

Louisiana Department of Natural Resources American Recovery and Reinvestment Act State Energy Plan May 2009

The Department of Natural Resources (DNR) State Energy Office has developed the following plan for distribution of the approximately \$71 million coming to Louisiana under the State Energy Program component of 2009 American Reinvestment and Recovery Act (ARRA -- stimulus bill).

The plan was developed in consultation with numerous stakeholders and to conform with all requirements of the U.S. Department of Energy (DOE) administered State Energy Program (SEP). As such, it seeks to maximize the energy efficiency and renewable energy benefits to all Louisiana citizens.

DNR submitted the proposed ARRA SEP plan to DOE on May 8, 2009. It is currently pending DOE approval. Further details are currently being developed for each of these programs and funding under the plan will not be available until DOE approval is received.

“LEAD BY EXAMPLE” ENERGY EFFICIENCY PROGRAM

Budget Amount = \$25,723,807.00

The Lead by Example program will provide funding for energy efficiency retrofits of state government buildings in response to Governor Jindal’s Executive Order No. BJ2008-8. The program will be administered under a Memorandum of Understanding between the Department of Natural Resources and the Division of Administration’s Facility Planning and Control (FPC).

FPC will select buildings to be retrofitted based on maximizing energy savings per dollar expended and timeliness of completion. Reducing state government energy costs provides a benefit to all citizens.

RESIDENTIAL/COMMERCIAL ENERGY EFFICIENCY PROGRAM

Budget Amount = \$15,170,450.00

This program has three distinct components.

1. The Commercial Energy Efficiency component is designed to encourage business owners to retrofit their commercial buildings. The program will offer cash incentives of 25% of the cost of cost-effective energy efficiency improvements up to a maximum

of \$5,000. An energy audit by a certified energy auditor or specially trained professional engineer will be required.

2. The New Residential Construction component is designed to encourage the building of new homes to a high level of energy efficiency. A cash incentive of \$2,000 will be offered for homes built to the Department of Energy Builder's Challenge level and a \$3,000 cash incentive will be offered for homes built to the more stringent federal tax credit level. This incentive can go to the builder, the developer, the home owner, or non-profit or for-profit that funds the construction. An energy audit by a certified energy auditor will be required.
3. The Existing Residential component is designed to encourage homeowners to improve the efficiency of their existing homes. This is an enhancement of the current DNR HERO program. Under the enhanced program, participating individuals will be offered a cash incentive of 25 % of the cost of cost-effective energy improvements up to a maximum of \$3,000. The incentive can go to the homeowner, or non-profit or for-profit entity that funds the improvement. An energy audit by a certified energy auditor will be required.

ENERGY STAR APPLIANCE REBATE PROGRAM

Current Budget Amount = \$2,638,339.00

This program is designed to encourage the purchase of Energy Star appliances. DNR will seek to maximize partnership opportunities with utility companies in order to implement this program. It is specifically designed such that it will not be exclusive to a few major retailers at the expense of small, local appliance and equipment stores.

It is expected that this program will be augmented by an additional \$4.2 million in future federal stimulus funding and an undetermined amount from participating utility partners.

TRANSPORTATION EFFICIENCY & ALTERNATIVE FUELS PROGRAM

Budget Amount = \$9,893,772.00

Alternative Fuels

The Alternative Fuels program will assist local communities in paying the differential costs between traditional mass transit buses, school buses and fleet vehicles and dedicated or converted compressed natural gas (CNG) vehicles of the same type. The program will pay up to 50% of the differential costs for dedicated or converted CNG mass transit or school buses up to \$50,000 each and dedicated or converted CNG fleet vehicles up to \$25,000 each. Additionally it will assist communities with equipment purchases for publicly-accessible quick fuel CNG fueling stations by funding up to 50% of the cost of four quick fuel CNG fueling stations up to a maximum of \$1.25 million

each. The program is a competitive grant program open to all Louisiana local government entities.

Transportation Lighting Efficiency

This program will pay up to 50 percent of the cost of deployment of light emitting diode (LED) traffic lights and energy efficient and photovoltaic street lighting. Improvements in lighting efficiency due to tremendous advances in lighting efficiency present some of the most cost-effective energy savings strategies for local governments. The program is a competitive grant program open to all Louisiana local government entities.

RENEWABLE ENERGY DEVELOPMENT GRANT PROGRAM

Budget Amount = \$9,893,772.00

The Renewable Energy Development Grant program is designed to encourage the deployment of commercially available, but as yet underutilized renewable energy resources. Some examples of these resources include hydrokinetic energy, biomass, solar electric, solar thermal and geothermal energy. The program will offer competitive grants to implement renewable energy projects in the state. An open solicitation will be issued and selection of projects will be based on established criteria.

EDUCATION, TRAINING, AND OUTREACH PROGRAM

Budget Amount = \$2,638,340.00

This program has five distinct components.

1. Energy Efficiency & Renewable Energy Teacher Training:

This component is designed to encourage Louisiana science teachers to include energy efficiency and renewable energy education in their classroom. Under the program 64 sets of equipment and materials (one per parish) for hands-on, interactive energy efficiency and renewable energy experiments will be developed and in-service training will be provided for approximately 640 teachers.

2. General Public Energy Efficiency & Renewable Energy Education:

This component will provide continuous information to Louisiana citizens on how to adopt cost effective energy efficiency technologies in their homes and businesses.

3. Home Energy Rater Equipment Grants

This component will provide grants for 50% of required equipment cost up to a maximum of \$5,000 for the first 100 individuals obtaining certification from the Residential Energy Services Network (a national standard) as certified residential energy auditors.

4. *General Program Outreach*

The program will be used to provide outreach to Louisiana citizens regarding their opportunity to participate in energy stimulus programs and assist the state in attracting and developing the workforce necessary to accomplish the program goals.

5. *Comprehensive Energy Plan for Louisiana*

The program will fund the development of a comprehensive energy plan for Louisiana.