



Implementing the American Recovery and Reinvestment Act

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U. S. Department of Energy

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The Department of Energy's role is critical

- Transforms the way we use energy
- Helps reduce our carbon emissions
- Creates entire new industries based on our nation's resources, ingenuity, and workers
- Turns economic crisis into an opportunity to build a clean, secure, and prosperous energy future

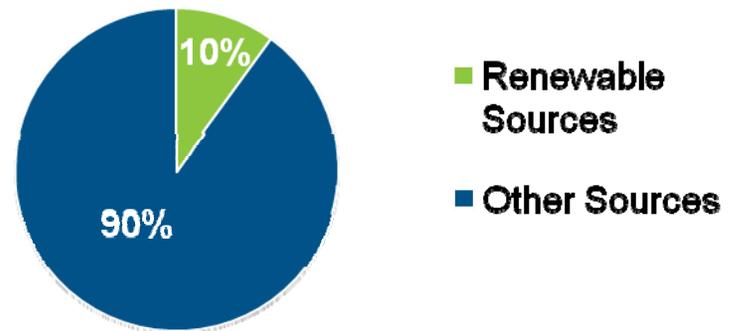




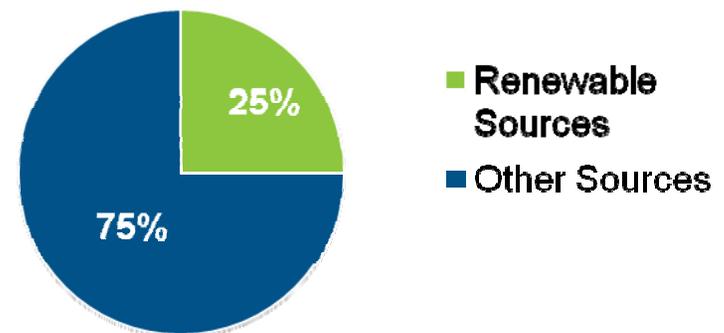
The Administration's Energy Goals

- Ensure 10 percent of our electricity comes from renewable sources by 2012, and 25 percent by 2025
- Achieve an 80 percent reduction in greenhouse gases by 2050
- Work with Smart Grid Technologies to integrate previously underserved areas with Green Energy

Electricity Sources In 2012



Electricity Sources In 2025





Energy-related Provisions in the Recovery Act ~\$100B

Energy-related tax incentives and revisions \$22 billion

Direct funding to the Department of Energy \$39 billion



Energy-related funding to other agencies \$29 billion

Energy-specific funding to other agencies \$7 billion



American Recovery and Reinvestment Act of 2009

Over \$40 billion of the \$787 billion recovery plan is allocated for clean energy

Investment focus:

\$16.8 billion for EERE

\$14.0 billion for electric power transmission grid infrastructure, storage and deployment

- incl. \$6 billion for loan guarantees

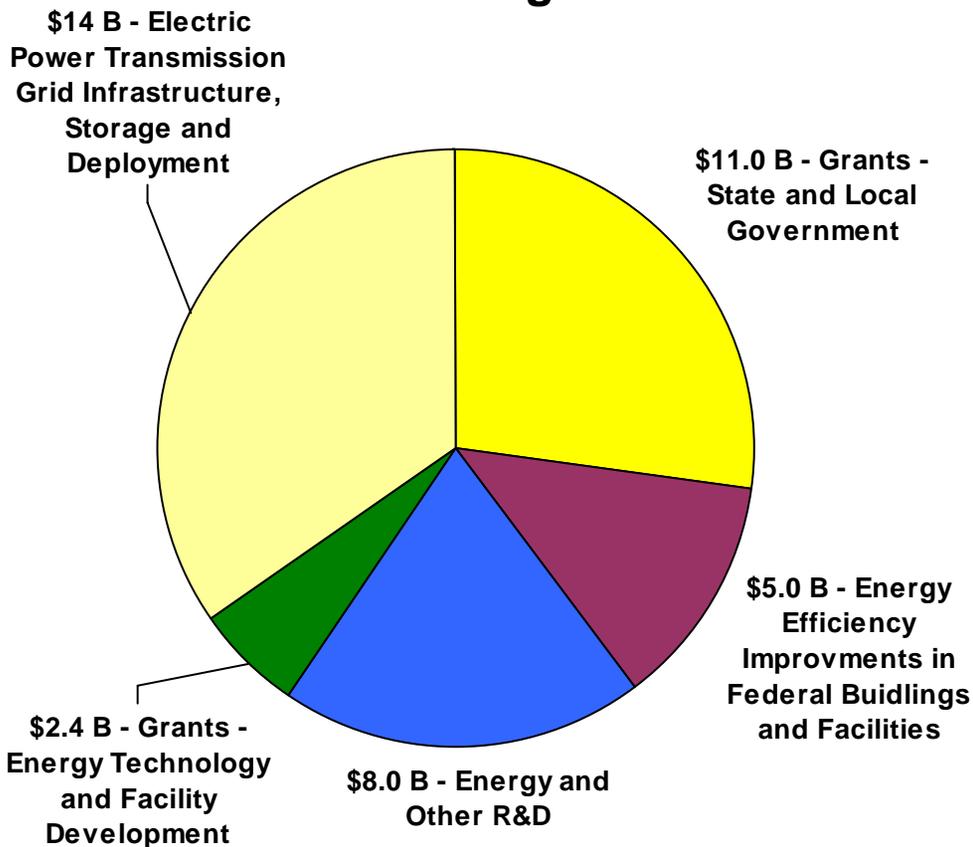
\$9.6 billion for other energy programs

Expanding workforce training

Promoting Mass Transit Systems

New and modified clean energy tax incentives are estimated at \$20+ billion

Breakdown of Clean Energy Funding



Funds are supplemental to annual appropriations

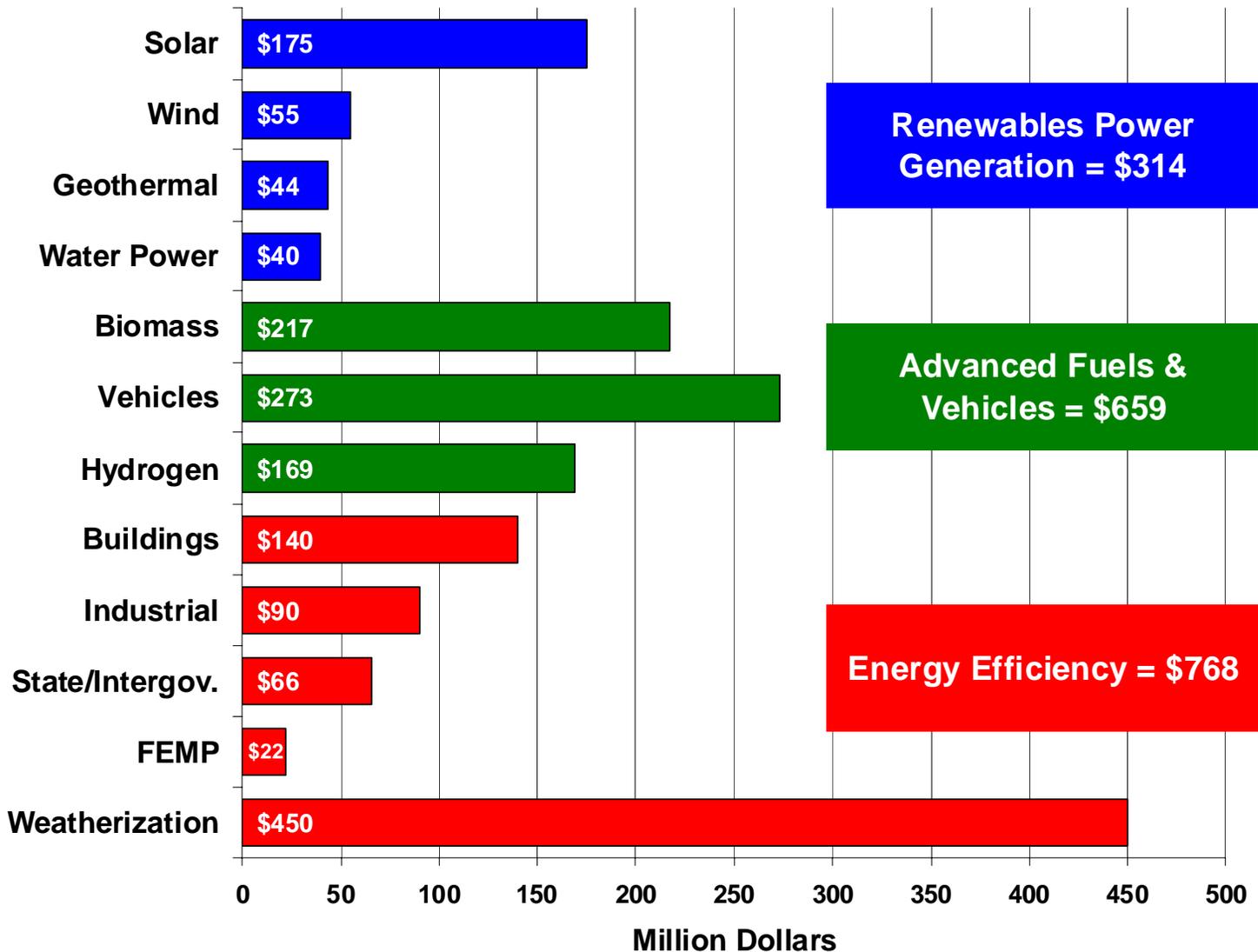
Source: Congressional Research Service, "Energy Provisions in the American Recovery and Reinvestment Act of 2009 (P.L. 111-5)"



Energy Efficiency and Renewable Energy (EERE) Recovery Act funding

EERE RD&D			\$2.5B
	Biomass	\$800M	
	Geothermal	\$400M	
	Information & Communications Tech.	\$50M	
	EERE Discretionary Funding	\$1.25B	
Energy Efficiency Conservation Block Grants			\$3.2B
State Energy Program			\$3.1B
Weatherization Assistance			\$5.0B
Energy Efficient Appliance and ENERGY STAR Rebates			\$300M
Alternative Fuel Vehicle Grant Program			\$300M
Advanced Battery Manufacturing Grants			\$2.0B
Transportation Electrification Grants			\$400M
EERE Total:			\$16.8B

Fiscal Year 2009 Budget - \$2,179 Million





Competitive Funding Available from DOE

- **Contracts, Grants, Cooperative Agreements**
 - To companies, universities, and other entities for research and development, and industrial energy efficiency projects
- **Loan Guarantees**
 - To promote the rapid deployment of renewable energy systems that generate electricity or thermal energy, electric power transmission systems, and certain leading-edge biofuel projects
- **Energy Grant Programs**
 - Administered by state and local governments—Weatherization Assistance Program, Energy Efficiency Community Block Grants Program, and State Energy Program



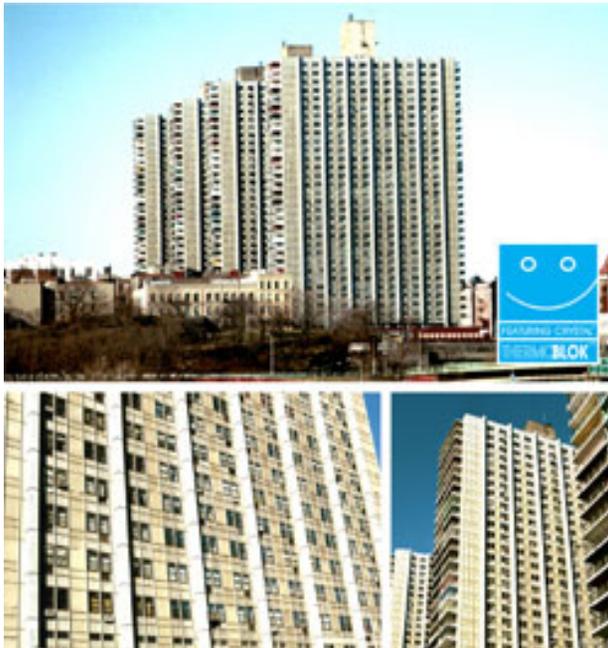
State Energy Program (SEP)

- SEP provides federal financial and technical assistance,
 - To develop and deploy energy efficiency technologies and accelerate market penetration
- Focus on Activities
 - Provide sustained benefits to their citizens
 - Transform markets
 - Broad and lasting impacts on energy use within their borders
 - Examples would be revolving loans, on-bill financing strategies and performance contracting
- Other high impact areas:
 - Establishment and enforcement of energy efficient building codes and standards
 - Loans, grants and incentives for energy efficiency and renewable energy measures
 - Building and Industrial retrofits



Weatherization Assistance Program (WAP)

- Increase the energy efficiency of dwellings owned or occupied by low-income persons
- Reduce their total residential expenditures
- Improve their health and safety





Energy Efficiency and Conservation Block Grant Program (EECBG)

- Purpose
 - Provide grants to U.S. local governments, states, territories, and Indian tribes, to fund projects that reduce energy use and fossil fuel emissions, and that improve in energy efficiency.
- \$3.2 billion for the EECBG Program
 - Nearly \$2.7 billion will be distributed through formula grants
 - Balance of \$455 million through competitive grants
- Allocations for direct formula grants from the DOE
 - \$1.9 billion - cities and counties
 - \$770 million - states, U.S. territories, and the District of Columbia
 - \$54 million - Indian tribes



Energy Grant Programs - California

- Energy Efficiency Conservation Block Grants
 - \$351,658,900
- Recovery Act Appropriations
 - State Energy Program: \$226,093,000
 - Weatherization Program: \$185,811,061
- Regular 09 Appropriations
 - State Energy Program : \$1,569,000
 - Weatherization Program : \$14,161,143



Other DOE Recovery Act Programs

- **\$4.5 Billion for Electricity Delivery and Energy Reliability RDD&D Partnerships**

- Projects to modernize the nation's electricity delivery systems through competitive, cost sharing, partnership arrangements
 - Distributed energy
 - energy storage to help balance electricity output with demand
 - smart grid technologies

- **\$3.4 Billion for Fossil Energy**

- \$800 million for the Clean Coal
- \$1.52 billion for carbon capture
- \$50 million for site characterization activities in geologic formations;
- \$20 million for geologic carbon sequestration training and research



Recovery Act Tax Provisions on Clean Energy

Production Tax Credit

- Extension (through 2012 for wind, through 2013 for biomass, geothermal, small irrigation, landfill gas, trash combustion, and hydropower facilities)
- Grants in lieu of Tax Credits

Investment Tax Credit

- Extended 8 years for solar in 2008 legislation
- ITC credit in lieu of PTC credit

Renewable Energy Tax Credit Caps

- Eliminates caps on credits for small wind, solar water heating, and geothermal heat pumps

Clean Renewable Energy Bonds

- \$1.6 billion is added for new Clean Renewable Energy Bonds for wind, biomass, geothermal, small irrigation, hydropower, landfill gas, marine renewable, and trash combustion facilities

Energy Conservation Bonds

- \$2.4 billion is added to finance state, local and tribal programs to reduce greenhouse gas emissions



How to apply for a grant or loan guarantee from DOE

- Track funding opportunity announcements through:
 - All types—energy.gov/recovery/funding.htm
 - Grants—grants.gov
 - Contracts—fbo.gov
 - Acquisition Forecast – <http://hqlnc.doe.gov/Forecast>
 - Loan guarantees—energy.gov/recovery/funding.htm
- For first-time applicants, register before submitting applications
 - Register early to be ready when opportunities are announced (process can take 3 days to 2 weeks)
 - Read registration instructions carefully



Applying for grants administered by states or local governments

- Apply directly to state energy office or local government entity
- Go to energy.gov/recovery/ to find link to your state energy office



For more information

- If you have questions about the Recovery Act and the funding allotted DOE, visit www.energy.gov/recovery or call the DOE's Recovery Act Clearinghouse at 888-DOE-RCVY (1-888-363-7289)



Additional Slides



EERE Points of Contact

- General Information - EERE Information Center at <http://www1.eere.energy.gov/informationcenter/> or 1-877-EERE-INF
– (1-877-337-3463)
- Biomass and Biorefinery Systems – Shab Fardanesh, 202-586-7011, shabnam.fardanesh@ee.doe.gov
- Building Technologies – Bryan Berringer, 202-586-0371, bryan.berringer@ee.doe.gov
- Facilities and Infrastructure – Greg Collette, #303-275-4734, greg.collette@go.doe.gov
- Federal Energy Management Program – Brad Gustafson, 202-586-5865, brad.gustafson@ee.doe.gov
- Geothermal Technology – Lauren Boyd, 202-287-1854, lauren.boyd@ee.doe.gov
- Hydrogen Technology – Sara Dillich, 202-586-7925, sara.dillich@ee.doe.gov



EERE Points of Contact - continued

- Hydropower – Alejandro Moreno, 202-586-8171, alejandro.moreno@ee.doe.gov
- Industrial Technologies – Jim Quinn, 202-586-5725, james.quinn@ee.doe.gov
- Solar Energy – Tom Kimbis, 202-586-7055, tom.kimbis@hq.doe.gov
- Vehicle Technologies – William Key, 202-586-3157, william.key@ee.doe.gov
- Weatherization and Intergovernmental Activities --
 - Ronald Shaw, 202-586-6593, ronald.shaw@hq.doe.gov (for Weatherization)
 - Mark Bailey, 202-586-9424, mark.bailey@hq.doe.gov (Block Grants, State Energy Programs, and Appliance Rebates)
- Wind Energy – Jim Ahlgrimm, 202-586-9806, jim.ahlgrimm@ee.doe.gov
- EERE Backup (If the team has questions, any contact is unreachable, or the answer is unresponsive) Michael York, 202-586-5669, michael.york@ee.doe.gov



Tracking our progress

The American people want to know who is receiving the money, and they want to know they are receiving value for their hard-earned tax dollars

Everything we do will be transparent:

- Posting weekly updates on the Web site
- Upgrading the Web site and setting up a call center to handle the activity

Visit recovery.gov or energy.gov/recovery/ to stay informed





Recovery Act - Tax Credits Modifications

The Production Tax Credit (PTC) Modifications:

- **Generally** - Extensions and expansions for existing PTC for renewable energy systems plus new tax credit alternatives
- **Wind PTC** - Placed in Service Extension | 12.31.12
- **Municipal Solid Waste, Qualified Hydropower, Biomass Geothermal Facilities** - Placed in Service Extension, 12.31.13
- **Marine and Hydrokinetic** - Placed in Service Extension, 12.31.13
- **PTC to ITC Election** - Taxpayers eligible for PTC to make irrevocable election to take the Investment Tax Credit (ITC) [30%] for property placed in service in 2009-10.



New 30% tax credit to encourage new manufacturing facilities

- Encourages investment in the manufacturing facilities that help make such clean energy projects possible. Available for projects that establish, re-equip, or expand manufacturing facilities for:
 - Fuel cells
 - Microturbines
 - Renewable fuel refineries and blending facilities
 - Energy-saving technologies
 - Smart-grid technologies
 - Solar, wind, and geothermal technologies
- Applies to the manufacture of plug-in electric vehicles and their electric components, such as battery packs, electric motors, generators, and power control units



Tax Benefits - Residential & Business

- **Generally** - Provides greater tax credits for clean energy projects at homes, businesses and manufacturers of clean energy technologies
 - **Tax Credit Increase** - Increases 10% tax credit for homeowners' energy efficiency improvements to a 30% tax credit
 - **Itemized Credit Elimination** - Eliminates improvement-specific credit caps (e.g. windows and furnaces)
 - **Elimination of Aggregate Credit Cap** - Replaces itemized cap with an aggregate cap of \$1,500 for all improvements placed in service in 2009 and 2010 (except biomass systems, which must be placed in service after the Act is enacted)
 - **Qualifying Spec Enhancements** - Enhances energy efficiency specs for property to qualify for tax credit eligibility



Tax Credits Residential & Business

- **Grant in Lieu of ITC** - New program established by Recovery Act. Treasury will allow taxpayers to apply for a grant instead of claiming the 30% ITC (which may originally stem from a renewable system eligible for a PTC).
- **Removal of Tax Credit Cap** - Qualified solar energy systems, geothermal heat pumps, small wind turbines placed in service before 2017. [Fuel Cell retains it's cap at \$1,667].
- **Subsidized Financing** - No longer variable when calculating tax credits for qualifying energy property.
- **Clean Fuel Refueling Systems** - Provide bonus to homeowners or business owners installing at their homes or businesses
 - *Businesses:*
 - Credit increased from 30 to 50%, except hydrogen refueling property.
 - Increased maximum credit from \$30,000 to \$50,000. Hydrogen is increased to \$200,000.
 - *Homeowners:* Credit doubled from \$1,000 to \$2,000