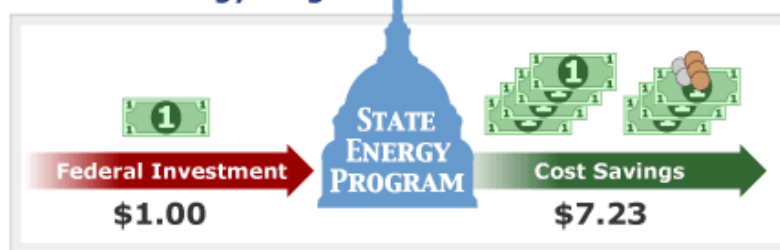


Overview

- Has supported 30 years of state capacity, project, and policy development with modest investments
 - **Average appropriation 2001 – 2006: \$41.5 million**
- Produces measurable benefits with highly leveraged investments
 - **Annual savings: 47 TBtus, \$333 million**
- Formula grants allows states to tailor solutions to their unique needs.
- Encourages significant private and state investment
- Recent focus on competition, policy assistance, and market transformation



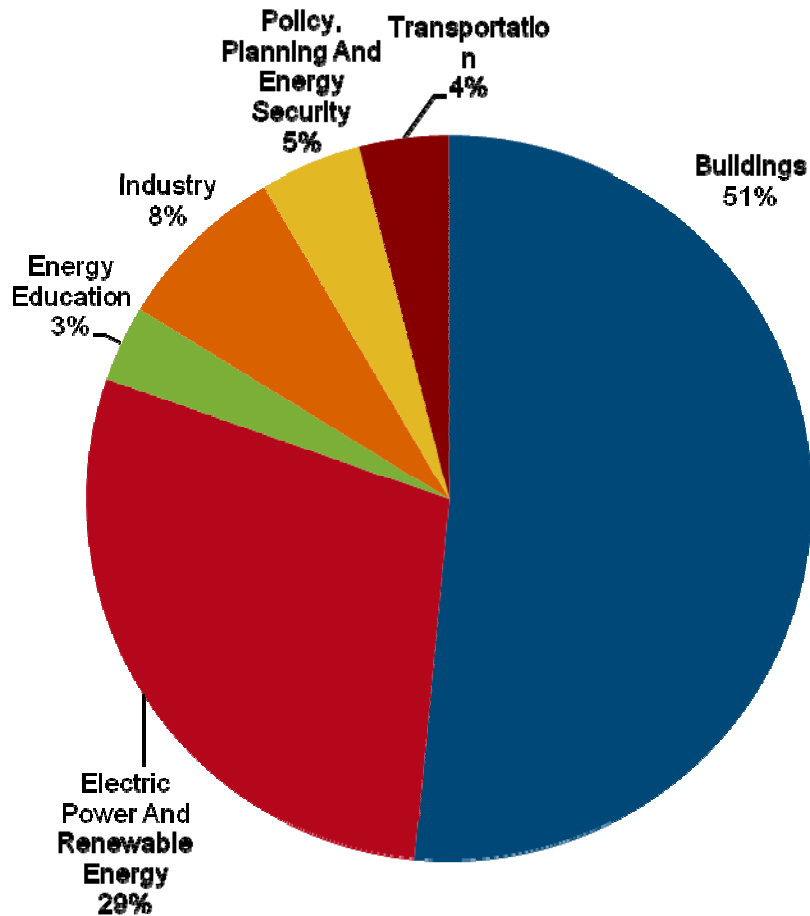
Cost Savings from
the State Energy Program



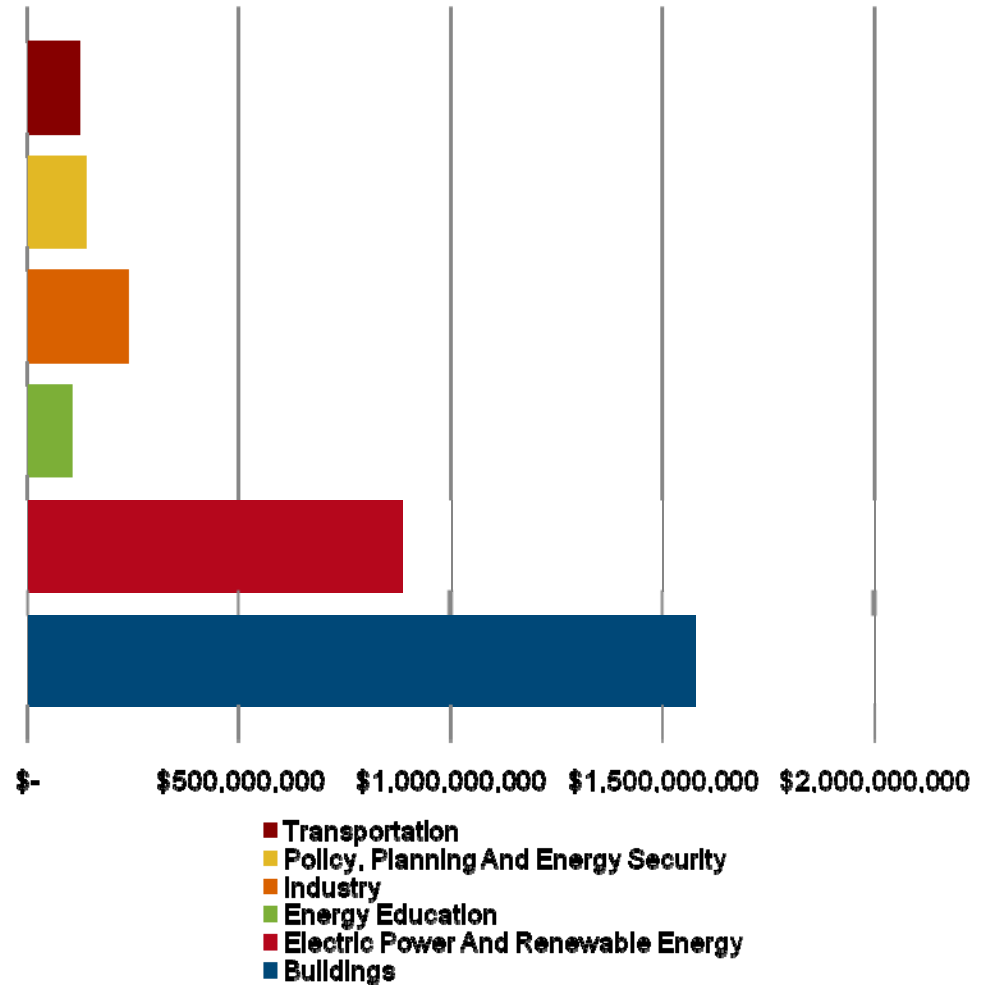
State Energy Program under the Recovery Act

Total: \$3.06 Billion

Total Funding: Market Share



Total Funding By Market Category



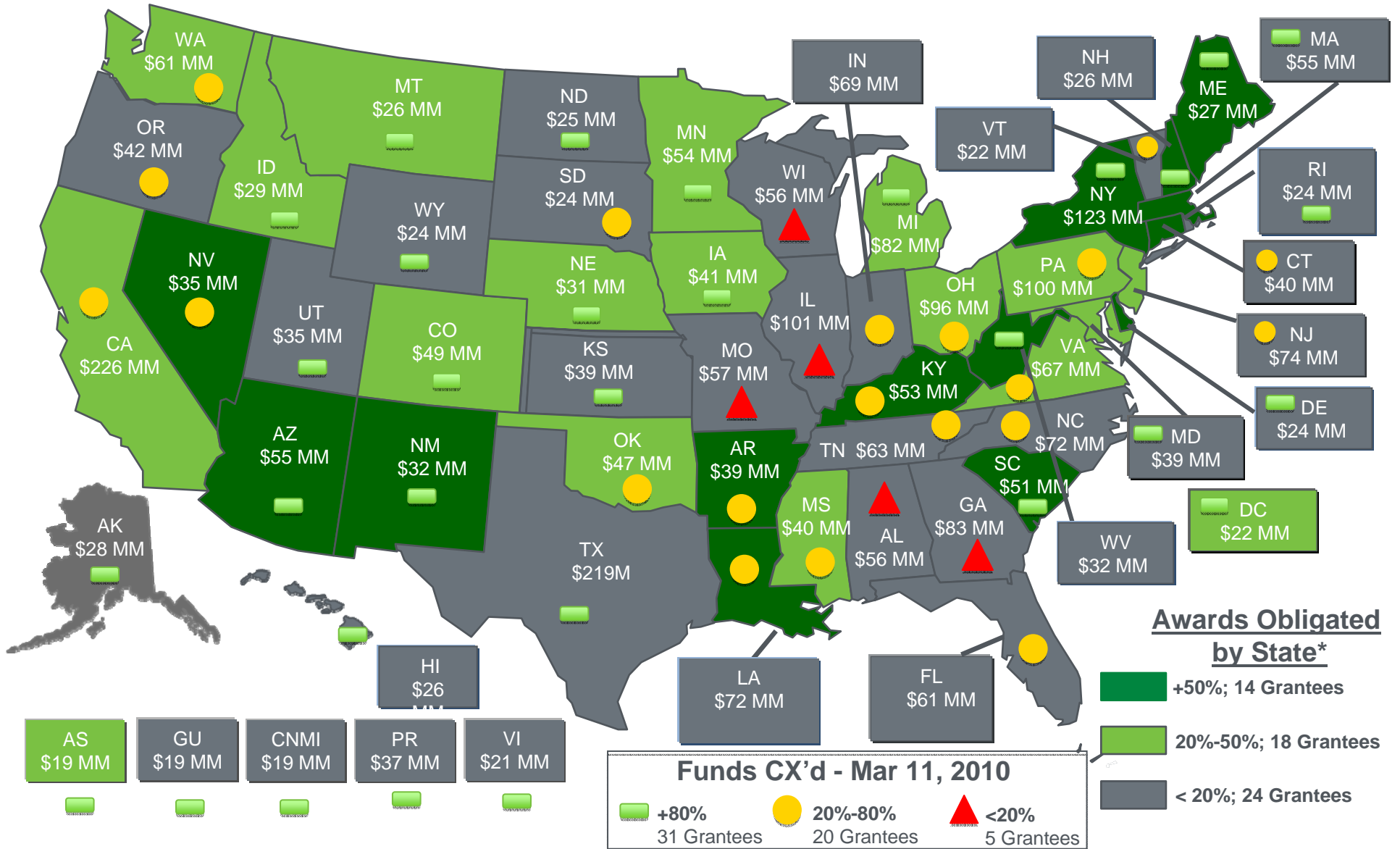
Current SEP performance

- Obligated: **\$3.07 B (100%)**
- CX'd: **\$1.9 B (62% of total)**
- \$958 M (31%) obligated by states — **on track to reach \$1B goal by March 31**
- \$90 M (2.9%) drawn down/costed by states

Driving SEP performance

- Monthly reporting begins March 30th for February 2010 performance
 - Outlays (Recovery Act funds)
 - Obligations (Recovery Act funds)
 - Building retrofits (number and sqft)
 - Renewable energy (number and kW)
 - Loans and grants (number and value)
- Operation Quickdraw
- NEPA swat teams at GFO and NETL
- New monitoring manual published last week

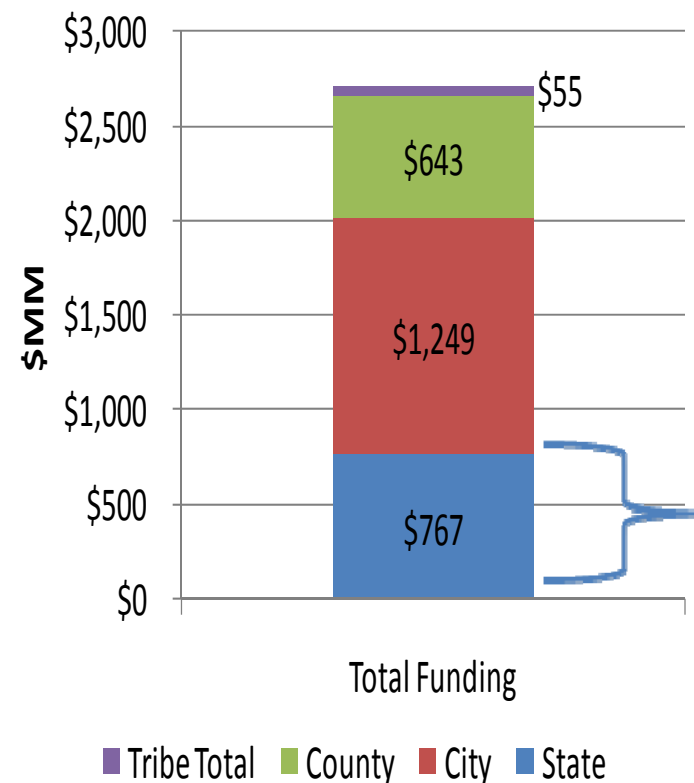
SEP: Amount of Awards Obligated by States Is Key Performance Metric



Energy Efficiency and Conservation Block Grants (EECBG)

- New program bringing together DOE and over 2,300 local communities for the first time
 - Local governments across the nation are leading the way
 - Empowering local communities to make strategic investments to meet the nation's long term clean energy and climate goals
- EECBG funds \$3.2 billion for 14 activity types
 - \$2.3/\$2.7 MM of formula grants awarded (2185/2359 grantees)
 - \$390 MM Retrofit Ramp-up Program for innovative models of whole-neighborhood retrofits
 - \$64 MM additional competitive awards

EECBG Grantee Allocations



Eligible Formula Grant Activities

EECBG Program Goals

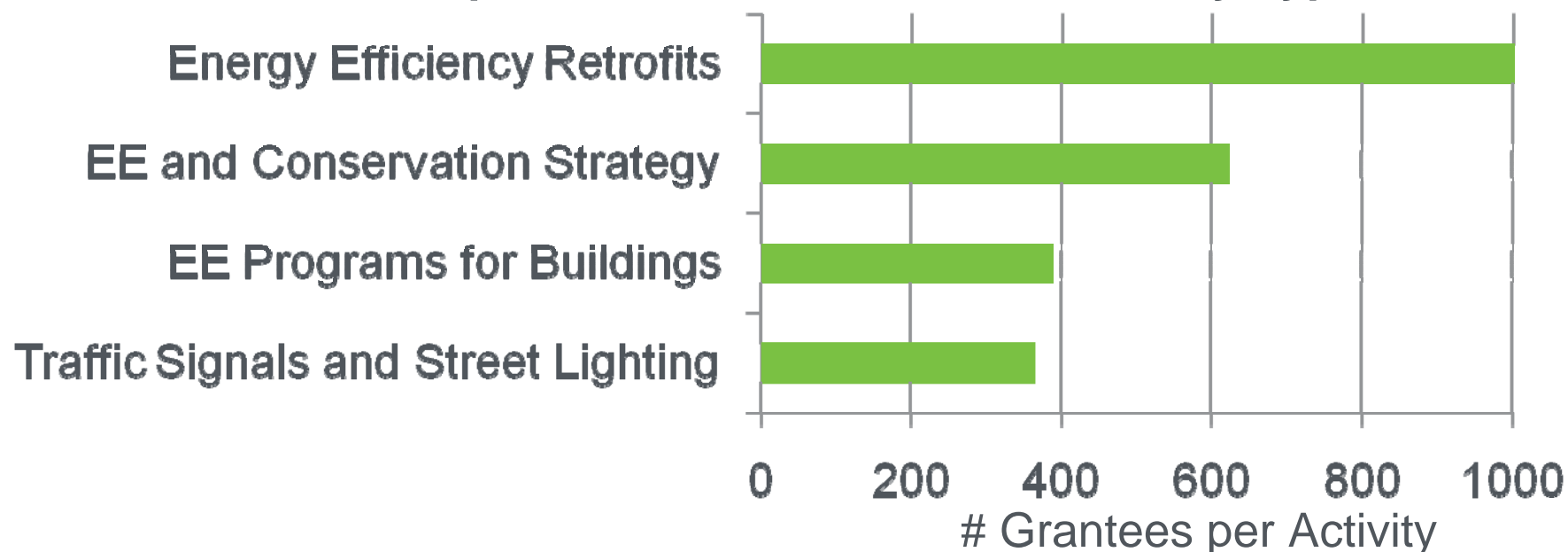
To assist state, local, and tribal governments in implementing strategies to:

- 1) Reduce fossil fuel emissions;
- 2) Reduce total energy use;
- 3) Improve energy efficiency in the transportation, building, and other appropriate sectors.

1. Development of an Energy Efficiency & Conservation Strategy
2. Technical Consultant Services
3. Residential and Commercial Building Energy Audits
4. Financial Incentive Program
5. Energy Efficiency Retrofits
6. Energy Efficiency and Conservation Programs for Buildings and Facilities
7. Development and Implementation of Transportation Programs
8. Building Codes & Inspections
9. Energy Distribution Technologies
10. Material Conservation Program
11. Reduction and Capture of Methane and Greenhouse Gases
12. Traffic Signals and Street Lighting
13. Renewable Energy Technologies on Government Buildings
14. Any other Appropriate Activity

EECBG Applicants Developed a Diverse Set of Proposals

Top 4 EECBG Formula Grant Activity Types



Examples of Additional Activities

- Energy Audits
- Building Codes and Inspections
- Renewable Energy Technologies on Government Buildings
- Development and Implementation of Transportation Programs
- Energy Distribution Technologies

Current Formula Grant performance

OVERALL SUMMARY	Total		
	#	\$	Funds %
Total Formula Allocation	2359	\$2,713,979,800	100.0%
Awarded (incl Strategies on hold)		\$2,686,590,142	99.0%
\$ Obligated		\$2,307,606,189	85.0%
\$ Not Yet Obligated		\$406,373,611	15.0%
Not Awarded	144	\$27,030,600	1.0%
Strategies not Awarded	396	\$361,591,059	13.3%
Unconditioned Funds		\$834,855,037	30.8%
\$ Costed	632	\$83,321,742	3.1%

- 99% of formula awards made—\$2.68 B of \$2.71 B total.
- \$2.3 B Obligated
- \$834 MM+ free of all conditions and fully available to be spent by grantees
- Conditions on Funding
 - include NEPA, waste stream historical preservation, and grantees identifying their sub-grantees and their projects, so those projects can go through NEPA review.
 - Strategies: 422 Strategies associated with \$389 MM
\$364 MM worth of strategies have been received
26 Strategies for \$27.8 MM have been awarded!

Driving Formula Grant performance

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- Applications were due December 14
- Two topic areas (Up to \$454 million total):
 - Retrofit Ramp-Up (up to \$390 million)
 - Whole-neighborhood building energy retrofits
 - 8 to 20 awards; \$5 million to \$75 million per award
 - 5:1 leveraging of funds targeted
 - States, territories, local governments and tribes of any size
 - General Innovation Fund (up to \$64 million)
 - Innovative approaches to the goals of EECBG
 - 15 to 60 awards; \$1 million to \$5 million per award
 - Formula-ineligible local governments and ineligible tribes
- Read the Funding Opportunity Announcement!
http://www.eecbg.energy.gov/about/competitive_grants.html

Competitive Retrofit Ramp-Up Program (R²)

- Up to \$390 million initiative to fund building retrofit programs that reach whole neighborhoods under EECBG
- 8-20 awards in range of \$5-\$75 million
- Applications received 12/14/09
- Under review now by independent experts



DOE seeks program models that:

- Are neighborhood-focused on existing buildings
- Deliver verified energy savings
- Achieve a high ratio of leverage (5:1)
- Are sustainable beyond exhaustion of grant funds
- Are replicable and scalable
- Include the support of multiple partners

http://www.eecbg.energy.gov/about/competitive_grants.html

DOE Providing Comprehensive Technical Assistance

Type of Technical Assistance

Technical Support

Building Retrofits – Performance Contracting

Financing

Program Design & Implementation

State & Local Capacity Building

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 - Contact info
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Spreading the Message: Success Stories

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Weatherization Helping Idahoans Save Green by Going Green

Pocatello, Idaho – Helen Humphreys never thought she could afford the upfront costs of making her home energy-efficient, but stimulus money helped her home get weatherized and lowered her energy bills. [Read More.](#)



Multimedia

Here you'll witness the first-hand stories of people like you who have taken the next steps toward a future of renewed prosperity. By pushing the limits of energy efficiency and renewable energy technologies and supporting some of America's most innovative businesses, we are saving American jobs and continuing to build a clean-energy economy that will improve the lives and reward the ingenuity of the American people.



Powering Up for Recovery in Michigan

Elizabeth Rolinski can't wait to reopen the factory she was once

Being energy efficient and using renewable energy isn't just a fad—it's a real force that's changing people's lives, putting people back to work, and helping rebuild America's economy. Here you can read more about the stories of the people who have been touched by these technologies.

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See Where These Stories Happen

[Energy Empowers Blog](#)

[Ohio town installing 'green' traffic signals](#)

Thank You

Claire Broido Johnson

Office of Weatherization and Intergovernmental Program
Office of Energy Efficiency and Renewable Energy
U.S. Department of Energy