



The United States Conference of Mayors

Energy Efficiency and Conservation Block Grant (EECBG)  
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### Question and Answers

**We are currently renovating a City-owned building to serve as a green building resource center for the community providing training and education on green building and energy efficiency in addition to a showcase for green building technologies. Would the renovation of this facility be eligible for EECBG funds? Or would only components of the renovation, such as installation of solar panels, be eligible?**

Gil Sperling: Among the eligible uses listed in the statute is the retrofit of buildings to improve the energy efficiency. So any investment that is going to reduce energy consumption is going to be eligible. In addition, it sounds like the center is going to serve as a valuable tool for educating the community about energy efficiency opportunities. I would encourage you to put the details of this into your strategy, submit it to the Department of Energy, tell us what you want to do, how much energy you're going to save, what the impact and benefit is, and let us take a look at it and work with you.

**Grants flowing to States like Indiana - go to Cities of 35,000 plus population. How do smaller Cities, in our case, 31,000 apply for grants, and to whom (County - State)? Thanks**

Gil Sperling: Good question. If you're not one of the ten largest cities in Indiana, you won't be eligible for a grant directly from the Department because your population is below the threshold line. You'll be able to work with your Indiana state energy office. As I mentioned before, 28% of the amount that we have released for the formula grants will go directly to state energy offices.

The state energy offices are required at a minimum to sub-grant 60% of that amount to cities just like yours. So please work with your state energy office.

**If a city meets the 35,000 population requirement and was not listed as a recipient of EECBG funding what course of action should be taken?**

Gil Sperling: First thing you need to do is, when we publish the formula and again, we hope to release this as soon as we possibly can, the formula will explain why a city that has 35,000 or more population may not be receiving funds. I don't quite understand why that would happen; most all the cities above 35,000 should be included. So it could be a computer glitch, could be that the data we have doesn't match the data you have. We have the most recent census data from the Census Bureau. So please consult the most recent census data, and if that doesn't have you at 35,000, that is the explanation.

**Are those cities who have received money through the energy formula grants eligible to apply for the competitive grants?**

Gil Sperling: Absolutely. The \$400 million on the competitive grant that Congress included in the statute is going to be open to all eligible entities and all ineligible. By ineligible, I mean ineligible for a grant directly from the Department of Energy. So this is a broad competitive solicitation. Now, there will be a smaller solicitation, and we may wrap them into the same for roughly 55 million dollars that is limited to those cities that do not get grants directly, cities/counties that do not get grants directly from the department of energy.

**Woodridge conducted a Special Census in 2008 that increased our population to over 35,000. Will this qualify us for the formula grant? If not, is there an appeals process by which we can submit our information for this first round of funding?**

Gil Sperling: These are important questions. The statute dictated that we use most recent published data from the Census Bureau, so I've got to believe that's the explanation. And no, there is not an appeals process.

**Within Attachment C "reporting checklist", the performance metrics includes "Cost Savings" and then "Leveraged funds" in the Expenditures area. Can you clarify the Federal Standard for both of these and how they should or shouldn't overlap?**

Gil Sperling: We want to make sure that these funds are providing energy savings. We've looked historically at a program similar to this, the State Energy Program. If you look at the uses that are eligible under the block grant, those same uses are eligible to the State Energy Programs. We have historical data about the BTU reduction that we can achieve per dollars spent, so we have some minimum idea based upon historic data from the State Energy Program. We're going to look at applications. So what we're asking you to provide to us is, for every dollar we give you, what are the energy savings going to be, what's the renewable capacity that's going to be installed? What are you going to do with greenhouse gases? Importantly, how are you leveraging these funds? The more you leverage the funds, the more energy savings you'll achieve, the more energy savings you'll be providing for every dollar we give you. So if we give you a dollar, and

you do a dollar's worth of energy savings, you're not going to have as high as if we gave you a dollar and you found ten other dollars to match it, and all of a sudden you had 11 dollars of energy savings. So we're going to be reviewing these applications. If we have questions about the program, whether it's producing sufficient savings, we're going to get in touch with you and work with you in the application process.

**Can we apply for new energy saving light to be installed at a new park instead of replacing lighting?**

Gil Sperling: The answer is yes. Propose it to us; tell us what you think the energy savings are going to be on cost per dollar spent and again, if we don't think that matches some of the things we've seen, we'll come and talk to you.

**When do we have to have the funding spent?**

Gil Sperling: We've put this on a tighter time frame than we usually do at the Department of Energy, because the purpose of the Recovery Act is to stimulate this economy and put people to work. We know you are up for that challenge, but we want to make sure that everybody understands the importance of that. So what we have said in the funding opportunity announcement we've released and in the grant documentation for weatherization and for the State Energy Program is we are going to give you 18 months to obligate these funds. Either put these funds into a revolving loan, put them onto a contract, or put them onto a specific project. If you have done that and whatever funds you have obligated in those 18 months, you will have another 18 months, so a total of 36 months to spend the funds. We're going to take a look at this at the end of the 36 months. If you haven't spent the funds there is a chance that we'll take them back.

**What's an appropriate metric for tracking energy consumption for city residents IF the city does not own the utility?**

Gil Sperling: Boy, that is a great question. We have established a special team in the Department of Energy and the Office of EERE that is looking at exactly that question. How do we determine energy savings, how do we measure energy savings, how do we report energy savings, how do we determine job creation, job growth, greenhouse gas reduction? So we will be providing you with additional guidance and additional information. It will be on our website. We're going to ask our friends like the Conference of Mayors and others to help distribute that information. I can't answer that question specifically now, but our intention is as rapidly as we can to provide you additional information.

**The City of Springfield is looking at upgrading three outdated and inefficient elevators located in City Hall with new energy efficient elevators. Would the purchase and installation of these be eligible with the block grant money?**

Gil Sperling: Obviously, if the program would reduce energy consumption, you're going to put it in an application and tell us how much it's going to reduce consumption for every dollar invested...we're going to look. As you know, I can't pre-approve applications. Applications

have to be submitted. Plans have to be submitted. We're going to have to take a look at them and the energy savings. But if it's something that reduces energy and fits within an eligible use within the statute.

**You have mentioned the importance of partnering in several contexts. Does the DOE have a website of best collaborative practices that can be accessed and researched?**

Gil Sperling: Mr. Mayor, that's another great question. We are working morning, noon, and night, working with our laboratories, working with our partners, working with our consultants, and with our brilliant staff to compile the best practices that are available. What we have learned over years of trying to do this work with the states and we want to increase our level of technical assistance we provide to all of our grantees. Please watch our website, please watch for announcements coming from our partners like the Conference of Mayors. We intend to hold workshops, we intend to hold webinars, we intend to have people available to work with you.

**We're interested in energy efficient street lighting. We currently do not own the fixtures. Is it possible to partner with a local utility company for an approved project utilizing Erie's allocation?**

We have a lot of cities and counties who have approached us on energy efficient lighting. The Secretary of Energy was just in Pittsburgh last Thursday and was briefed on their program and plan by the Mayor. This is a great use of these funds so again, put it in your application, submit it to us; let's take a look at it for overall cost effectiveness of it.

**Once an application for grant funding is submitted, how quickly will we know of approval and receive funding? The application would be for funding through our city's \$892,000 allocation.**

Gil Sperling: This block grant is an unprecedented level of activity for our office and for our partners in the project management centers. We are going to be issuing more than 23,000 grants. In order to manage that process we have divided the grants by dollar amount. If you are intended to receive \$250,000 or less, you'll submit an application to us. As long as the application complies with the requirements as identified in the funding opportunity announcement, we're going to put that entire \$250,000 or less onto a grant agreement. We are going to require that you submit to us within 120 days your energy efficiency strategy and we're going to monitor and have you report against that strategy so that you're using the money the way you told us you're going to use it.

If you're between \$250,000 and \$2 million, then we want to see your energy efficiency strategy first. If you need some help in the development of that strategy, submit an application to us. We can give you up to \$250,000 that you can use in developing your plan. Once your plan is submitted, we'll review the plan, we'll look at the cost effectiveness, we'll look at the metrics, greenhouse gas reduction, job creation, which is absolutely essential. If we have any issues with that, we're going to contact you; otherwise, we're going to put 100% of your grant amount on the agreement, once that plan is approved.

If you are going to receive more than \$2 million dollars, we got a little bit different program here. We're going to make sure there isn't wasteful spending and abuse. We want to make sure everyone is using the money to achieve the purposes of the Recovery Act. So for those funds, when you submit your application, you also can receive up to \$250,000 to help you develop your plan. Once your plan is approved, we'll give you 50% of the grant amount. The remaining balance of the grant amount will be earned over time; we'll do progress reviews, we'll make two progress reviews. We want to make sure you're complying with the reporting requirements, that you're using the money the way you told us you were going to use the money. That we don't have any issues that have been created. Get through the progress review - then the rest of the money will be given to you.

**For the competitive grants - which activities are favored - activities that reduce energy by the largest amount, provide an educational tool, or impact the greatest number of people?**

Gil Sperling: All of those are great issues. We are in the process of developing the solicitation on the competitive announcements. Because we are developing it, it's an internal document. So I really can't talk about what's going to have a priority under the formula grant right now, but all of those sounded good to me.

**1. Can the local government agency give out direct grants to homeowners that want to retrofit their home for energy savings? 2. Should grantees of the formula grants foster partnerships with for-profit organizations? If so, and how do you anticipate use of EECBG funding with those businesses?**

Gil Sperling: Sure. The statute specifically states that these funds can be used to help establish a rebate program. I can't see a distinction in my mind between doing a rebate program and giving grants to homeowners. You've got to look at the energy savings per dollar, what do you think you're going to get out of that, is that the most effective use of your funds. But, it seems to me that's one we would take a good look at in the application.

Our grants are going to go to government units. How you work with contractors or others to partner, you'll detail in your application. But our grants going to go to you, we will look to you for the responsibility for how you do that. If you sub-grant or subcontract, we're going to want to make sure that you have put appropriate provisions in your agreement to make sure they comply with any reporting requirements, that the funds are not misspent.

And along those lines, I want to say in terms of partnerships, this is an unprecedented opportunity for you and your cities to work with your counterparts in counties and with your counterparts at the state level, and to work with multiple states and multiple cities on a regional level. We really want to encourage you to collaborate, submit joint applications; the funding opportunity announcement describes how we would like to see this. We are obviously going to have a re-contract joint entity; we want to see an agreement in place among all of you. But this is a great opportunity to combine your funds, leverage your funds, do things like the revolving loans, energy savings; performance contract that we think can have some longer term impact.

**Can EECBG funds be used to cover staff costs (salary and benefits) for time spent providing residential/commercial energy audits and load management switch installation?**

Gil Sperling: You are at a level of detail I cannot answer right now. There is a limitation in terms of administrative expenses. Whether that would be considered administrative, I can't answer that question. You'll have to submit it in the application.

**The Program Guidance limits us to spending 20% of our grant amount on subgrants to non-profit agencies. May we use some funds - beyond this 20% - (for example another 10-20%) for contracting out work that the City does not have expertise to conduct with its own staff? In other words are sub-grants treated differently than contracts under the Program Guidance?**

Gil Sperling: I believe the answer to that question is yes, we are working to definitely get you more detail. I'd like to work with you, but there is a distinction between a sub-grant to a non-profit agency, such as a community action agency or weatherization agency, and hiring a contractor to do retrofits or other work.

**Can you use this grant to create a loan program for a developer interested in energy efficiency?**

Gil Sperling: We think revolving loans in particular are one of the great uses. There are some limits in the program; you can put up to the greater of 20% or \$250,000 of your grant into a revolving loan program, and obviously the idea of that program is you're going to get some payback of energy efficiency savings and you'll have a continuing source of funds that can fund additional efficiency work.

**What is the percentage of matching funds per project submitted and awarded? Is there a baseline minimum amount required for each project?**

Gil Sperling: There is no matching requirement, but obviously, as I said earlier, you're going to get greater energy savings by leveraging every one of your dollars, so that's a maximum benefit to everybody.

**How soon can we use these funds? We have a project that is currently under construction and we would like to use our allocation towards certain energy efficiency improvements at this project, but we are on a tight construction timetable. Could you give me some specifics on a situation like this - for example, will there authorization of the use and re-imburement of funds during a pre-award period?**

Gil Sperling: That's a difficult question. I would encourage you to get your application in tomorrow. Get it in as quickly as you can. Obviously we're going to have a better ability to review and process of that application when it comes in now than when it comes in closer to the deadline and we have a flood. Pre-award funding is a troubling issue for us; not having a plan, not having the transparency and accountability that's associated with requiring that plan does create some issues for us.

**We have been wrestling with how to do a carbon emission inventory for our city for some time now. Do you have a standard metric for measuring and reporting carbon emissions to ensure that every city and state is reporting in the same way so we can compare apples to apples as you review the performance of various projects?**

Gil Sperling: This is a terrific question and I'll expand the question beyond the metrics of carbon reporting. As I said earlier, we have a special team we have assembled under the leadership of David Rogers, who is one of the most capable people in our organization, understands energy efficiency, that is charged with coming up with uniform methods for making these evaluations and these assessments. One of the things that is a great obstacle to us doing more energy efficiency in this country is the disaggregated nature of this market. We lack uniformity, we lack standards, we don't have a uniform national performance or other standard with respect to how do you do an energy audit. We don't have uniform standards in terms of how we train energy efficiency labor force. We don't have a uniform certification requirement for that labor force. We don't have a uniform methodology in how we measure and report energy savings, uniform methodology in how we measure carbon reduction and report carbon reduction. We believe these funds provide a great opportunity for us to respond to those issues, to begin to address the kinds of standards and uniform methods that will transform this aggregated market into a truly national market. That's what you can do with these funds.

**How soon can we start incurring costs that will be paid or reimbursed by EECBG funds? Specifically, how soon can we issue a PO?**

Gil Sperling: Again, we can get money out to you fairly quickly if the money is to help you develop your energy efficiency strategy. We will want see that strategy. We want to see that you have that capability to do all the things you're going to do, that you're going to be able to comply with the reporting, and once we approve that than you'll be ready to go.

**Why did some Cities get significantly more (a base of \$100,000 going to over \$500,000 or more) money allocated over other cities even though they are the same size (the 75% daytime 25% nighttime potential formula) and therefore have the same potential for efficiency? Is cost-effectiveness being proposed for a way to vet projects?**

Gil Sperling: The question is, do you have the same population? Again, we've got to look at that most recent census data that's been provided to us from the Census Bureau. That's what we worked on. So evidently, it appears that there is some disagreement over what the population of the city may be. We looked at that data; it is publicly available, and there is nothing that isn't transparent for what we've done. You'll see all of this in the formula document. As I said we hope to have that out real soon.

**What is involved in complying with the five metrics of accountability? If we are a city over 35,000, do we have to apply for our portion?**

Gil Sperling: Well, if you're a city over 35,000, and you are on the allocation list then yes, you are eligible to apply directly to the Department of Energy. When you submit your application we

want to see from you what are your measurable energy goals, how your funds are going to be used, how it relates to those goals and those metrics, jobs created and/or retained, energy savings on a per dollar basis, renewable energy capacity installed, greenhouse gases reduced and the funds leveraging. We're looking for all of that in your application, for you to describe. So we're going to evaluate the application based on those. Obviously the more of those you achieve and describe, the better this is going to be.

### **Will an environmental review be required to utilize these funds?**

Gil Sperling: These funds are fully subject to the National Environmental Policy Act. I encourage all of you, I hate to say work with your lawyers (I'll confess I am a lawyer), you should be working with your NEPA and environmental council. DOE has a set of rules; they are published, they're available in the code of federal regulations that establish our NEPA policy. There are a number of what we call categorical exclusions for certain activities. We're going to take a look at your application. If you have an activity that falls within a categorical exclusion, an activity such as building retrofits, weatherization normally fall within those exclusions, then that's the end of the review. If your proposed use, for example you're going to build a large new facility, and it's going to require tearing down buildings or digging up ground, we may have to come back to you and ask for more detailed information so that we can make a determination on whether that project and that use is going to require an environmental assessment or environmental impact statement. We want to encourage you to do things as much as possible that fall within a categorical exclusion. That's what's going to allow you to spend the money the quickest. That's what's going to do the best for the economy. That's what's going to put people back to work as fast as possible.

### **Please talk a little about how fleet conversions might be addressed by this grant.**

Gil Sperling: Activities that reduce the use of fossil fuels in vehicles are eligible uses; we want to encourage those uses. Those are the types of uses that will provide benefits long into the future.

### **Can the grant be used to purchase LED for traffic signals that are installed in-house? And is the cost of the labor eligible also?**

Gil Sperling: I believe the answer to that question is yes. An LED light is going to reduce the energy consumption over what's currently available. As we asked the questions before, whether that's an administrative cost, non-administrative cost, we'll get a final issue from procurement. My reaction is if you're going to hire a contractor and the cost of labor is eligible, then the cost of labor is eligible and not considered administrative. It's not administering the program; it's actually implementing efficiency measures.

### **An emphasis has been placed on "shovel ready" projects; can the grant funds be used for engineering or design consulting services to develop a buildable and/or biddable set of drawings for energy upgrade construction project?**

Gil Sperling: Projects that reduce energy consumption are generally eligible uses. We're going to look at that application in terms of how much energy savings you're going to provide with every

dollar invested. We're going to look also at the time frame in which you will achieve those energy savings. Funds can be used specifically for the development of an energy efficiency strategy. If you want to submit that type of proposal, we want to take a close look at it. We may call you up and ask you about the time frames and when we are going to realize some of the achievement that's consistent with the overall goals of the recovery act. But it doesn't sound to me that it's categorically ineligible.

**Are smart meter / smart grid demonstration projects eligible expenses? Project(s) would include funding leveraged from other sources, include significant public education components, and used to demonstrate the business case for energy investments in targeted energy consumer markets, including rehabilitation and new construction scenarios.**

Gil Sperling: I can't pre-approve any applications here. It's a process we will go through with our procurement people, but obviously that's one that I would encourage you to submit in your application and have us take a look at.

**Our allocation is between 250K and 2 million. Do I understand that we can be appropriated an extra 250K to create our Energy Efficiency and Conservation Plan or is take out of our allocation?**

Gil Sperling: It comes out of the allocation. We're going to give you an early use of up to \$250,000 to help develop your plan; you then get the balance of your funds after the plan has been approved. The funds come out of the allocation, it's not in addition. Nice try!

**Will there be different requirements for ECBG Strategies that are not submitted with the application?**

Gil Sperling: We're trying to do this very quickly. As I said before, we have put together in about 30 days what it took a couple years to put together. We want to stimulate the economy. We have given you tight deadlines and timetables to submit applications. Once we have your plan in, we know some things are going to change as you implement it, so we expect an ongoing dialogue about where you may be submitting revisions to the plans. If there is a great idea that you didn't think of in the first plan and it makes sense and it's going to be consistent with producing jobs and stimulating the economy and saving energy, we certainly want to hear that from you. We're not saying that what you submit the first time is the end all, be all. It will help the more thorough you can be in the beginning; it will help things to move more quickly. But if there are great ideas that come up 6-8 months from now we certainly want to hear them.

**Our city is interested in constructing a new, energy efficient fire station. Are priorities given to new construction or retrofitting older buildings?**

Gil Sperling: Let's take a look at this in terms of energy savings and greenhouse gas savings, job creation, etc. per dollar invested. My sense is that retrofits are probably going to reduce more

than new buildings. That may not always be the case, certainly not in eligible activity. Please submit it.

**Regarding the requirement for entities (municipalities or state) to submit an Energy Strategy with the EECBG application - ARE THERE ANY FLOWDOWN PROVISIONS REQUIRING STATE AND LOCAL STRATEGIES TO CONTAIN OR MIRROR ITEMS IN THE FEDERAL STRATEGY ??**

Gil Sperling: If you're going to sub-grant and sub-contract, we want to know those sub-grants and sub-contracts are going to support the strategy you submitted to us. So, if you haven't flow down those requirements and you haven't worked with people then how are we going to know you are accomplishing your strategy? I would say absolutely yes.

**How did the DOE develop the funding guidelines for the EECBG program? Some cities are concerned that cities with higher populations are getting higher per capita amounts than smaller cities are.**

Gil Sperling: We'll publish the formula on this and you can look at the formula to see if that's an issue. We consulted with great extent with the Department of Housing and Urban Development; again, this is modeled on the CBDG. We consulted with the Census Bureau, we consulted within our department. Take a look at our formula; if you still have questions after then we can talk about them then.

**Our city was allocated \$598,200 for additional state grants through the Energy Efficiency & conservation Block Grant Program. My question is two-fold. First, do you have any additional info as to what we can do with the \$598K that was allotted to us as a city with a population greater than 35,000 persons? Also, can we compete for the larger \$180m pot of statewide funds or are we precluded from that as a result of our automatic \$598K set-aside? If we can compete, how does that fund differ from the set-aside?**

Gil Sperling: The 28% of the formula funds that we allocate to the state energy office, the state energy office has to submit a plan to us on how they are going to sub-grant at least 60% of that amount to cities and counties that are not eligible for grants from DOE. We have to look forward to the states in terms of the plans they submit. States do this already under the community development block grant. They have experience with this, so we expect that a lot of the systems may mirror and mimic what's already been done. States are going to have to submit it to us; we'll approve to make sure the funds are going to be put out. If you are directly receiving a grant from DOE, you are not eligible for that 60%. Now what the state does with its state energy money, which is a separate pot of \$3.1 billion, or what it does with the residual of 40% of the 28% the state wants to develop a plan, if the state wants to make you eligible to use those funds, that's going to be under the jurisdiction of the state. Call your Governor; call your state energy office.

**Are you saying that for cities looking for 250,000 to 2,000,000 bracket will receive 250,000 dollars for development of the strategy in additional to total allocation amount?**

Gil Sperling: Nope, I don't want to confuse anything. It's not \$250,000 in addition. You may get up to \$250,000 of your total allocation quickly from us to help you develop a plan. Then you will get the balance of the funds after your plan has been submitted and approved. This is a way to speed up getting some funds that can be used to help you in the planning and development process.

**When this Stimulus was first introduced, it was designed to quickly help stimulate the local and general economy, but recently it has become more of a grants writing contest, that frankly will create a great deal of stresses to our cities. Can this process be simplified?**

Gil Sperling: I don't know how to simplify the process any more than the statute has dictated we simplify, which is predicated upon the submission on the energy efficiency strategy. So we need your strategy, we need you to submit a document; we need you to be responsive to what's in the funding opportunity announcement. We are asking our project management centers to review those applications and within 30-120 days to release the funds.

**For cities getting over 2 million - We submit a request for the \$250,000 to have an engineering firm develop our city plan. Does the final plan still need to be submitted by June 25 or is there an extension to get this plan developed?**

Gil Sperling: That's a good question, and I'll go back and I'll check on that, but I believe that we are looking at your final plan on June 25<sup>th</sup>. If you submitted an initial application for \$250,000 dollars, please consult first the funding opportunity announcements for the specifics on that; I don't know if the question is answered, but if you've got an issue with that June 25<sup>th</sup> deadline, please let us know.

**Can these funds be leveraged with other federal program such as CDBG or HOME Program? The idea would be to leverage EECBG for solar panels on homes constructed for low income person built with HOME or assisted with CDBG.**

Gil Sperling: There is no color of your leveraged money. Whatever the source is, please include that and identify. Tell us. We're only asking you to tell us how much energy savings you are getting per dollar you invest. If you leverage that with HUD money, if you leverage that with the grant from the state energy office because you're working with the states, if you leverage that through collaboration with the private sector, if you leverage that with philanthropic money from organizations within your community, all of that is going to give you more energy savings for every dollar we're giving you.

**Will the grant fund the project retroactively if costs are incurred before the grant due date? And if so how long?**

Gil Sperling: Please consult the FOA in terms of pre-award cost. That's a question I've got to get guidance from our procurement people on the allowance.

**Is a formula city required to submit one application for its entire allocation? Or multiple applications for smaller projects?**

Gil Sperling: Mayor, I think to encourage the rapid spending of this money to stimulate the economy, my advice to you is to package all your project and uses into one application. Make it as comprehensive as you can. As I've said before, we know ideas are going to emerge; things are going to be learned by you and all of the cities and all of the grantees as we implement the funds, where you may come back to us with an amendment or additional thoughts or ideas. We want to encourage you. Be as comprehensive as you can, identify as many things as possible before that deadline.

**Hawaii does not have ineligible local government/cities to distribute the 60% allocated for those communities. How can the intent of this provision be realized since Hawaii counties only received much smaller amount under the formula?**

Gil Sperling: Our formula document will answer the question. We are very aware of Hawaii. You have to work closely with your state energy office.

**How and when will DOE determine that unallocated funding would be available for redistribution after project proposals have been submitted for eligibility approval?**

Gil Sperling: I can't answer the question on how we would re-allocate unused funds. That's a process we're going to have to determine. We're hoping that's never going to happen.

**What will be the criteria for selecting competitive grants under EECBG? Would a City with a (very) modest entitlement block grant allocation be able to go after additional money for further programs under the competitive funding?**

Gil Sperling: The answer is you'll be eligible, but I can't go into the details of the solicitation we haven't issued.

**Will this program allow a small percentage of the funds to be used for administrative costs for durational employees assisting with the application, implementation, monitoring, and compliance of the program?**

Gil Sperling: The answer is yes, there is specific information in the funding opportunity announcement about the percentage to cover administrative costs.

**For cities allocated over \$250,000.00, it is our understanding that the funding will be released in phases. Can you confirm that? Also, since our city does not have an Energy Efficiency Conservation Strategy as of yet, we would like to utilize a portion of our allocation for the EECS (phase 1), and then utilize the remainder for a project listed within the EECS (phase 2). Is this feasible? What would be the timeline for funding the phase 1 and phase 2? Knowing that the deadline for submittal of both phase 1 and phase 2 would be June 25th, how specific would we need to be on the application for phase 2? We have already identified a potential project for phase 2 that will be listed in the EECS. For**

**example, if we created and administrated a Revolving Loan Fund for energy audits and energy efficiency improvements for local businesses and residents, how specific do we need to be with the elements for that project?**

Gil Sperling: Well first, if you're between \$250,000 and \$2 million, if you don't apply to us to receive a portion up to \$250,000 to plan development, our intention is once your plan is approved we'll release the entire amount 100%. It's only above \$2 million in grant that there will be a state release.

I'm not sure what you mean by phase one or phase two. Again, you can apply to us for early funding that's to be used for the development of your strategy. In terms of activities that implement your strategy, those will be funding and allowed expenses once the strategy has been approved.

Well, specific enough for us to understand that you're ready to go with that project that we're going to be able to monitor and go against that project. We're not looking for speculative ideas; we're looking for specific activities that you've developed at a stage that they are ready to receive funding.

**Is guidance on statute, eligibility, application forms, review criteria, and energy efficiency strategy plans available on Economic Recovery Home Page or where?**

Gil Sperling: I encourage you to please take a look at the funding opportunity announcement. It is posted on grants.gov. I encourage you all to go to our website, which is [www.energy.eere.gov](http://www.energy.eere.gov).

**Will cities be required to prepare an energy and conservation strategy within 12 months of receipt of funds and submit it to DOE for approval? Will there be second year funding and will the above strategy be required to secure second year funding?**

Gil Sperling: Second year funding and out year funding is going to be up to the Congress on this. Our intention is to allocate your full amount of recovery act funds that have been provided onto your current energy efficiency strategy once we approve it. We are looking to have that strategy submitted by the deadline we've stated, so that's a deviation from the statute. Those who are receiving less than \$250,000, you've got 120 days to submit it, not twelve months. For those that are receiving more than \$250,000, we'd like to see your strategy by June 25<sup>th</sup>. We're accelerating this consistent with the need to stimulate the economy and create jobs.

**Will the grant cover, under the energy efficiency retrofit category, the full cost of insulating and re-siding a township owned affordable housing facility? How will the fees for spec preparation and construction management be handled? Are those considered administrative costs?**

Gil Sperling: Again, please submit the project in the proposal; we'll work with our procurement people to get you a more direct response on that. But it sounds like it's an eligible use.

**Just to verify, when you say that for the initial sum of money (\$250,000 in our case) can be used to develop a strategic plan and projects that meet approved activities, do you mean the approved activities you have outlined below the strategic plan in the announcement?**

Gil Sperling: The answer is yes.