



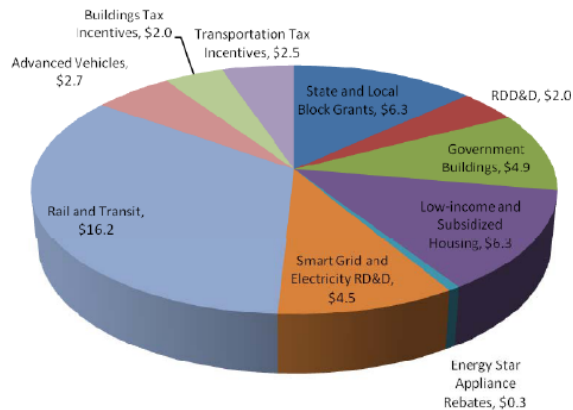
The American Recovery and Reinvestment Act 2009



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ARRA Overview

- Signed by President Obama on February 17, 2009;
- The largest spending and tax bill in the nation's history.
- \$40 - \$60 billion Energy related provisions including:
 - \$26 billion for "core" Energy Efficiency funding;



Energy-Related Stimulus Funds (Allocations)

| Program | Federal (Billion \$) | Vermont Estimate (Million \$) |
|---|-------------------------|-------------------------------------|
| State Energy Programs | \$ 3.1 | \$ 22.0 |
| Energy Efficiency and Conservation Block Grants | \$ 3.2 | \$ 10.3 |
| Weatherization Assistance Program | \$ 5.0 | \$ 17.0 |
| Energy Star Appliance Rebates | \$ 0.3 | \$ 1.0 |
| | \$ 11.6 | \$ 50.3 |



Energy-Related Stimulus Funds (Competitive)

| Program | Federal (Billion \$) | VT Estimate (Million \$) |
|---|-------------------------|-----------------------------|
| Public Housing (HUD) | \$ 1.3 | \$ 4.3 |
| Green Educational Facilities | \$ 9.8 | \$ 33.2 |
| Green Jobs | \$ 0.5 | \$ 1.7 |
| Efficiency in Federal Buildings | \$ 4.5 | \$ 9.7 |
| Smart Grid | \$ 4.5 | \$ 2.9 |
| EE and Renewables RD&D | \$ 2.5 | \$ 8.5 |
| Advanced Tech Loan Guarantees | \$ 6.0 | \$ 6.1 |
| Energy Conservation Bonds | \$ 2.4 | \$ 8.2 |
| Loan Guarantees for Renewable Generation Projects | \$ 8.0 | \$ 5.2 |



State Energy Programs

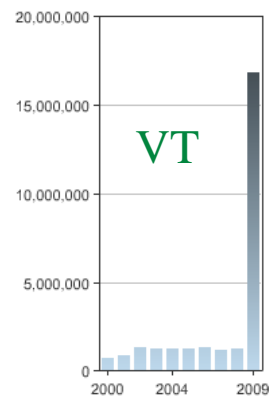
- **Funding conditional on State Governors providing written assurances that the state will:**
 - Increase Residential and Commercial building energy codes
 - Plan to achieve 90% code compliance within eight years
- **States must adopt target of:**
 - 25% reduction in per capita energy consumption by 2012 from 1990 baseline
- **Priority Use of Funds:**
 - Establishment and enforcement of EE building codes and standards;
 - Loans and grants for EE and RE measures;
 - Building retrofits;
 - Traffic signal efficiency improvements;
 - Industrial retrofits.



Weatherization Assistance Programs

- **President call for 1 million homes to be weatherized per year**
- **\$5 billion up from historic levels of \$200-240 million annually**
- **Programmatic changes:**
 - Income qualification amended from 150% of poverty level to 200%
 - Amount spent per home raised from \$2,500 to \$6,500

DOE Funding for Weatherization (In U.S. Dollars)



Energy Efficiency & Conservation Block Grants

- **Authorized in Energy Independence and Security Act bill of 2007 but has had no money appropriated**
- **\$3.2 billion (VT: \$10million):**
 - most (68%) of funds distributed to cities with population >35,000 and counties with population >200,000 (or state's 10 largest cities and counties);
 - 28% to smaller towns and counties
- **Eligible activities include:**
 - retrofits of municipal buildings and utility infrastructure;
 - developing/implementing an energy efficiency and conservation strategy;
 - conducting residential and commercial building energy audits;
 - establishing financial incentive programs for energy efficiency improvements (e.g., loan and rebate programs);



Vermont EECBG City Allocations

| Vermont Total Sum City, County, and SEO Allocations | \$10,323,300 |
|--|---------------------|
| VT State Energy Office | \$9,593,500 |
| Bennington | \$57,900 |
| Brattleboro | \$56,100 |
| Burlington | \$180,200 |
| Colchester | \$71,200 |
| Essex | \$50,000 |
| Essex Junction | \$50,000 |
| Hartford | \$50,000 |
| Milton | \$50,000 |
| Rutland | \$78,900 |
| South Burlington | \$85,500 |



Tax Provisions

Residential:

- **Existing Homes Tax Credit** – increased from 10% to 30% of cost of residential energy-efficient improvements up to \$1,500 for 2009 and 2010
- **Investment Tax Credit** - removes \$2,000 cap on the 30% credit for solar thermal and geothermal property, and the \$4,000 cap on small wind property.

Commercial:

- **New 30% investment tax credit** for renewable energy manufacturing
- **Grants in Lieu of Credits** - provides grants to businesses for certain energy investments during 2009 or 2010 e.g. CHP systems, geothermal heat pumps.
- **\$6 billion in tech loan guarantees** to support commercial use of advanced renewable energy and electric transmission technologies.



Useful Links

• Federal / State Information and DOE guideline documents:

- www.recovery.gov
- www.recovery.vermont.gov
- <http://apps1.eere.energy.gov/wip/>

• Summary information:

- Alliance to Save Energy <http://ase.org/content/article/detail/5461>
- State and Federal EE&RE Incentive Database www.dsireusa.org

• EE & RE Tax Incentives:

- www.energytaxincentives.org
- www.erc-vt.org

