# $3.1 billion for the State Energy Program (SEP)

- Pennsylvania's allocation: **$99.6 million**
- Grant awards will have a three (3) year period of performance
- Obligated by Sept. 30th 2010
- Initial Funding Application Due Date 03/23/2009:
  - A preliminary list of planned project activities that will be conducted using SEP Recovery Act funds.
  - Recovery Act Section 410 Signed Governor's Assurance Certification letter
  - Standard Application Form
- Comprehensive Funding Application Due Date of 05/12/2009
- State match requirement is waived but leveraging is encouraged
- No limitations on percentage of funding used for the purchase and installation of equipment and materials for energy efficiency and renewable energy measures.

# Schedule of Award Disbursement

- 10% of total allocation at time of initial award of Recovery Act Funds
- 40% of total allocation upon DOE approval of the State Plan
- 20% of total allocation upon demonstration by DEP that it has obligated under its procurement system at least 50% of the Recovery Act Funds previously awarded
- Remainder of total allocation upon demonstration by DEP that it is:
  - Making continued progress in obligating the funds previously provided
  - Complying with all reporting requirements and creating jobs
  - If progress reviews reveal deficiencies, no further funds will be provided until deficiencies are corrected.

# Performance metrics

- Jobs created
- Energy (kwh/therms/gallons/BTUs/etc.)saved
- Renewable energy installed capacity and generated
- GHG emissions reduced (CO2e)
- Energy cost savings
- Funds leveraged

# Uses for SEP funds per DoE

- Purchase and installation of **energy efficiency and renewable energy** equipment and materials*
- Building **retrofits***
- **Reduction of peak demand** and improve energy supply systems
- Energy **audits**
- Development of **energy plans**
- **Feasibility** studies
- Provide workshops and **training**
- **Public education** to promote EE
- Financing of **energy efficiency program activities**
- Efficiency of **transportation and alternative fuels**

*Priority uses Loans, grants and incentives (Section 5.3 in ARRA SEP Guidance)

# Prohibitions

Prohibited from using ARRA SEP funds for these items:

- For construction, 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;
- To subsidize utility rate demonstrations or State tax credits for energy conservation or renewable energy measures; or
- To conduct or purchase equipment to conduct research, development or demonstration of energy efficiency or renewable energy techniques and technologies not commercially available.

# Energy Efficiency and Conservation Block Grant (EECBG)

- **$2.8 Billion allocation + $400 Million competitive grants***
- **Estimated allocation for Pennsylvania**
  - $73 million (68%) awarded directly to the larger cities and counties
  - $2 million (2%) awarded competitively to larger cities and counties
  - $17 million (16%) award to small cities with populations under 35,000 and counties with populations under 200,000
  - $13 million (12%) allocated to State Energy Offices for energy efficiency and renewable energy
- **Purpose of the program is to assist eligible entities in implementing strategies to:**
  - Reduce fossil fuel emissions
  - Reduce total energy use
  - Improve energy efficiency

* Primarily for local governments in states with populations of < 2 million.

# EE-CDBG: Use of funds

- Develop and implement an **EE strategy**
- Retain technical consulting to implement a strategy
- Conduct residential and commercial energy **audits**
- Establish **EE financial incentive** programs
- Energy **retrofits** for nonprofits and government agencies
- Implement **EE and conservation programs**
- Develop and implement **green building codes**
- Implement energy **distribution technologies**
- Increase participation in source reduction and recycling leading to increases in EE
- Capture and use of **methane**
- Replace **traffic signals and street lighting**
- Develop **renewable energy generating** technology in government buildings

# Additional Energy Funding

- Innovative Technology Loan Guarantees - $6 billion in loan guarantees for renewables, electric transmission, pollution reduction, etc.
  - Construction must begin by September 30, 2011.
  - No more than $500 million for biofuels projects
- Smart Grid Investment Program - $4.5 billion for R&D and pilot projects
  - DOE may coordinate that with the State Energy Offices and the Public Utility Commissions.

- Energy Efficiency and Renewable Energy Research Development Demonstration and Deployment - $2 billion for energy efficiency and renewable energy research including
  - $800 million for biomass projects and
  - $400 million for geothermal projects
- Science and Research - $1.6 billion for science (yes, “Science”) and to fund research to reduce imports of energy from foreign countries and energy related GHG emissions.  Improve EE across all economic sectors.
- Advanced battery loans and grants - $2 billion for grants for the manufacturing of advanced batteries and components.

- Fossil energy - $3.4 billion for Fossil Energy Research and Development including $1.5 billion for a competitive grant program for industrial **carbon capture** and energy efficiency projects.
- High growth and Emerging Industry Sectors – $500 Million in competitive grants for worker training to prepare workers for efficiency and renewable energy careers.
- Electric Transportation - $400 million for state and local governments to encourage the use of Plug-In Electric Vehicles.
- Alternative Fueled Buses and Trucks - $300 million to state and local governments for alternatively fueled vehicles

# The Goals

- Maximize jobs created or preserved
- Get the money into our citizens’ paychecks as soon as possible
- Fund projects and businesses that will use the money effectively
- Ensure the highest quality in results and prudent use of these funds
- Secure competitive funding for Pennsylvania companies and local governments.