



Alaska Small Cities Energy Efficiency and Conservation Block Grant (EECBG)

Program Summary

Introduction

The Alaska Energy Authority has received American Recovery and Reinvestment Act (ARRA) funding that we will make available through an application process to qualifying local governments. The local sub-grant funding totals \$5,180,490 and is part of the Energy Efficiency and Conservation Block Grant (EECBG) program from the US Department of Energy (US DOE). This program summary is intended to provide an introduction to eligible cities about the grant program as it develops, in order to facilitate planning for the eligible cities. The information below is in draft form and may change prior to the issuance of grant applications.

Who is eligible?

Incorporated local units of government (hereafter referred to as cities) within Alaska are eligible for this funding opportunity so long as they were not eligible for direct formula grant funding under the EECBG program. The ten largest cities and ten largest boroughs are ineligible because they were eligible to receive funds directly through US DOE under the EECBG program. Likewise, all Native, Tribal and Village entities are not eligible as they were also eligible for funding directly from US DOE. In total, 142 city and/or borough governments are eligible for funding. A list of eligible local governments is attached as Appendix A.

Funding

Funding will be provided to eligible applicants using a formula. The proposed formula provides a base funding of \$10,000 per city and additional funding based upon population. Grants are expected to range from \$10,900 to \$227,800. There is no matching fund requirement. In the event that some eligible cities do not apply for the funding, the unused allocation will be added to the formula of those eligible applicants. Eligible cities must submit an application by the deadline (tentatively March 3, 2010) identifying qualifying energy efficiency projects to be funded.

Eligible projects

Cities may use their allocated funding for the following types of energy efficiency and conservation projects.

1. **Energy efficiency audits of public buildings.** No more than 50 percent of the funding may be used for energy audits. At least 50 percent of the funding must be used for energy performance measures (making the energy efficiency improvements), items 2-4 below.
2. **Energy efficiency measures in public buildings.** These include, but are not limited to:
 - a. Efficiency improvements to the building thermal envelope
 - b. Efficiency improvements to the building heating, air conditioning and/or ventilation system

- c. Efficiency improvements to the building's electrical load, including lighting, motors, pumps, water heaters, heat trace, control equipment (such as timers or occupancy sensors), exit signs, refrigeration, appliances, and other electric loads.
3. **Energy efficiency measures to other public facilities**, such as street or trail lighting, or other public infrastructure.
4. **Energy conservation measures**, such as establishing workplace policies or programs for employees regarding the conservation of energy.

Timeline (tentative)

- January 15, 2010: Cities complete online pre-application survey (or paper survey)
- February 1, 2010: Application process opens
- March 3, 2010: Application deadline
- March 2010: AEA review of applications
- April 2010: Notification of award recipients, and subsequent start of projects
- Quarterly: reports due, schedule TBA
- August 31, 2012: Deadline for all work to be completed
- September 28, 2012: Final reports and grant closeout, if not conducted sooner

Reporting

All grant recipients will be required to file quarterly reports that follow AEA and ARRA reporting requirements. In addition to reporting several performance metrics, such as jobs created, jobs retained, and energy saved, grantees must follow the ARRA requirements outlined below. The grant application form and grant agreement will include the specific forms and requirements. The descriptions below are provided to give potential grant recipients a sense of the ARRA requirements.

Segregation of Funds

Grantee agrees that it shall segregate revenues, obligations, and expenditures of ARRA funds from other funding. No part of funds available under ARRA may be commingled in accounting records with any other funds or used for a purpose other than that of making payments for costs allowable under ARRA and this agreement.

Buy American Requirement

In accordance with ARRA section 1605, Grantee assures that it, and its subcontractors, will not use ARRA funds for a project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States in a manner consistent with United States obligations under international agreements. The Grantee understands that this requirement may only be waived by the applicable federal agency in limited situations as set out in ARRA, section 1605.

Wage Rates Requirements

In accordance with ARRA section 1606, Grantee assures that it, and its subcontractors, will fully comply with this section in that, notwithstanding any other provision of law, and in a manner consistent with the other provisions of ARRA, all laborers and mechanics employed by contractors and subcontractors on projects funded directly by,

or assisted in whole or in part with funds under ARRA, shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the United States Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (Davis-Bacon Act).

Special Contracting Provisions

In accordance with ARRA section 1554, Grantee agrees that it, and its subcontractors, will award contracts as fixed-price contracts through the use of competitive procedures to the extent possible. Grantee further agrees that it will provide a summary of any contract awarded with ARRA funds that is not fixed-price and not awarded using competitive procedures to be posted in a special section of the website established in accordance with ARRA section 1526.

Whistleblower Protection

In accordance with ARRA section 1553, the Grantee assures that it, and its subcontractors, will fully comply with this section, including, but not limited to, assuring that employees will not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosures by the employee that the employee reasonably believes are evidence of (1) gross mismanagement of a contract or grant relating to ARRA funds; (2) a gross waste of ARRA funds; (3) a substantial and specific danger to public health or safety related to the implementation or use of ARRA funds; (4) an abuse of authority related to implementation or use of ARRA funds; or (5) a violation of law, rule, or regulation related to an agency contract (including the competition for or negotiation of a contract) or grant, award or issued relating to ARRA funds. In accordance with ARRA section 1553 (e), the Grantee assures that it, and its subcontractors, will post notice of the rights and remedies provided in ARRA section 1553.

Inspection of Records

Grantee agrees that it, and its subcontractors, will cooperate with any representative of the State of Alaska, the United States Comptroller General or his representative, or the appropriated inspector general appointed under section 3 or 8G of the Inspector General Act of 1978 or his representative in the examination of records that pertain to, or involve transactions relating to this grant, and agrees that it, and its personnel can be interviewed by these entities regarding this grant and related program.

False Claims Act

Grantee agrees that it, and its subcontractors, shall promptly refer to an appropriate federal inspector general any credible evidence that a principal, employee, agent, subcontractor or other person has committed a false claim or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds.

Environmental Impact Requirements

In accordance with ARRA section 1609, Grantee assures that it, and its subcontractors, will comply with any applicable environmental impact requirements of the National Environmental Policy Act of 1970 (NEPA), as amended.

Prohibition on Use of ARRA Funds

Grantee agrees that none of the funds made available under this grant may be used for any casino or other gambling establishment, aquarium, zoo, golf course, swimming pool, or similar projects.

Subrecipient Requirements

Grantee agrees that it will include these standard terms and conditions, including this requirement, in any of its subcontracts in connection with projects funded in whole or in part with funds available under ARRA.

Enforceability

If Grantee, or any of its subcontractors fails to comply with all applicable federal and State requirements governing the use of these funds, the State of Alaska may withhold or suspend, in whole or in part, funds awarded under the program, or recover misspent funds following an audit. This provision is in addition to all other remedies provided to the State of Alaska under all applicable federal and State laws.

PLEASE NOTE THAT COMPLIANCE WITH APPLICABLE SECTIONS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) WILL BE STRICTLY ENFORCED BY THE STATE AND FEDERAL GOVERNMENT. THEREFORE, ALL GRANTEES AND SUBRECIPIENTS SHOULD BECOME FAMILIAR WITH THE SPECIFIC TERMS AND REPORTING REQUIREMENTS OF ARRA AS MAY BE APPLICABLE TO FUNDS RECEIVED.

Technical Support

To make this grant process easy and effective for cities, AEA is considering a voluntary assistance program. Through this program, interested cities would simply check a box on the application form to opt-in to the program and they will receive a full suite of assistance that will take care of energy audits, energy efficiency measures, and perhaps most importantly, the reporting burdens.

Alaska Energy Authority would hire qualified energy professionals to serve the participating cities by identifying energy-savings opportunities, performing the work, and handling the reporting. These contractors would work in partnership with each city. AEA currently uses this model to serve Alaska villages, and the results have proven very effective. AEA recommends this program, especially for smaller cities receiving \$50,000 or less, to reduce the possibly significant administration costs, and to most effectively deploy energy efficiency measures in your city and across the state.

The benefits of this program are many:

1. The contractors will handle the ARRA reporting requirements on behalf of the cities
2. Cities will have the technical assistance they need to implement effective energy saving measures
3. The administrative burden is reduced significantly, resulting in more funding for energy saving measures
4. Buying power may be enhanced through coordinated higher volume purchasing and shipping

If you are interested in this program, please indicate your interest on the pre-application survey (see Next Steps, below). The level of interest in this option will determine whether the program is provided or not.

Payments

Grant funds will be paid on a reimbursement basis for eligible costs upon receipt of a payment request. Payment request frequency may vary between monthly and quarterly.

Evaluation of projects

To ensure effective use of the funding, AEA is developing guidelines by which to evaluate applications. For example, energy efficiency measures must not have a payback period longer than the life of the efficiency measure (i.e. the amount of money saved in energy over the life of the measure, must be greater than the cost to implement the measure). More details regarding the evaluation of projects will be included in the application materials.

Next Steps

Applicant cities should complete a pre-application survey online at www.akenergyauthority.org/efficiency by **Wednesday, January 15, 2009**. This survey provides an opportunity for cities to state whether they intend to apply for funding, to express an interest in the “opt-in” technical support option, to update contact information, and to provide feedback. If cities are not able to use the web survey, a paper version of the survey is included in this envelope.

The grant application period will likely be during February 2010, with a deadline in early March. Therefore, we encourage cities to conduct initial planning for the projects they would like to implement. The grant application process will likely allow communities to conduct energy efficiency audits as a first step to identify the projects that will be undertaken.

More Information

More information can be found at the Alaska Energy Authority web site (www.akenergyauthority.org/efficiency), including links to US DOE materials about these grants, updates, FAQs, and additional information. This link will continue to be updated as new information is available.

Contacts

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Appendix A Eligible Local Governments and Allocation Amounts

Adak	\$17,200	False Pass	\$11,600
Akhiok	\$11,900	Fort Yukon	\$33,700
Akiak	\$23,800	Galena	\$33,400
Akutan	\$42,200	Gambell	\$37,200
Alakanuk	\$37,100	Golovin	\$16,500
Aleknagik	\$19,800	Goodnews Bay	\$19,100
Allakaket	\$13,900	Grayling	\$16,800
Ambler	\$20,500	Gustavus	\$28,100
Anaktuvuk Pass	\$21,500	Holy Cross	\$17,800
Anderson	\$21,900	Homer	\$227,800
Angoon	\$27,400	Hoonah	\$43,300
Aniak	\$30,000	Hooper Bay	\$56,900
Anvik	\$13,400	Houston	\$80,900
Atka	\$12,900	Hughes	\$13,300
Atqasuk	\$18,800	Huslia	\$21,200
Barrow	\$173,800	Hydaburg	\$23,800
Bettles	\$10,900	Kachemak	\$28,300
Brevig Mission	\$24,100	Kake	\$31,000
Bristol Bay Borough	\$51,600	Kaktovik	\$21,000
Buckland	\$28,500	Kaltag	\$17,600
Chefornak	\$29,000	Kasaan	\$12,200
Chevak	\$47,300	Kiana	\$25,500
Chignik	\$12,400	King Cove	\$40,300
Chuathbaluk	\$14,500	Kivalina	\$26,400
Clark's Point	\$12,200	Klawock	\$41,700
Coffman Cove	\$15,700	Kobuk	\$14,400
Cold Bay	\$13,600	Kotlik	\$34,600
Cordova	\$97,300	Kotzebue	\$136,300
Craig	\$55,100	Koyuk	\$23,500
Deering	\$15,400	Koyukuk	\$13,600
Delta Junction	\$52,800	Kupreanof	\$11,100
Dillingham	\$104,800	Kwethluk	\$40,900
Diomede	\$15,200	Lake & Peninsula Borough	\$72,700
Eagle	\$15,200	Larsen Bay	\$12,700
Eek	\$21,000	Lower Kalskag	\$20,300
Egegik	\$12,500	Manokotak	\$27,400
Ekwok	\$14,900	Marshall	\$26,900
Elim	\$22,000	McGrath	\$22,800
Emmonak	\$42,100	Mekoryuk	\$17,900

Mountain Village	\$40,900
Napakiak	\$24,100
Napaskiak	\$27,600
Nenana	\$29,400
New Stuyahok	\$29,800
Newhalen	\$16,500
Nightmute	\$20,100
Nikolai	\$13,600
Nome	\$154,300
Nondalton	\$18,200
Noorvik	\$35,900
North Pole	\$94,800
Nuiqsut	\$27,100
Nulato	\$21,100
Nunam Iqua	\$18,400
Nunapitchuk	\$31,800
Old Harbor	\$17,400
Ouzinkie	\$16,700
Pelican	\$14,600
Petersburg	\$131,600
Pilot Point	\$12,900
Pilot Station	\$33,700
Platinum	\$11,900
Point Hope	\$38,800
Port Alexander	\$12,100
Port Heiden	\$13,600
Port Lions	\$17,700
Quinhagak	\$36,700
Ruby	\$16,500
Russian Mission	\$24,600
Saint George	\$14,500
Saint Mary's	\$32,200
Saint Michael	\$27,500
Saint Paul	\$28,200
Sand Point	\$48,700
Savoonga	\$39,200
Saxman	\$27,000
Scammon Bay	\$31,500
Selawik	\$44,200
Seldovia	\$21,500
Seward	\$115,800

Shageluk	\$14,100
Shaktoolik	\$19,000
Shishmaref	\$33,700
Shungnak	\$21,000
Skagway	\$44,200
Soldotna	\$174,100
Stebbins	\$33,300
Tanana	\$20,200
Teller	\$20,500
Tenakee Springs	\$14,000
Thorne Bay	\$27,800
Togiak	\$42,400
Toksook Bay	\$34,400
Unalakleet	\$39,200
Unalaska	\$153,500
Upper Kalskag	\$19,500
Valdez	\$191,800
Wainwright	\$31,600
Wales	\$15,600
White Mountain	\$17,700
Whittier	\$16,500
Wrangell	\$95,300
Yakutat, City & Borough	\$33,800

