

Energy Efficiency and Conservation Block Grants

Total Funding Available: \$3.2 billion

State Funding Available: \$58 million (\$37.1 million allocated by formula directly to qualifying cities and counties; \$20.9 million to State Energy Office for small cities and counties)

Overview: The Energy Independence and Security Act, signed into law on December 19, 2007, created the Energy Efficiency and Conservation Block Grant (EECBG) Program. The program, as established by EISA, is for federal grants to units of local government, Indian tribes, and states to reduce energy use and fossil fuel emissions, and for improvements in energy efficiency. The Office of Energy Efficiency and Renewable Energy (EERE) of the U.S. Department of Energy (DOE) will administer the EECBG.

Eligible projects may achieve the following goals: reducing fossil fuel emissions created as a result of activities within the jurisdictions of eligible entities, reduce total energy use, or improve energy efficiency in the transportation, building, and other sectors.

Examples of eligible activities: developing and implementing an energy efficiency and conservation strategy, conducting energy audits, performing energy efficiency retrofits, implementing transportation energy conservation, installing LEDs, and developing public education programs to increase recycling participation. Full list is available [here](#)

Of the \$3.2 billion appropriated by the legislation, \$2.8 billion was awarded through a formula set by federal law and another \$400 million will be awarded in nationally competitive energy grants.

Municipalities with a population of over 35,000 will apply for formula funds directly through the federal Department of Energy (DOE); municipalities with populations of under 35,000 will apply for funding to the NC State Energy Office.

How to Access Funding:

Municipalities over 35,000 population or top 10 in state population:

According to DOE guidance, these municipalities must apply for funding amounts pre-determined by formula by **June 25, 2009 at 8:00 pm EST**. For information on the block grants and application instructions, visit [FedConnect/](#) and then click on "Search Public Opportunities and Awards." Then, search for Reference Number DE-FOA-0000013.

Application forms and instructions are available at Grants.gov. To access these materials, go to <http://www.grants.gov>, select "Apply for Grants," and then select "Download Application Package." Enter the CFDA number or the funding opportunity number located on the cover of the Funding Opportunity Announcement, and then follow the prompts to save the application package.

To receive funding, local governments will be required to submit a proposed “Energy Efficiency and Conservation Strategy” either with the application or within 120 days after the effective date of the award. Further, local governments are required to obligate all funds within 18 months from the effective date of the award. The program has set a goal of having at least 50% of the funds for activities that can be initiated not later than June 17, 2009.

Municipalities under 35,000 population:

The State of North Carolina has received guidelines from DOE and is now completing the planning that DOE requires. Before receiving its allocation, the State must formulate policy and submit a plan to DOE for approval. The League will hold discussions to provide advice on the new guidelines for allocating stimulus funds.

The timeline for policy development is as follows: **by June 25, 2009** the State will submit its EECBG plan to DOE. Within 120 days, DOE must approve or disapprove the State’s plan. Once the State’s plan is approved, it will begin accepting applications from local governments, who are sub-grantees. The State must make its awards within 180 days after receiving approval from DOE. Then, successful applicants will have 18 months in which they can complete the work.

Selection criteria will prioritize quick job creation, lasting and sustainable job creation, and quick ability to spend the funds. In addition, the State is considering giving priority to economically distressed communities for this funding. Also, be aware that normal requirements such as NEPA/SEPA will apply to these projects. For now, give serious thought to the types of projects which fit EECBG objectives (the objectives are available at the FAQ page of the U.S. DOE website: <http://www.eecbg.energy.gov/>). It is likely that applicants will need to include this information in their applications to the State later this year.

Also, note this language from the U.S. DOE guidance (page 16, <http://www.eecbg.energy.gov/Downloads/DE-FOA-0000013%20Amendment%20000001.pdf>), which could impact the use of outside firms to complete this work: "Units of local government and Indian tribes may not use more than 20 percent or \$250,000, whichever is greater, for the provision of subgrants to non-governmental organizations for the purpose of assisting in the implementation of the energy efficiency and conservation strategy of the applicant (EISA Sect 545 (b)(3)(C))."

Federal Contact: <http://www.eecbg.energy.gov/#lg>

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