

Competitive Funding Available for Towns and Townships to Reduce Energy Use and Improve Energy Efficiency

On October 19, 2009, the U.S. Department of Energy (DOE) announced its plan to compete approximately \$454 million in Energy Efficiency and Conservation Block Grant (EECBG) funding. This competitive funding is a portion of the \$3.2 billion in EECBG funding that DOE received through the American Recovery Reinvestment Act of 2009. The overall goal of the EECBG program is to provide funds to units of local and state government, Indian tribes, and territories to develop and implement projects to improve energy efficiency and reduce energy use and fossil fuel emissions in their communities. This flexible program is modeled after the Community Development Block Grant (CDBG) program administered by the U.S. Department of Housing and Urban Development (HUD).

The focus of DOE's \$454 million competitive EECBG funding is to deliver verified energy savings, particularly in residential, commercial and public buildings; achieve broader market participation and greater efficiency savings from building retrofits; invest in projects that sustain themselves beyond grant monies and grant period; and ensure replicability of projects to communities of all sizes across America. EECBG competitive awards will be made in two topics areas: (1) the Retrofit Ramp-up Program and (2) the General Innovation Fund for Ineligible Entities. Towns and townships are eligible to apply for both categories. Communities of all sizes are eligible for the Retrofit Ramp-Up Program. Only town, townships and cities under 35,000 in population, and counties under 200,000 in population, are eligible for the General Innovation Fund for Ineligible Entities.

The Retrofit Ramp-Up Program will provide more than \$390 million in funding to 8-20 innovative public programs, with awards ranging from \$5 to \$75 million. The program will support projects that demonstrate a sustainable business model for providing cost-effective energy upgrades for a large percentage of the residential, commercial, and public buildings in a specific community. Possible approaches could include innovative partnerships between the public and private sector, utility retrofit and audit programs, alternative financing, retail partnerships, and others. All communities are eligible to apply.

The General Innovation Fund for Ineligible Entities will provide approximately \$64 million in funding to 15-60 local governments and Indian tribes that were not eligible for direct formula grants, with awards ranging from \$1 to \$5 million. Grant funding would help communities expand local energy efficiency efforts and reduce energy use in the commercial, residential, transportation, manufacturing, or industrial sectors. Only smaller communities are eligible to apply for the General Innovation Fund.

The deadline for applications is December 14, 2009.

For a copy of the Funding Opportunity Announcement, visit <http://www.eecbg.energy.gov/Downloads/EECBGCompetitiveFOA148MON.pdf>.