

Economic Impacts of Recovery Act Funding for the State Energy Program

National Association of State
Energy Officials



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SEP ARRA Funding – Current Status

- DOE has completed \$2.5 billion of the \$3.1 billion NEPA project approvals needed in order for states to commit/obligate funds
- States have contracted/obligated \$2.5 billion in projects (includes competitively selected projects under negotiation, signed contracts)
- Resolution of early implementation barriers (e.g., NEPA, Buy American, Davis Bacon, Historic Preservation,) is speeding up implementation process

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Overall State Energy Program (SEP) Funding and State Leverage - ARRA

- \$3.1 billion provided for State Energy Program (SEP)
- \$4.7 billion in leveraged funds from the States/Private Sector
 - Every \$1 in SEP ARRA funding is leveraged by \$1.50 from States/Private Sector
- Funding for a variety of programs, projects and policies, including: energy efficiency; renewable energy
 - \$122 million – Transportation
 - \$137 million – Planning and Energy Reliability
 - \$217 million – Industrial
 - \$104 million – Energy Education
 - \$886 million – Electric Power/Renewables
 - \$1.6 billion – Buildings

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States' Major SEP Actions to Date

- Three-year plans provided to DOE in May 2009
- Guidance on States' use of funds provided by DOE in December 2009
- Most states designed programs, in accordance with FOA, to phase in over a three-year period balancing rapid job development and creation of self sustaining programs (e.g., revolving funds, ESPC)
- States have \$2.5+ billion of \$3.1 billion obligated for specific projects (under negotiation and completed contracts)
- States draw down – spend – funds after satisfactory completion of work by contractors in accordance with prudent procurement practices. Thus funds “spent” data provides limited meaningful information at this stage of implementation.

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SEP ARRA Major Events

- 2/17/2009: President signs ARRA SEP for \$3.1 billion
- 3/12/2009: DOE releases 10% of SEP funds to States for planning activities
- 3/23/2009: DOE RFP to states calls for three-year spending plan due 5/12/2009
- 6/22/2009: DOE makes first SEP award to Iowa for 40% of funds
- 9/14/2009: DOE provides 50% of SEP funds to 47 of the 56 States/Territories
- 11/9/2009: DOE issues NEPA template for States use in approval process
- 12/17/2009: DOE issues series of Buy American requirements
- 2/5/2010: DOE issues Historic Preservation agreement for approval process
- 3/1/2010: SEP reporting requirements change from quarterly to monthly
- 6/20/2010: States commit/contract for nearly 80% of funds for specific projects in accordance with DOE guidance and requirements

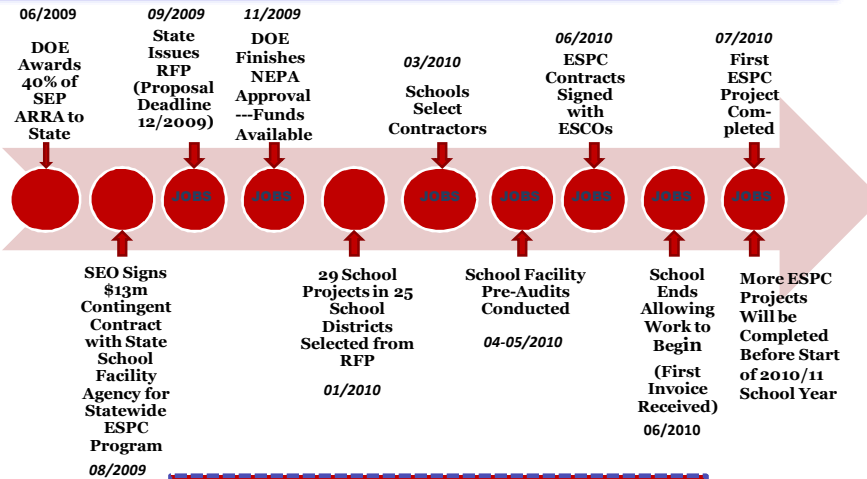
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SEP ARRA School Retrofit Program Timeline

\$13 million in ARRA + \$30.6 million State & Private Sector Leveraging → \$43.6 million Total Project

Energy Savings: \$5.6 million annually

Jobs Created/Retained: 473 FTE



State Energy Program – Regional Highlights

Northeast

Maine (\$27M SEP Funds) – \$9 million for Maine homeowner rebates of \$1,500 to \$2,000 for energy efficiency projects.

Rhode Island (\$23M SEP Funds) – \$2.3 million for competitive commercial and industrial efficiency program; \$250,000 to support the RI Building Code Commission to Upgrade codes.

Massachusetts (\$55M SEP Funds) – \$20 million for the Massachusetts Solar Stimulus program which has three initiatives designed to foster expansion of installed capacity in support of Governor Patrick's 250 MW by 2017 goal. Includes \$1.5 million for technical assistance, \$10.5 million to install solar PV systems at public-owned facilities across the state, and \$8 million in solar rebates.

Southeast

Tennessee (\$62M SEP Funds) – \$24 million for the Tennessee Solar Institute and additional funds for a comprehensive statewide solar energy deployment program; collaboration with ORNL; 5 megawatt solar installation.

Georgia (\$82M SEP Funds) – \$10 million already deployed for a competitive grant program focused on commercial, residential, and industrial efficiency.

Central

Colorado (\$49M SEP Funds) – \$19 million for revolving loan funds, grants, and Collaborative technology commercialization center integrating entrepreneurs, venture capital, and policy.

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State Energy Program – Regional Highlights

Mid-Atlantic

Maryland (\$51M SEP Funds) – State Agency Loan Program (SALP) is an \$8 million revolving loan program that provides zero interest loans to agencies for renewable and efficiency improvements.

Midwest

Ohio (\$96M SEP Funds) – Retooling and Retraining Industry. \$75 million for retooling and retraining, as well as a revolving loan fund with an aggressive renewable energy deployment; leverages SEP funding with banks and links to Ohio's Carbon Strategy.

Southwest

Arizona (\$55M SEP Funds) – \$19 million to upgrade 167 school energy efficiency, with \$17 million of that amount already put to work; leverage of 4-to-1; ESPC statewide program accelerated process.

Hawaii (\$25M SEP Funds) – Technical Assistance for Buildings Sector, including a targeted ENERGY STAR Hotels initiative.

Northwest

Washington (\$60M SEP Funds) – \$5 million to initiate an Energy Efficiency Credit Enhancement Program leveraging \$50 million.

American Samoa (\$18M SEP Funds) – Wind, PV, and Solar thermal program aimed at reaching AS goal of 10 percent of electric generation from renewable energy.

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State Energy Program
Jillia Perini
Success Stories

Crayola Going Forest Green with Solar Power

Posted: February 26, 2010

For more than a century, Crayola has made every color under the sun. Soon, the sun will make these colors when a 13-acre solar farm begins generating electricity later this year at the company's headquarters in Easton, Pennsylvania.

The Crayola plant was one of eight large-scale solar projects in the state that recently received funding from the American Recovery and Reinvestment Act (ARRA).

The state awarded \$1.5 million of U.S. State Energy Program (SEP) funds through the Green Energy Works! Solar program to the eight projects.

"This investment is critically important to strengthening Pennsylvania's economy not only because of the private capital it will attract and the jobs it will create, but because of the great economic potential the renewable energy industry holds for our state," said Governor Ed Rendell.

The sizable \$4.3 million investment will put 140 people to work and stimulate another \$40 million in private investment. A total of 10 megawatts (MW) of new solar capacity will result from this investment of ARRA funds.

David Ahloff, Director of the Pennsylvania Bureau of Energy, Innovations and Technology Deployment, talked about the Crayola solar project at the recent NASEO Winter Meeting in Washington D.C.

*The one-megawatt Crayola project is located on Crayola's property at the site in Easton. © Ahloff



New Kentucky "Green Bank" to Finance Energy-Efficient Improvements in Public Buildings

Posted: February 1, 2010

Kentucky's historic reliance on coal-fired base load generation has provided the state with some of the lowest electricity rates in the country. Kentucky's low rates have encouraged Kentuckians to become some of the greatest consumers of electricity in the country. Kentucky's per capita consumption of electricity is among the highest in the United States. To help reduce its energy appetite, Kentucky's elected officials are clear about their approach. Not only has the state set a goal of 25 percent energy reduction by 2025, it has also allocated American Recovery and Reinvestment Act (ARRA) funds from the U. S. Department of Energy to energy efficiency projects in government buildings to help meet that goal.



Kentucky First Lady Jane Bynum, who recently announced the Green Bank's first loan, greets a student at the Kentucky School for the Blind. The School, for the Blind and two other educational facilities are the recipients of the Green Bank's first loan.

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