

American Recovery and Reinvestment
Act of 2009

Energy Funding for California

Public Sector Funding Programs

April 1, 2009

South Coast Air Quality Management
District

Pat Perez, Assistant Executive Director
Economic Stimulus Program
California Energy Commission



Topics

- Governor's Executive Order S-02-09
- Creation of Interagency Federal Energy Stimulus Team (FEST)
- American Recovery and Reinvestment Act (ARRA) Energy-Related Funds
- Energy Commission Administered Programs
- Non-Formula Funds
- Energy-Related Tax Credits & Financial Incentives for Energy Efficiency
- More Information



Governor's Executive Order S-02-09 (March 27, 2009)

- Establishes California Recovery Task Force
 - Chief Deputy Director & Chief Operating Officer of the Dept. of Finance
 - Chief Information Office
 - Director of the governor's Constituent Affairs Office
 - Chief Deputy Director of Communications
 - Top ranking members of state agencies and departments



Governor's Executive Order S-02-09 (March 27, 2009)

- Ensure California receives optimal benefit
- Establishes systematic method for collecting information for the uses, status, outcomes and accountability of funds.
- Ensures public accessibility, provide transparency, conduct auditing and accountability of funds
- Establish inter-agency agreements within state government to pursue legislation, or both, to ensure necessary resources.
- Visit: www.recovery.ca.gov



California Recovery Task Force



Federal Energy Stimulus Team (FEST)
Lead: Governor's Office



Public and Energy Stakeholders

Energy Commission

CPUC

Air Resources Board

Department of Community Services and Development

Housing and Community Development

CalEPA

State, Regional and Local Governments

Academic Institutions, Organizations and Other Public and Private Energy Entities

Private Individuals



Federal Energy Stimulus Team (FEST)

- California State agency team to coordinate response to ARRA energy opportunities
 - Governor’s Office (lead)
 - Energy Commission
 - Department of Community Services and Development
 - Public Utilities Commission
 - Air Resources Board
 - California Environmental Protection Agency
 - Natural Resources Agency
 - Housing and Community Development Department



ARRA Energy Appropriations

- Total of \$42 billion
 - \$11.3 billion in formula-based funding
 - Efficiency
 - Renewables
 - Green Community Plans
 - \$30.7 billion in competitive and direct grant, loan and loan guarantee funds
 - Transportation
 - Transmission
 - Renewables
 - Research



ARRA Formula Energy Appropriations

- Total of \$11.3 billion in formula-based funding
 - \$3.1 billion State Energy Program (SEP)
 - Energy Commission will receive \$226 million
 - \$3.2 billion Energy Efficiency and Conservation Block Grant Program
 - California local governments (large cities and counties) will receive a direct award of more than \$302 million
 - Small cities and counties will receive about \$29 million through the Energy Commission
 - Energy Commission is will receive \$49.6 million



ARRA Formula Energy Appropriations

- Total of \$11.3 billion in formula-based funding – Cont'd
 - \$300 million nationally for Energy Star Appliance Rebates
 - California expected to receive \$30-50 million
 - \$5 billion for Low Income Home Weatherization
 - Department of Community Services and Development
Department will receive about \$186 million



ARRA Program Implementation Overarching Principles

- Accountability
- Transparency
- Verification
- Risk Mitigation



State Energy Program

- Energy Commission will receive \$226 million
 - Historically State Energy Program appropriations to California were \$1-3 million annually
- Types of activities allowed under State Energy Program
 - Implementing residential, commercial building, industrial and transportation energy efficiency programs
 - Expanding distributed generation, renewable energy and public education programs
 - Conducting any activity to improve energy efficiency, increase use of renewable energy or increase energy efficiency and economic development.



State Energy Program

- ARRA Direction
 - Expansion of existing energy efficiency programs
 - Expansion of existing programs, to support renewable energy projects and deployment activities,
 - Cooperation and joint activities between States
- Department of Energy guidelines released on March 12
 - Initial Application was submitted on March 23, 2009
 - Comprehensive application due May 12, 2009



State Energy Program

- Energy Commission Focus
 - Green Workforce Development
 - Nonresidential Building Efficiency Retrofits
 - Residential Building Efficiency Retrofits
- Public Workshops for Stakeholder Comments
 - Locations in Northern and Southern California
 - Tentatively Early May
 - Opportunity to Comment on Commission's Program Outlines



State Energy Program

- Criteria for developing program focus:
 - Effectiveness in stimulating the economy and creating or retaining jobs with “shovel-ready” projects
 - Achieving lasting and measurable energy benefits
 - Expending money efficiently, with accountability and minimal administrative burden
 - Contribution to meeting energy policy goals (increasing energy efficiency and expanding renewable energy)
 - Ability to leverage other federal, state, local and private financing



Energy Efficiency and Conservation Block Grant

- \$3.2 billion nationally
 - 68% to local governments (directly to cities > 35,000 and counties > 200,000 population)
 - 28% to state energy offices
 - 2% to tribes
 - 2% competitive grants
- California local governments will receive over \$302 million
- Energy Commission will receive \$49.6 million (and a portion goes to small cities and counties)
- Department of Energy guidelines released on March 27
 - State application due May 26, 2009
 - Local Government applications due June 25, 2009



Energy Efficiency and Conservation Block Grant

- Assist cities and counties in implementing energy efficiency and conservation projects and strategies to:
 - Create or retain energy jobs
 - to reduce emissions from fossil fuels created as a result of activities within the jurisdictions of eligible entities;
 - to reduce total energy use;
 - Develop renewable energy; and
 - to improve energy efficiency in the transportation, building, and other appropriate sectors.



Energy Efficiency and Conservation Block Grant (EECBG)

- Stakeholders should contact their local governments to get involved in planning EECBG funds in their city or county
- The FEST will be working with stakeholders to plan funds for the State-administered Block Grant funds



Energy Efficiency and Conservation Block Grant

- State funds for both state use, and for small cities and counties
- Energy Commission will develop guidelines for small jurisdictions
 - To fit with federal program guidelines
 - To fit within limits of California's AB 2176, focusing efforts on energy efficiency
- Plans to meet with small jurisdictions and their representatives for program planning



Energy Efficient Appliance Rebate Program and Energy Star Recovery Funding

- Authorized in Energy Policy Act of 2005
- \$300 million available nationwide
 - Estimated \$30-50 million to California Energy Commission
- Funding available to states with existing programs
- Provides rebates to residential consumers for purchase of Energy Star products to replace used appliances of the same type
- Rebates shall be used to supplement, not supplant existing funds
- Limited information available from DOE at this time



Weatherization Assistance Program

- Provides about \$186 million to provide additional free installation of weatherization measures that increase energy efficiency of dwellings occupied by low-income persons in California
- Eligibility increased to 200% of the federal poverty level
- Administered by the California Department of Community Services and Development
- For more information visit:
www.csd.ca.gov/recovery/recovery.aspx



ARRA non-Formula Energy Appropriations

- The Governor states that California will be the most competitive State in the nation in competing for ARRA funding
- Total of \$30.7 billion in competitive and direct grant, loan and loan guarantee funds
 - \$11 billion for Transmission
 - \$6.5 billion for new loan authority for Bonneville Power and Western Area Power Authority
 - \$4.5 billion for competitive smart grid demonstration projects
 - \$1.7 billion for Transportation
 - Clean Cities, Diesel Emissions Reductions, Electric Drive Vehicles



ARRA Non-Formula Energy Appropriations

- Total of \$30.7 billion in competitive and direct grant, loan and loan guarantee funds
 - \$6 billion for Renewable Energy
 - Renewable Energy Loan Guarantees
 - \$8.4 billion for Research
 - Clean Fossil Energy, Energy Efficiency and Renewable Energy Research, Advanced Battery Research



Energy – Related Energy Tax Credits and Financial Incentives

- About \$20 billion over 10 Years for:
 - Renewable Energy (\$14.8 billion)
 - Energy Efficiency (\$2.8 billion)
 - Transportation (\$2 billion)



For more information:

Visit the Energy Commission's website at:

www.energy.ca.gov/recovery

and sign up for List Server to receive timely
announcements

Federal Energy Website:

www.energy.gov/recovery

