



California Energy Commission
American Recovery and Reinvestment Act of 2009

STATE ENERGY PROGRAM

Clean Energy Business Financing Program Guidelines Workshop



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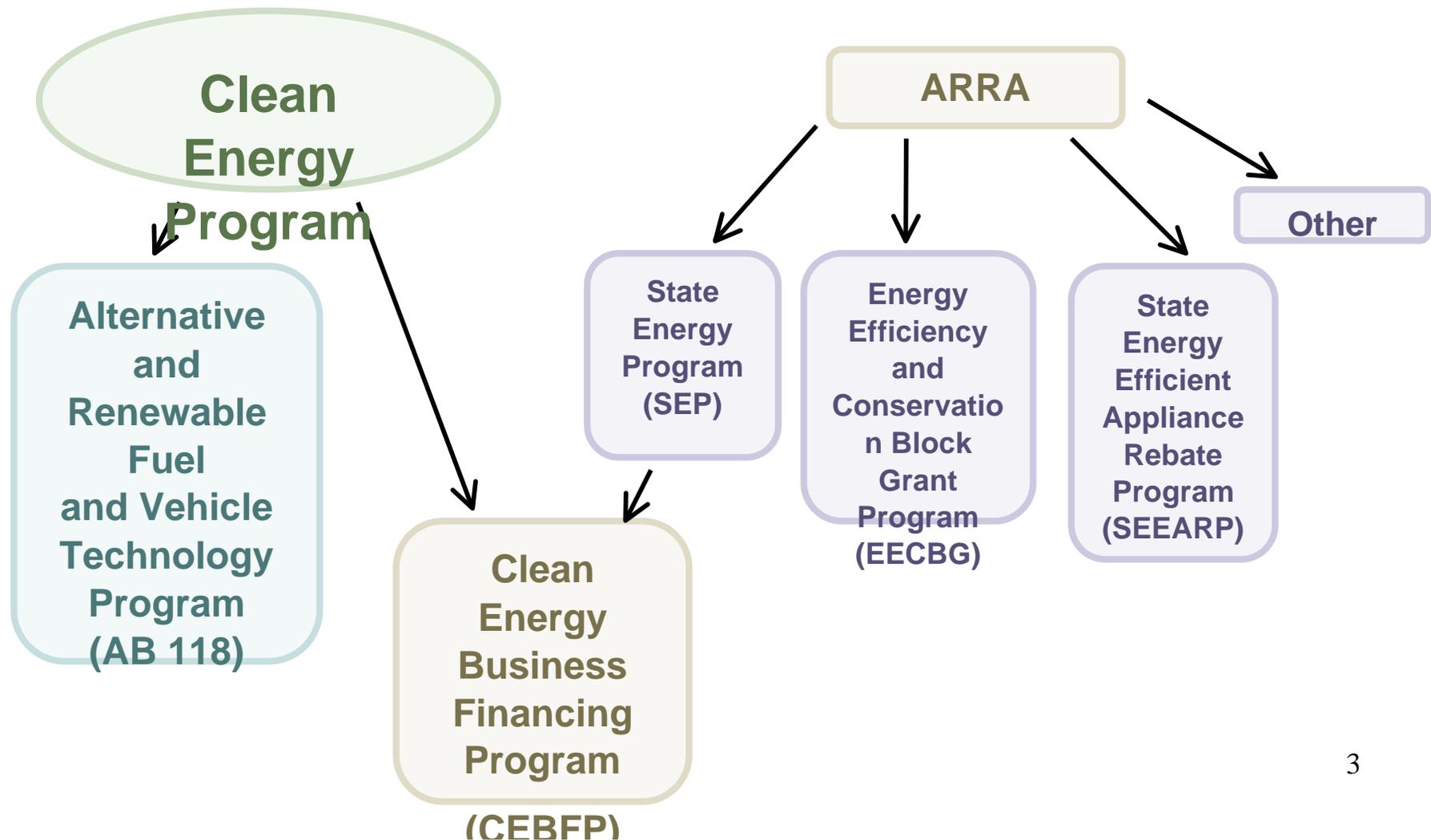


WORKSHOP AGENDA

- Welcome and Introductions
- American Recovery and Reinvestment Act of 2009 (ARRA) Overview
- State Energy Program (SEP) Guidelines Overview
- Clean Energy Business Financing Program (CEBFP)
- Next Steps
- Discussion



CLEAN ENERGY PROGRAM





AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

Overview



SEP FUNDING ALLOCATIONS

Total SEP Funding: \$226 Million

- Three program areas identified in the existing SEP Guidelines - Up to \$96 million.
- Department of General Services Revolving Loan Program - \$25 million.
- Clean Energy/ Workforce Training Program - \$20 million.
- Energy Conservation and Assistance Account - Up to \$50 million.
- **Clean Energy Business Financing Program - Up to \$35 million**



STATE ENERGY PROGRAM GUIDELINES

Overview



ARRA and SEP Goals

- Create California jobs
- Promote Economic Recovery
- Reduce Reliance on Imported Energy
- Reduce Greenhouse Gas Emissions
- Deliver Programs Expeditiously
- Spur Technological Advances
- Assist Those Most Impacted by the Recession
- Provide Long – Term Economic Benefits



US DEPARTMENT OF ENERGY (DOE)

State Energy Program Objectives

- Market transformation initiatives and actions that align with the national goals.
- Market Transformation:
 - Strategic interventions that cause lasting changes in structure or function of the market or the behavior of market participants.
 - Resulting in increase in the adoption of energy efficiency and renewable energy products, services, and practices.



CALIFORNIA POLICY CONTEXT

- Develop innovative and successful programs to deliver ARRA funding.
- Maximize benefits to the California economy through California job creation.
- Pursue California Policy implementation i.e. Renewables Portfolio Standard (RPS) and “loading order” that prioritizes energy efficiency first.



OVERALL SEP GUIDELINES

Significant Points

- CEBFP Guidelines is a new addition to the SEP.
- State must encumber funds by **September 30, 2010.**
- Project proponents must complete and fully expend funds by **March 30, 2012.**
- Commission will monitor projects through required ARRA reporting & auditing.
- Commission may re-allocate CEBFP funds from projects that are not making sufficient progress to be completed by the deadline OR we may risk losing funds back to DOE.



CLEAN ENERGY BUSINESS FINANCING PROGRAM GUIDELINES

Overview



CLEAN ENERGY BUSINESS FINANCING PROGRAM

Eligible Applicants

Private sector California business with existing or planned California manufacturing facility physically located in the state.



CLEAN ENERGY BUSINESS FINANCING PROGRAM

Eligible Project Areas

Clean Energy Manufacturing

Eligible California business that manufacture and/or assemble commercially available energy efficiency or renewable energy components, systems, or technologies .

Waste to Energy

Eligible California business whose facility generates biomethane gas from biomass including, but not limited to, agricultural waste, animal manures, septage, food processing wastes, and yard waste.



CLEAN ENERGY BUSINESS FINANCING PROGRAM

Proposed Project Financing

- Low-interest loan.
- Establish Clean Energy Business Financing Revolving Loan Fund.
- Five to seven year term.



CLEAN ENERGY BUSINESS FINANCING PROGRAM

Project Eligibility

- All projects must be physically located in California.
- Must result in the creation of California jobs.
- Must comply with National Environmental Protection Act (NEPA).
- Must comply with applicable federal and/or state prevailing wage laws.
- No project proposal may exceed the amount available under the solicitation to be issued.
- All projects must identify energy savings.
- All projects must be in compliance with all applicable laws.¹⁵



CLEAN ENERGY BUSINESS FINANCING PROGRAM

Prohibited Projects

- Construction projects, such as construction of mass transit systems and exclusive bus lanes, or for the construction or repair of buildings or structures.
- To purchase land, a building or structure or any interest therein.
- To subsidize fares for public transportation.
- For any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pool.
- To subsidize utility rate demonstrations or State tax credits for energy efficiency or renewable energy measures.
- To conduct or purchase equipment to conduct research, development or demonstration (RD&D) of energy efficiency or renewable energy techniques and technologies that are not commercially available.
- Prototype or RD&D stage projects.



CLEAN ENERGY BUSINESS FINANCING PROGRAM

Application Process

Request for Application

Required as part of the Application process.

Business name.

Preliminary information on project proposal and funding need.

Estimated California job creation.

Determine interest in the CEBFP; assess fund allocation and resource needs.

Application

Certified Application.

Documentation as a California business.

Material for financial underwriting.

Project scope, timeline, and budget.



CLEAN ENERGY BUSINESS FINANCING PROGRAM

General Evaluation Considerations Under Development

- Job and Economic Impact in California
- Technical Merit
- Investment Criteria
- Management and Team Qualifications
- Market Potential



ARRA REPORTING REQUIREMENTS

- To detect and prevent fraud, waste, and abuse.
- To provide transparent reporting of ARRA funds and activities.
- To document CEBFP benefits.
- Workbook (project progress, budget, job creation) report submitted on the 3rd day of each month.
- Failure to submit the Workbook on time may result in rescinding of funds.



CLEAN ENERGY BUSINESS FINANCING PROGRAM

Program Schedule

February 2010

Final CEBFP Guidelines
Issue CEBFP Solicitation

March 2010

Notice of Proposed Awards

April 2010

Projects start

September 30, 2010

State encumbers all funds

March 30, 2012

Project proponents completed and
expended



CLEAN ENERGY BUSINESS FINANCING PROGRAM

Websites

American Recovery and Reinvestment Act of 2009:

<http://origins.recovery.gov/Pages/home.aspx>

Federal Energy Website:

www.energy.gov/recovery

California Economic Recovery Portal

<http://www.recovery.ca.gov/>

California Energy Commission

<http://www.energy.ca.gov/recovery/index.html>



NEXT STEPS

We Want Your Input!

Send Comments on CEBFP Guidelines to:

CEBFP@energy.state.ca.us

Or

Docket Number 09-OII-1

Thank you for Attending!