

Bob Riley
GOVERNOR



Bill Johnson
DIRECTOR

State of Alabama

May 28, 2009

MEMORANDUM

TO: Interested Local Governments

FROM: Terri L. Adams *TLA*
Energy Division Director

SUBJECT: Energy Efficiency and Conservation Block Grant (EECBG) Program

The Alabama Department of Economic and Community Affairs (ADECA) Energy Division is soliciting pre-applications from non-entitlement local governments for energy efficiency and renewable energy projects that meet the requirements of the new Energy Efficiency and Conservation Block Grant (EECBG) Program. The attached Request for Pre-applications (RFP) outlines eligible activities and project requirements.

Pre-applications must be received no later than **5:00 p.m., June 12, 2009** at:

By Mail:
ADECA-Energy Division
P.O. Box 5690
Montgomery, AL 36103-5690

By Courier:
ADECA-Energy Division
Mailroom 404
401 Adams Avenue
Montgomery, AL 36104

Questions concerning the EECBG Pre-application may be submitted in writing through June 8, 2009, to the contacts listed on page one of the RFP.

This is NOT a funding application. The information gathered from pre-applications will be used to develop specific program areas to be included in a future Request for Applications (RFA).

This RFP does not indicate acceptance or approval of any proposal in response to this request. No subgrant payment can be made until a grant agreement has been fully executed. Therefore, no work shall begin on projects selected for funding until an executed grant agreement has been received. All subgrant awards are contingent upon state receipt of federal funds awarded.

TLA/KH/ay

Energy Efficiency & Conservation Block Grant (EECBG) REQUEST FOR PRE-APPLICATIONS

The EECBG program, funded by the American Recovery & Reinvestment Act of 2009 (ARRA), is designed to help eligible entities create and implement strategies to create jobs, reduce total energy use, and improve energy efficiency in the building and transportation sectors. More information on the program is available on the EECBG webpage at <http://www.eecbg.energy.gov/> or you can read the Funding Opportunity Announcement (FOA) at <http://www.fedconnect.net/>, opportunity number DE-FOA-0000013.

The Energy Division of the Alabama Department of Economic and Community Affairs (ADECA) will receive approximately \$10.3 million for the EECBG Program, 60% of which must be used for subgrants to cities and counties not receiving direct formula funding. The maximum award per government entity is anticipated to be \$250,000. Multi-entity projects are encouraged and will receive priority consideration. If two or more units of local government partner on an application, the total eligible award would be the sum of the limits for each governmental entity. For example, one county and two cities may partner together on an application for \$750,000.

Matching funds will not be required for these grants, but are encouraged. Projects that achieve a high degree of leveraging and/or extend the impact of the funds will be given additional consideration.

The ADECA-Energy Division is requesting pre-applications for projects involving energy efficiency or renewable energy technologies that meet the requirements of the EECBG Program. Complete the attached pre-application worksheet form for each proposed activity and send by email to energy@adeca.alabama.gov. If you prefer, pre-applications may be mailed to the following address:

ADECA-Energy Division
P.O. Box 5690
Montgomery, Alabama 36103-5690

Pre-applications must be received no later than 5:00 P.M. June 12, 2009.

PROJECTS SHOULD PROVIDE SUBSTANTIAL, SUSTAINABLE AND MEASURABLE RESULTS THAT ADDRESS THE ARRA PRIORITIES OF CREATING/RETAINING JOBS, SAVING ENERGY, REDUCING EMISSIONS, AND PROVIDING COST SAVINGS. Please refer to the attached listing of eligible activities to assist you in developing ideas for potential projects.

This IS NOT a funding application. This information will be used to develop specific program areas to be included in a future Request for Applications (RFA). Questions may be sent by email to any of the program managers listed below:

Karen Clifton karen.clifton@adeca.alabama.gov
Karl Frost karl.frost@adeca.alabama.gov
Kathy Hornsby kathy.hornsby@adeca.alabama.gov
Clarence Mann clarence.mann@adeca.alabama.gov

Upon approval of the state's plan, an EECBG RFA requiring additional details on proposed projects will be released to eligible entities.

Please Note: Submitting project ideas through this pre-application should in no way be construed as a guarantee of funding.

Additional information on the EECBG program, including 'Frequently Asked Questions', will be posted on the ADECA-Energy Division EECBG webpage at <http://www.adeca.alabama.gov/C5/EECBG>.

EECBG Eligible Activities

A list of eligible activities for use of program funds is contained in [Title 5, Subtitle E, Sec. 544 of the Energy Independence and Security Act of 2007 \(EISA\)](#). Additional activities may be eligible pending approval by the ADECA - Energy Division. The activities below are therefore not an exhaustive list and should be used as a guide to the intent of the program. The Energy Division encourages each entity to develop a strategy, including its component activities, that is likely to result in maximum energy efficiency improvements, fossil fuel emission reductions, economic benefits and total energy use reduction.

1. **Development of an Energy Efficiency and Conservation Strategy:** Applicants may use a grant received under this part to develop and/or implement a strategy for energy efficiency and conservation and to carry out activities to achieve the purposes of the program.
2. **Technical Consultant Services:** Applicants may retain technical consultant services to assist the eligible applicant in the development of such a strategy, including formulation of energy efficiency, energy conservation, and energy usage goals; identification of strategies to achieve those goals through efforts to increase energy efficiency, reduce fossil fuel emissions or reduce energy consumption through investments or by encouraging behavioral changes. Applicants may develop methods to measure progress in achieving the goals. Applicants may develop and publish annual reports to the population served by the eligible entity describing the strategies and goals and the progress made in achieving them during the preceding calendar year.
3. **Residential and Commercial Building Energy Audits:** Applicants may conduct residential and commercial building energy audits.
4. **Financial Incentive Programs:** Applicants may establish financial incentive programs and mechanisms for energy efficiency improvements such as energy saving performance contracting (paying for energy improvements through guaranteed future energy savings), on-bill financing (allowing customers to purchase energy efficient appliances and pay for them by making installment payments on their regular utility bills), and revolving loan funds.
5. **Energy Efficiency Retrofits:** Subgrants may be made to non-profit organizations and governmental agencies for the purpose of retrofitting existing facilities to improve energy efficiency. Some examples include:
 - Installing more efficient lighting (i.e. T-8 and electronic ballasts & LED exit signs)
 - Installing time-of-day controls to schedule heating, ventilation and air-conditioning (HVAC) equipment.
 - Proper control of outside air for ventilation
 - Replacing air-conditioning systems with more efficient units

- Reducing air infiltration from windows and doors
- Replacing boilers with modular condensing types
- Replacing existing electric motors with premium efficiency motors

6. **Energy Efficiency and Conservation Programs for Buildings and Facilities:** Applicants may develop and implement energy efficiency and conservation programs for buildings and facilities within the jurisdiction of the entity. The range of activities includes the design and operation of the programs; the identification of the most effective methods for achieving maximum participation and efficiency rates; public education; measurement and verification protocols; and identification of energy efficient technologies.

7. **Development and Implementation of Transportation Programs:** Applicants may develop and implement programs to conserve energy used in transportation, including but not limited to:

- Employee flex time programs;
- Promoting the use of satellite work centers;
- Development and promotion of zoning guidelines or requirements that promote energy efficient development;
- Development of infrastructure such as commuter bike lanes and pathways and pedestrian walkways designed to reduce vehicle usage (not for recreation);
- Synchronization of traffic signals;
- Local/regional integrated planning activities (i.e. transportation, housing, environmental, energy, land use) with the goal of reducing greenhouse gas emissions and vehicle miles traveled;
- Incentive programs to reduce commutes by single occupancy vehicles;
- Improvements in operational and system efficiency of the transportation system such as implementation of intelligent transportation system (ITS) strategies;
- Idle-reduction technologies and/or facilities to conserve energy, reduce harmful air pollutants, and greenhouse gas emissions from freight movement; and
- Installation of solar panels on interstate right-of-ways to conserve energy in highway operations and maintenance activities.

8. **Building Codes and Inspections:** Applicants are encouraged to implement building codes and inspection services to promote building energy efficiency.

9. **Energy Distribution:** Applicants may implement distributed energy resource technologies that significantly increase energy efficiency, including:

- District heating and cooling systems
- Combined heat and power systems
- Cogeneration systems
- Energy Storage systems

- Absorption chillers
- Desiccant humidifiers
- Micro turbines
- Ground source heat pumps

10. **Material Conservation Programs:** Applicants may implement activities to increase participation and efficiency rates for material conservation programs, including source reduction, recycling, and recycled content procurement programs that lead to increases in energy efficiency.
11. **Reduction and Capture of Methane and Greenhouse Gases:** Applicants may use grant funds to purchase and implement technologies to reduce, capture, and, to the maximum extent practicable, use methane and other greenhouse gases generated by landfills or similar waste-related sources, such as wastewater treatment plants, operations producing food waste, dairy farms and other animal operations.
12. **Traffic Signals and Street Lighting:** Applicants may use grant funds to replace traffic signals and street lighting with energy efficient lighting technologies, including light emitting diodes (LED); and any other technology of equal or greater energy efficiency.
13. **Renewable Energy Technologies on Government Buildings:** Applicants may use grant funds to develop, implement, and install, on or in any government building of the eligible entity, onsite renewable energy technology that generates electricity from renewable resources; including solar energy, wind energy, fuel cells, and biomass.
14. **Any Other Appropriate Activity:** Applicants may submit any other appropriate activity pending approval by the ADECA - Energy Division and the U.S. Department of Energy (DOE).

EECBG PRE-APPLICATION WORKSHEET
PROJECT SUMMARY

Applicant:

Date:

Project Title:

If this is a multi-entity application,
please list other cities and/or counties
included in the project:

Project Contact First Name:

Last Name:

Project Contact Email:

Project Contact Phone:

Activity:

If Other:

Sector:

If Other:

Estimated Number of Jobs Created:

Estimated Number of Jobs Retained:

Estimated Energy Saved and/or Renewable Energy Generated:

Estimated GHG Emissions Reduced (CO2 Equivalents):

Estimated Funds Leveraged:

Estimated EECBG Budget:

Projected Costs within Budget: *Administration:*

Revolving Loans:

Subgrants:

Project Summary: *(limit summary to space provided)*