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STATE OF CALIFORNIA

ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

In the matter of:	)	Docket: 09-OII-1
	)	
Developing Program Guidelines for Economic Stimulus Funding	)	ORDER INSTITUTING INFORMATIONAL PROCEEDING
	)	
	)	Order No. 09-603-30

I. AUTHORITY AND PURPOSE

Pursuant to Public Resources Code sections 25210, 25216(a) and (c), 25218(a) and (b), 25416(d) and (e), and 25450 - 25450.3, and Title 20, California Code of Regulations, section 1222(b), the California Energy Commission hereby adopts this order instituting an informational proceeding to gather information to develop guidelines that will govern the administration and award of federal funds received pursuant to the American Recovery and Reinvestment Act of 2009. The guidelines will focus on the Energy Commission's implementation of the State Energy Program (SEP) and the Energy Efficiency and Conservation Block Grant (EECBG) Program and will describe program objectives, eligibility requirements and limitations, available funding, evaluation criteria, and administrative procedures to apply for funding. The guidelines will be developed as part of a public process in coordination with the state's energy agencies, local governments, utilities and interested stakeholders and members of the public.

To the extent possible, the guidelines shall be developed on an expedited basis consistent with the purposes of the American Recovery and Reinvestment Act of 2009 and Governor Schwarzenegger's Executive Order S-02-09, which created the Federal Economic Stimulus Task Force.

II. BACKGROUND

The American Recovery and Reinvestment Act of 2009 will provide $787 billion in economic investment nationally. California could receive more than $50 billion for a variety of statewide programs. The California Energy Commission has been allocated $275.6 million for energy efficiency and renewable energy programs. Of this amount, $226 million is allocated to the SEP and $49.6 million is allocated to the EECBG Program.

The American Recovery and Reinvestment Act of 2009 directs states to focus SEP funding on energy efficiency and renewable energy programs. Specifically, the Act calls for expanding existing programs approved by the state or appropriate regulatory authority. Funds will be directed to energy efficiency retrofits of buildings and industrial facilities, and to support renewable energy projects. The Act also encourages use of funds for cooperative and joint activities between states to support these activities. The Energy Commission will use the SEP funds to implement various energy-related programs, including programs that implement building and industrial energy efficiency, establish and expand financial incentives or loans for energy efficiency, expand renewable energy and renewable energy programs, expand renewable distributed generation, promote regional cooperation, facilitate the sharing of best energy practices, and increase coordination with utilities, including promulgation of measurement and verification methodologies.

The purpose of the EECBG Program is to assist cities and counties in implementing projects and programs to reduce total energy use, reduce fossil fuel emissions, and improve energy efficiency in building and other appropriate sectors. The U.S. Department of Energy allocates the majority of the funds available through this program to cities with populations over 35,000 and counties with populations over 200,000. These large cities and counties must apply directly to the U.S. Department of Energy for program funding. Of the $49.6 million in EECGB Program funds allocated to the Energy Commission, 60 percent or approximately $29.7 million must be distributed to smaller cities and counties that are not eligible for direct grants from the U.S. Department of Energy. There are approximately 262 small cities and 31 small counties eligible for this funding. The remaining funds, approximately $19.8 million, are available for various energy efficiency and fossil fuel reduction activities as authorized by the EECBG Program and state law.

III. DELEGATION OF AUTHORITY TO AD HOC COMMITTEE

The Energy Commission hereby establishes an ad hoc committee to preside over the proceeding pursuant to Public Resources Code section 25211. The Committee shall be referred to as the Ad Hoc Committee on the American Recovery and Reinvestment Act of 2009. Chairman Karen Douglas shall serve as the presiding member of the Committee and Commissioner Arthur Rosenfeld shall serve as the associate member. The Committee may adopt additional procedures it deems necessary for the reasonable conduct of the proceeding.

Based on the information received during the proceeding, the Committee will develop guidelines for consideration and adoption by the Energy Commission. The guidelines shall be based on the Energy Commission's existing statutory authority as well as any subsequent statutory authority established after the adoption of this Order.

IV. PUBLIC PARTICIPATION

The Energy Commission encourages public participation in this proceeding. The Energy Commission has scheduled the first staff workshops on guideline development under this proceeding for:

June 5, 2009
1:00 to 3:00 p.m.
At the following locations
(All locations are Wheelchair Accessible)

Shasta College
1400 Market Street, Room #8220
Health Sciences and University Center
Redding, CA 96001

Riverside County Board Chambers
4080 Lemon Street
1st Floor
Riverside, CA 92501

Justice Joseph A. Rattigan State Building
50 D Street, Room 410
Santa Rosa, CA 95404

June 8, 2009
1:00 to 3:00 p.m.
At the following locations
(All locations are Wheelchair Accessible)

Eureka City Hall
531 "K" Street
Eureka City Council Chamber, 2nd Floor
Eureka, CA 95501

Tenth Street Place Chambers
1010 10th Street
Modesto, CA 95354

Monterey Peninsula College
980 Fremont Street
Lecture Forum 102
Monterey, CA 93940

The Committee is authorized to hold additional workshops and hearings to gather information needed to develop the guidelines. Any person present at any hearing or workshop shall be afforded a reasonable opportunity to make oral comments on the subject matter of this proceeding. **Petitions to intervene are not necessary**. Any person may file written comments on the subject of the proceeding and are encouraged to do so. Written comments must be received at the following address:

Docket Number 09-OII-1
Docket Unit
California Energy Commission
1516 Ninth Street, MS-15
Sacramento, CA 95814

The Executive Director shall ensure that this Order and notices of hearings and workshops are distributed to all interested persons and that drafts of any guidelines are made available sufficiently in advance of consideration by the Committee or the Energy Commission to allow timely participation. The initial distribution list for this proceeding shall be based on the California Economic Recovery list server, which was previously established by the Energy Commission.

The Energy Commission's Public Adviser, Elena Miller, is available to facilitate the participation of any person in this proceeding. For information on how to participate in this proceeding, please contact the Public Adviser's Office at (916) 654-4489 or toll free at (800) 822-6228, by fax at (916) 654-4493, or by e-mail at [pao@energy.state.ca.us]. Technical questions about the proceeding should be addressed to John Sugar at (916) 654-4563 or via email at [jsugar@energy.state.ca.us].

Date : June 3, 2009

STATE ENERGY RESOURCES
CONSERVATION AND
DEVELOPMENT COMMISSION

KAREN DOUGLAS
Chairman

Mail List Distribution: California Economic Recovery list server