

MINNESOTA DEPARTMENT OF COMMERCE
OFFICE OF ENERGY SECURITY
 Estimated Allocations of US Department of Energy
 State Formula Grants Under ARRA Title IV Appropriations

PROGRAM	TOTAL APPROPRIATION VIA FORMULA (billion \$)	ESTIMATED MN ALLOCATION (million \$)
Weatherization Assistance	\$ 5.0	\$ 131.9
State Energy Program	\$ 3.1	\$ 54.2
Energy Efficiency & Conservation Block Grant	\$ 2.8	\$ 13.9
	\$ 10.9	\$ 200.0

MINNESOTA'S STIMULUS FUNDING GOALS

- Job Creation & Retention
- Energy Savings

STRATEGIES TO REACH OUR GOALS

Weatherization Assistance Program

Low-Income Weatherization Assistance Program **\$ 131.9 million**

- This program helps low-income families reduce their energy costs by weatherizing their homes. State contracts with 32 local providers to carry out weatherization activities for eligible households.

State Energy Program

Public Building Retrofits **SEP \$ 22.5 million** **EECBG \$5.35 million**

- Public building retrofits target hard-hit job sectors including carpenters, electricians, heating/air conditioning/ventilation installers, pipefitters, roofers, insulation workers, construction managers and engineers.
- Use existing programs to expedite public building retrofits: Public Buildings Enhanced Energy Efficiency Program (PBEEEP), streamlined performance contracting, commissioning and recommissioning, expanded operations and maintenance programs.
- Based on experience of existing programs, energy savings in each of the various programs could range from 15-20%.

Residential Energy Financing **\$ 15.6 million**

- Provide grant/loan combination financing for home energy efficiency improvements, including windows using Minnesota Housing Finance Agency's existing loan origination network. The short-term availability of grant financing will motivate homeowners to act now on energy improvements.

Renewable Energy Programs **\$ 5.75 million**

- Solar and wind projects targets jobs such as: electrical engineers, electricians, industrial machinery mechanics, welders, metal fabricators, electric equipment assemblers, construction equipment operators, installation helpers, laborers, construction managers
- Existing solar rebate programs can be ramped up quickly and will support the 20+ businesses that install solar systems as well as businesses in Minnesota that manufacture solar thermal collectors. Additional incentives to ramp up larger solar installations can be added to the existing program.

- The establishment of a solar certification and energy efficient equipment testing lab will put people to work immediately in the development of the site and long term as the regional hub for such testing.
- Small wind continues to attract citizens' interest. Federal tax credits combined with state incentives will make this program attractive.

Energy Education, Training, Information, Data **\$ 5.1 million**

- To sustain the initial energy efficiency and renewable energy project results, it is essential that education, training, and data are provided on a long term basis. Education steeped in appropriate data, in conjunction with good maintenance provides the long term savings.
- Education, training and data projects target different skill sets which will provide stimulus funds to a different segment of Minnesota worker.

Minnesota Ingenuity Grants **\$ 3.0 million**

- Because we don't have all the answers, we will ask Minnesota's innovators for their great ideas. Proposals will be judged on how well they achieve our six stimulus funding goals. This grant offering will have to be widely promoted to ensure that we receive the best responses, so activities under these grants will likely be the last to begin producing results, but the potential for finding truly unique and innovative ideas is worth the additional time.

Industrial Shared Savings **\$ 2.0 million**

- The St. Paul Port Authority has developed an industrial shared-savings program that addresses barriers to implementation of cost-effective energy improvements. Grant funds will leverage other resources to finance improvements.

Minnesota Energy Future Investment Fund **\$ 0.25 million**

- Funds will be used to assess legal and financial structures and market potential for a broad-based investment pool to finance energy-efficiency in Minnesota homes and businesses and locally-owned renewable energy facilities.

Energy Efficiency And Conservation Block Grant

Energy Efficiency Grants to Local Governments **\$ 8.55 million**

- This grant program provides funding to local governments to reduce energy use and emissions. Allowable uses include strategic planning, consultant services, energy audits, implementing building codes and inspection services, energy efficiency retrofits and installing onsite renewable energy technologies.

Future Funding Opportunities

Utility Partnerships **State applies for funds at direction of USDOE**

- Strong partnerships exist with utilities through the Conservation Improvement Program. Utilities already have the conduits to reach businesses and homes alike. Strengthening that link through additional incentives for energy efficient products and appliances ensures timely implementation.
- The Energy Star Appliance Rebate program will provide federal funds for rebates to residential consumers to purchase Energy Star products to replace used appliances with more efficient models. This will speed the rollout of appliances that will be able to take advantage of smart meters and spur consumer purchases of smart and energy-efficient appliances.

Competitive Grants / Tax Incentives **As information becomes available**

- Multiple opportunities exist for additional funds in a variety of energy areas. The Office of Energy Security will track and publicize when competitive grant opportunities arise. Also, the OES will provide tax incentive information for Minnesota consumers and businesses as it becomes available.