

American Recovery and Reinvestment Act (ARRA) Energy Efficiency & Conservation Block Grant - Formula

Overview

The US Department of Energy provides these federal stimulus funds to assist state, local, and tribal governments in implementing strategies to:

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

In addition, the Energy Efficiency and Conservation Block Grant (EECBG) - Formula funds will spur economic growth and create and/or retain jobs under the American Recovery and Reinvestment Act of 2009.

Goals

The Oregon Department of Energy (ODOE) anticipates that the funds from the EECBG formula grant will:

- Create or retain 105 jobs
- Save or generate 60,000 MMBtus of energy
- Reduce greenhouse gases by 5,890 short tons (CO₂)
- Leverage \$29 million of other funds

Implementation

The Oregon Department of Energy (ODOE) will receive \$9.5 million of funds for this grant. In turn, ODOE will award 60 percent of the funds to cities and counties not eligible for direct formula grants for energy conservation and renewable projects.

The remaining 40 percent of the funds for this grant will be used for state energy efficiency, renewable energy, and climate change activities and staffing. These funds will help meet the 2020 goals in statute to achieve a

10 percent reduction below 1990 greenhouse gas levels.

Types of eligible projects

- Energy and water conservation projects
- Energy efficiency
- Project financing
- Renewable energy backup systems
- Transportation

Energy and water conservation projects

Preference will be given to projects that significantly save both energy and water. Water conservation that results in reduced pumping energy or wasted hot water would be considered in this category.

Projects could include flow restriction, irrigation control, and landscaping retrofits. Projects at water and wastewater facilities, such as motors, lights, process or process control would be considered as energy efficiency projects.

Funds are available for Phase 1 costs of analysis and engineering. Phase 2 project costs can also be included.

ODOE will place emphasis on the community and societal benefits the projects are expected to bring. ODOE encourages small communities to apply for drinking water and wastewater facility projects.

Energy efficiency

Energy efficiency projects may be regular building energy conservation projects or municipal infrastructure. Projects may include features such as lighting, weatherization,



Energy efficiency *Continued*

pumping equipment, heating or cooling equipment, or control of the equipment. The project may propose the revitalization of downtown buildings through the use of energy efficiency measures.

Energy project financing

Applicants may request funding to establish financial incentive programs to provide energy efficiency financing. These programs may utilize utility or municipal on-bill payment of loans to reduce financial barriers to energy efficiency investment.

Renewable energy-based backup power systems

Applications may be submitted for renewable energy systems used to provide emergency backup power for emergency preparedness applications. The intent is to improve the functionality of emergency programs (fire, police, sheriff, ambulance, etc.) while combined with the use of renewable energy. Projects should be "grid tied" where possible.

Transportation

Eligible transportation projects should fall under one of the following categories:

- Lights – LED-based (or more efficient) traffic signaling for reduced energy use and reduced light pollution
- Traffic control systems for synchronization and traffic sensing controls. The purpose is to reduce idling energy use and reduce air pollution.
- Bike lanes on existing roadways. This may include striping, signage, controls, and community education on the use of the new features. New bike lanes that require moving earth are not eligible.
- Creating video conferencing facilities to reduce travel to meetings.

Evaluation process

The applications will be scored within each topic area on a variety of factors. Not all factors apply

to all projects. Similar projects will be compared to each other. The final portfolio will seek to balance project types and location. Collaboration between applicants is encouraged. Letters of support must accompany the application where collaborations are established.

- **Energy impact:** Energy conservation is a key goal. Energy impact will be calculated based on the estimated savings per funds requested. This allows large and small projects to be more appropriately compared. Renewable energy projects will be evaluated on the same basis, looking at the amount of new renewable energy produced per dollar of grant funding requested.
- **Project readiness:** Projects will be evaluated on their state of readiness. Factors include whether or not a facility has been audited or if a retrofit has been designed and ready for implementation. Preference will be given to projects that can be completed during the ARRA funding period (before February 2012.)
- **Jobs:** The jobs impact will be calculated based on the estimated worker-hours generated by the project. Applications will be compared by dividing the worker-hours by the dollars requested.
- **Leverage of non-federal funds:** The ARRA program encourages multiple financial partners (stakeholders) in the projects. Lack of leveraged funds will not exclude a project from consideration.
- **Other factors:** Economic, environmental, and societal impacts of the project will be considered, as well as local unemployment and geographic distribution of proposed projects.

Application and timeline

The [application](#) is on the ODOE Web site. All applicants must comply with the National Environmental Policy Act (NEPA), State Historic Preservation Office (SHIPO) requirements, Davis-Bacon Act, and the Buy American Act. ODOE will accept applications from November 1, 2009 to December 15, 2009 at 5 p.m. Successful applicants will be notified approximately February 1, 2010. Applicants have three years to complete their project.