



Energy and Environmental Block Grant (EEBG) Program

Background

The United States, to remain competitive and economically viable, needs a comprehensive energy strategy that incorporates energy efficiency and alternative energy sources. In addition, the United States, while representing less than 5 percent of the world's population, releases a projected 25 percent of all greenhouse gases emitted worldwide, the major contributor of global warming. Local governments are particularly well-positioned to develop, implement and promote an energy efficiency and greenhouse gas reduction strategy at the community level.

The Energy and Environmental Block Grant program assists local and state governments to develop and implement a comprehensive energy efficiency strategy which emphasizes a bottom-up, community-based approach in helping the nation meet its energy and climate protection goals.

Program Elements of the EEBG Proposal –

- Eligible Communities – 70 percent of all funds would be directed to cities with populations of 50,000 or more and Counties of 200,000 or more based on a formula, set by the Secretary of Energy considering residential and daytime population. States would receive the remaining 30 percent of the funds and would be required to pass through at least 70 percent to provide subgrants to units of local governments that are not eligible under the population formula.
- Planning Grants – The DOE Secretary can disburse \$200,000 or 20 percent of the grant (whichever is greater) to the local and state government to assist with the development of an Energy Efficiency and Climate Protection Strategy. The local and state government must submit and receive approval by the Secretary of Energy of this strategy which establishes goals for increased energy efficiency and reduction of greenhouse gas emissions in that jurisdiction.
- Eligible Activities of the Energy Efficiency and Climate Protection Strategy –
 - Determination of 1990 and present levels of greenhouse gas emissions;
 - Conducting energy audits and weatherization programs;
 - Creation of financial incentive programs for energy efficiency retrofits;
 - Development and implementation of building and home energy conservation programs;
 - Development and implementation of transportation fuel conservation programs;
 - Development and implementation of alternative fuel technologies and infrastructure that result in significant greenhouse gas emission reductions; and
 - Development and implementation of building codes and inspection services for public, commercial, industrial, and residential buildings to promote energy efficiency;
 - Development and promotion of land use guidelines that result in energy efficiency and greenhouse gas emission reductions.
- Annual Reporting Requirements – The local and state government will submit annual reports to the DOE Secretary regarding the status of the Strategy's development, implementation, and if possible, a best available assessment of the energy efficiency gains and greenhouse gas reductions realized.
- Appropriation Levels - \$4 billion in FY 2008 – 2009; \$5 billion in FY 2010 – 2011; and \$6 billion in FY 2012.

Benefits of EEBG –

- **Significant Energy Savings in the New Building Sector:** The updating and revision of building codes within cities and counties will result in significant increases in energy efficiency. For example, buildings and their construction account for nearly half of all the greenhouse gas emissions and energy consumed in this country each year, according to the American Institute of Architects. By 2031, according to a Global Insight, Inc. 25-year forecast, the nation will build 39.3 million new homes and 20 billion sq. ft. of commercial space that will consume, at current rates, an additional four quadrillion BTUs annually. It is estimated that 80-85% of all buildings will be newly constructed or rehabbed/renovated by the year 2035. Updating local codes to achieve carbon neutral 2030 goals will result in substantial energy reductions.
- **Energy Audits and Retrofits for Existing Buildings:** The existing building stock utilizes significantly less-efficient energy technology and therefore accounts for the majority of energy consumed by building sectors. Local programs that perform energy audits to identify cost-effective retrofits in the public, non-profit, residential and business sectors would yield significant increases in energy efficiency through the removal of outdated and inefficient technology. The EEBG would expand building energy retrofit programs in communities, resulting in significant savings.
- **Community-based Energy Conservation Programs:** The most cost-effective and immediate way to increase energy efficiency and reduce GHG emissions is through personal, behavioral change and participation in energy conservation programs. Local governments can organize these voluntary programs to reduce energy consumption by “turning the lights out”; “turning down thermostats”; conversion to compact fluorescent lighting; performance of home energy audits; etc. Local governments launched over 5,000 community recycling programs in the early 1990s because the populace was energized to participate in such programs to achieve a common public goal. Similar participatory results can be achieved for energy efficiency initiatives that will result in significant energy savings.
- **Community-based Transportation Programs:** President Bush has asked the public to reduce gasoline consumption by 10 percent. In order to meet these goals, a mix of conservation and alternative technologies will be required. Cities and counties are well-positioned to launch programs that encourage such activities as car pooling, increased transit ridership, flex-time by employers, and other initiatives to reduce vehicle miles traveled. These programs can also address alternative fuel distribution systems at the local level that will encourage fossil fuel alternatives.
- **Promotion of Alternative Energy Technologies:** Cities and communities are often the laboratories for the application of new energy technologies that require demonstration before they are fully accepted by the broader public. By establishing and fostering such demonstration programs, cities can expedite the acceptance of new and innovative technologies at the community and business level, resulting in significant energy savings. Through development of local programs that promote alternative energy technology, cities and counties will significantly increase the rate of adoption of these technologies by businesses, commercial buildings, and homes.
- **Design for Energy Efficient Communities:** Cities can design for more energy efficiency through promotion of transit-oriented development; mixed-use development; alternative transportation use; pedestrian-oriented communities; and other design approaches that encourage fewer vehicle miles traveled.
- **Engagement of Citizens and Key Sectors:** Full-scale city and county energy initiatives will yield high rates of citizen participation and serve as catalysts for action among the business, non-profit, educational and general public sectors to carry out a variety of energy reduction and climate protection activities that benefit the entire community.