

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](http://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](http://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](http://www.energy.ca.gov/recovery)

and sign up for List Server to receive timely  
announcements

Federal Energy Website:

[www.energy.gov/recovery](http://www.energy.gov/recovery)

