

# WEBINAR: FUNDING YOUR RENEWABLE, GREEN ENERGY PROPOSAL

How to Obtain Federal and State Stimulus Funding  
& How to Connect to Michigan's Energy Grid

June 23, 2009

# Moderator:



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# Part I:

## Going Green: How to Obtain Federal Funding for Your Clean Energy Project

By

J. J. Burchman

June 23, 2009



# Energy Efficiency and Conservation Block Grants

## EECBG

- Part of the American Recovery and Reinvestment Act of 2009
- \$3.2B in grants

### Michigan's Share

- \$57.6MM to Formula Entitled Cities and Counties (Non-Competitive Grants)
  - ☆ Application deadline June 25, 2009
- Minimum of \$11.6MM to Non-Entitlement Cities, Counties, and School Districts via State (Competitive Grants)
  - Application and distribution to come directly from the State
- \$1.25MM to Tribal Governments

# Principles of Program

## Prioritize Energy Efficiency & Conservation

- Link to long-term priorities
- Create/retain jobs
- Create energy savings, job creation and economic stimulus
- Leverage federal funds with other resources
- Projects that will continue beyond funding period
- Transparency
- Benchmarking performance

# Formula Grants

## Eligible Entities:

### Cities

- Population 35,000 or more or one of top ten most populous cities in state

### Counties

- Population 200,000 or more or one of top ten most populous counties in state

### Native Americans

- All federally recognized tribes

# Competitive Grants

Eligible Entities:

- Cities, counties, school districts, and tribes ineligible for formula grants

Funding for state, city, and county governments in the state includes:

MI	Michigan Total Sum City, County, and SEO Allocations	All	\$	76,601,500
MI	Michigan	State Energy Office	\$	19,599,600
MI	Ann Arbor	City	\$	1,243,400
MI	Battle Creek	City	\$	545,100
MI	Bloomfield	City	\$	169,500
MI	Canton	City	\$	754,100
MI	Chesterfield	City	\$	181,100
MI	Clinton	City	\$	894,600
MI	Commerce	City	\$	151,000
MI	Dearborn	City	\$	970,800
MI	Dearborn Heights	City	\$	477,700
MI	Detroit	City	\$	8,862,400
MI	East Lansing	City	\$	213,200
MI	Farmington Hills	City	\$	791,300
MI	Flint	City	\$	1,147,900
MI	Georgetown	City	\$	176,100
MI	Gr Rapids	City	\$	1,938,000
MI	Grand Blanc	City	\$	143,600
MI	Kalamazoo	City	\$	762,200
MI	Kentwood	City	\$	217,900
MI	Lansing	City	\$	1,192,000
MI	Lincoln Park	City	\$	145,500
MI	Livonia	City	\$	971,100
MI	Macomb	City	\$	610,200
MI	Meridian	City	\$	162,000
MI	Midland City	City	\$	195,200
MI	Muskegon	City	\$	181,600
MI	Novi	City	\$	533,100
MI	Pontiac	City	\$	683,800
MI	Portage	City	\$	204,700
MI	Redford	City	\$	188,000
MI	Rochester Hills	City	\$	642,700
MI	Roseville	City	\$	198,600
MI	Royal Oak	City	\$	543,400
MI	Saginaw	City	\$	566,200
MI	Saginaw	City	\$	166,800
MI	Shelby	City	\$	651,200
MI	Southfield	City	\$	875,700
MI	St. Clair Shores	City	\$	544,000
MI	Sterling Heights	City	\$	1,203,800
MI	Taylor	City	\$	596,000
MI	Troy	City	\$	921,100
MI	Warren	City	\$	1,358,600
MI	Waterford	City	\$	641,400
MI	West Bloomfield	City	\$	571,800
MI	Westland City	City	\$	731,100

MI	Wyoming	City	\$	683,100
MI	Ypsilanti	City	\$	484,400
MI	Genesee	County	\$	2,629,000
MI	Jackson	County	\$	687,500
MI	Kent	County	\$	2,796,700
MI	Livingston	County	\$	740,400
MI	Macomb	County	\$	746,400
MI	Oakland County	County	\$	4,879,700
MI	Ottawa	County	\$	2,052,800
MI	St. Clair	County	\$	701,300
MI	Washtenaw	County	\$	766,900
MI	Wayne	County	\$	4,914,200

In addition, today's announcement includes funding for the following Tribal governments in the state:

MI	Bay Mills Indian Community, Michigan	\$	51,300
MI	Grand Traverse Band of Ottawa and Chippewa Indians, Michigan	\$	160,500
MI	Hannahville Indian Community, Michigan	\$	35,100
MI	Keweenaw Bay Indian Community, Michigan	\$	68,900
MI	Lac Vieux Desert Band of Lake Superior Chippewa Indians, Michigan	\$	25,900
MI	Little River Band of Ottawa Indians, Michigan	\$	54,400
MI	Little Traverse Bay Bands of Odawa Indians, Michigan	\$	80,200
MI	Match-e-be-nash-she-wish Band of Pottawatomi Indians of Michigan	\$	40,800
MI	Mississippi Band of Choctaw Indians, Mississippi	\$	282,800
MI	Nottawaseppi Huron Band of the Potawatomi, Michigan	\$	58,000
MI	Saginaw Chippewa Indian Tribe of Michigan	\$	183,100
MI	Sault Ste. Marie Tribe of Chippewa Indians of Michigan	\$	382,400
MI/IN	Pokagon Band of Potawatomi Indians, Michigan and Indiana	\$	233,800

(NOTE: If a Tribal government spans more than one state, the number above reflects the allocation for the Tribal government as a whole.)

More information on the Energy Efficiency and Conservation Block Grant Program is available on [http://apps1.eere.energy.gov/wip/block\\_grants.cfm](http://apps1.eere.energy.gov/wip/block_grants.cfm).

# Eligible Activities

1. Residential & Commercial Building Audits
2. Financial Incentives and Mechanisms for energy efficiency improvements
3. Nonprofit and governmental grants for Energy Efficiency Retrofits
4. Energy Efficiency and Conservation programs for buildings and facilities
5. Development and Implementation of transportation programs to conserve energy
6. Building Codes and Inspections to promote building energy efficiency

(continued)

# Eligible Activities

7. Energy Distribution Technologies that increase efficiency
8. Material Conservation Programs
9. Reduction and Capture of Methane and Greenhouse Gases generated by landfills
10. Energy Efficient Traffic Signals and Street Lighting
11. Renewable Energy Technologies on Government Buildings
12. Any other activity that meets purposes of program and is approved by DOE

## EECS

- Summary and timetable of goals and objectives
- Describe proposed implementation plan
- Describe cooperation efforts with adjacent local governments
- Describe how you will coordinate and share information with State
- Describe benefits sustained beyond funding period
- Describe auditing/monitoring procedures

# Priorities

- Create/retain jobs
- Stimulate short-term economy
- Laying foundation for long-term and sustainable clean energy economy
- Leverage other resources
- Enhance workforce development
- Continue beyond funding period
- Promote energy market transformation

# Application Process

1. Request DUNS number

<http://fedgov.dnb.com/webform/displayHomePage.do>

2. Register with CCR

<http://www.ccr.gov>

3. Register in Fed Connect

<http://www.fedconnect.net/FedConnect/>

# Funding Specifics

- Must be obligated/committed within 18 months of award and spent within 36 months
  - Up to \$250K: 100% at time of award, EECS required within 120 days
  - \$250K - \$2MM: \$250K for development of EECS, EECS required within 120 days of award, balance upon DOE approval of EECS
  - Above \$2MM: \$250K for development of EECS or 50% of award if EECS has been approved. Balance upon progress review.

- Regular required reporting in:
1. Jobs created and/or retained
  2. Energy savings on a per dollar invested basis
  3. Renewable energy capacity installed
  4. Greenhouse gas emissions reduced
  5. Funds leveraged

# Expenditures

- Quarterly Reporting Required:
  - Project activities
  - Administration
  - Evaluation
  - Leveraged Funds

- Renewable Energy Market Development
  - Number and size of solar energy systems installed
  - Number and size of wind energy systems installed
  - Number and size of other renewable energy systems installed

## → Clean Energy Policy

- Alternative energy plans developed or improved
- Renewable portfolio standards established or improved
- Interconnection standards established or improved

# Presenter:



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# Michigan Recovery & Reinvestment Plan

## *Michigan EECBG Strategy*

Amy A. Butler  
Department of Energy, Labor, and  
Economic Growth -  
Bureau of Energy Systems  
June 23, 2009

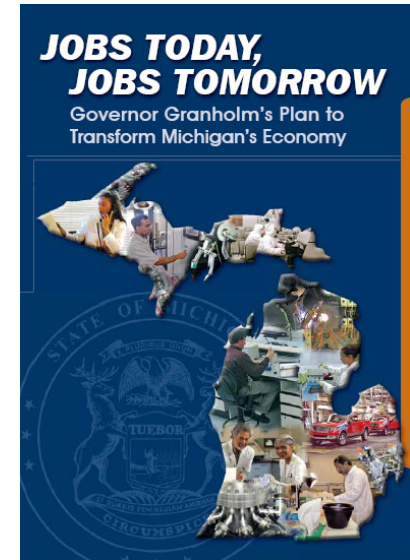


# Michigan's Economic Plan is in Place

*Michigan's plan aligns perfectly with President Obama's goals:*

- ◆ Create jobs and diversify our economy
- ◆ Educate and train our students and workers
- ◆ Protect our citizens during tough times

The Recovery Act  
will **accelerate** our plan



# How Will the Funds Come to Us?

- *Through existing programs*
- *Competitive grants*
- *Tax cuts*



Michigan has a unique opportunity to drive job creation and accelerate its transition to a sustainable green economy due to

- Unprecedented funding available through the American Recovery and Investment Act
- Legislation mandating the pursuit of renewable and energy efficiency opportunities in Michigan passed in 2008
- Strong public support for innovative new solutions to the economic crisis

The Michigan state government is rapidly scaling up to meet the opportunity.

*Visit [michigan.gov/recovery](http://michigan.gov/recovery) often for grant applications and the latest updates!*

# Scaling up Michigan's energy efficiency efforts will require several critical decisions

**Energy efficiency at scale is an exciting opportunity for Michigan, which may create a significant number of jobs within the state**

- Substantially reduces energy consumption
- Positively contributes to the overall affordability of energy in the state (total bills versus rates)

**The energy efficiency vision is closely aligned with broader national objectives**, which could open the door for capture of additional sources of funding

**Capturing this opportunity will require making a number of critical decisions** on how to scale up energy efficiency efforts: What is the right portfolio of policies and interventions to stimulate demand and drive uptake?

- How do we create and leverage private-public partnerships and actively engage utilities to drive the right programs?
- How do we prioritize our efforts against high opportunity segments balanced with economic benefits and feasibility issues?
- What is the correct program management structure to drive design and deployment and ensure effective evaluation, measurement, and verification?



# Initial Steps of Integrated Plan

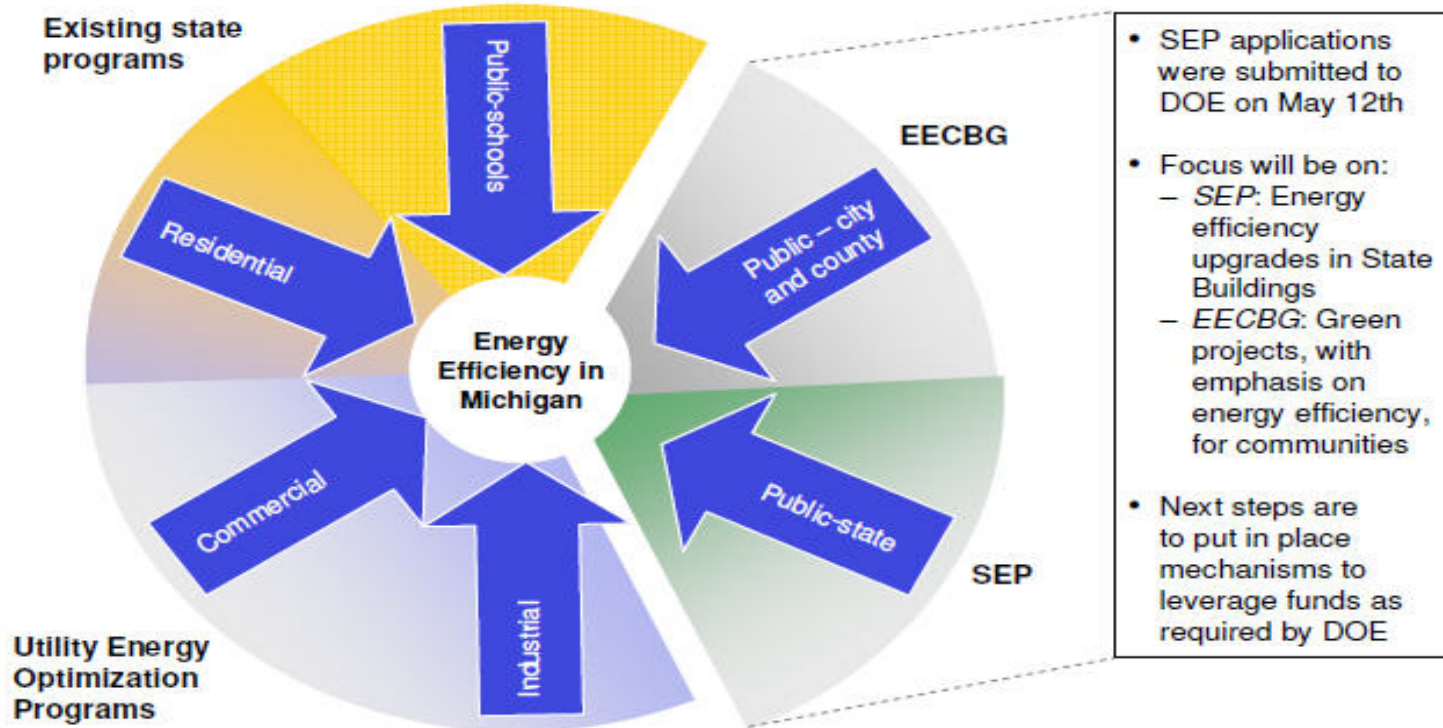
- Design a comprehensive statewide energy efficiency and renewable energy plan for Michigan that will optimize state and federal stimulus funds and put the most people to work at the least cost
- Accelerate the design and implementation of a Michigan distributed generation program ensuring collaboration and support from local utilities and optimal use of Federal stimulus funds
- Draft a governance plan for the most beneficial allocation and management of funds coming into the state for both programs



# Use of EECBG funds



## 2 SEP and EECBG funds will fill an important gap in existing funding for energy efficiency projects



# Energy Efficiency Conservation Block Grant Program

- **What is the EECBG**

Dollars for cities and towns and counties to leverage funds to

- improve energy efficiency lower energy usage, and reduce fossil fuel emissions.

- **Award: 76 million to the State**

68 % to large cities and counties := \$ 52 million

2 % to tribes: \$1.3 million

28 % to DELEG, \$19,599,600; min. of \$11,759,000 to small cities/counties competitive.

400 million plus 2 million offered competitive at later date.

- **What Activities Can Be Covered**

- Developing and Implementing Energy Efficiency Conservation Strategy
- Energy Efficiency Audits and Retrofits; Residential, Commercial, nonprofit
- Financial incentive programs for Energy efficiency Improvements
- Develop and Implement building codes and inspections to promote energy efficiency
- Transportation/Traffic Signals/
- methane capture/
- Renewable Energy technology on state/local buildings

- **What are Reporting Requirements**

Energy Efficiency and Conservation Strategy



# Proposed Distribution of Michigan's EECBG Allocation

- Competitive Grants for Eligible Communities
  - For EE/C planning & projects (79%)
  - For LED/Solid State lighting demos (10%)
- State Wide Coordination & Administration of Competitive Grants (10%)
- Local Planning & Technical Support (>1%)



# State EECBG Guidelines

- RFP Combines EE/C Strategy & Project Proposal Into One Application
- Encourage Collaborative Approaches
- Tie Grant \$'s To Population Served
- Explain Monitoring/Reporting Plan
- Plan for Workshops &/or Webinars Targeting Smaller Communities.



# State EECBG Timeline

- Issue Communities' RFPs – early August
- Written Q & A – for 2 wks from RFP issue
- Proposals Due – late August
- Review Proposals – September
- Announce and Award Grants - October



# Grant Amounts

- Cities, Villages & Townships  
\$50k - \$140k
- Counties  
\$50k - \$650k
- Multi – jurisdictional  
\$50k - \$650k
- LED Demos  
\$50k - \$250k; apply for both; capped



# Grant Distribution Plan

- RFP Issued after DOE Approval & State Spending Authority Received
- Community Strategy and Project Proposal(s) due 30 Days Later
- Selection & Awards 30-60 Days Later



# Eligibility to Apply for Non-Entitlement Funding

- Incorporated cities, villages & townships with less than 35k population
- Counties with less than 200k population & with populations of cities < 35k subtracted
- One or more jurisdictions that apply as 1



# Selection Criteria

- Jobs Created/Retained
  - Estimate 1 direct job per \$92,000 invested
- Cost Effectiveness of Energy Savings
  - Estimated units of energy saved (BTUs) per \$1,000 invested
- GHG Emission Reduction
- Committed Leveraged Resources
- Community Population Served by Plan/Proposal
- Timing for Initiating/Completing Proposed Strategy/Project
- Strength of Technical & Management Plan\*
  - \*If applicable



# If Not Selected...Then What?

- Two More EECBG Competitive Rounds
- MPSC Renew Local Gov'ts/Renew Schools
- Utility Energy Optimization Plans
- Other existing programs/support services



# Contact Information

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Web site: [www.michigan.gov/energyoffice](http://www.michigan.gov/energyoffice)

## Additional Important Links

- Michigan Recovery Web site  
[www.michigan.gov/recovery](http://www.michigan.gov/recovery)
- BES Recovery Information  
[www.michigan.gov/energyoffice](http://www.michigan.gov/energyoffice)
- Michigan Municipal League's EECBG Web site  
[http://www.mml.org/pdf/eecbg\\_program\\_alert.pdf](http://www.mml.org/pdf/eecbg_program_alert.pdf)
- Department of Energy's EECBG Web site  
<http://www.eecbg.energy.gov/>
- FedConnect Web site (must register first)  
<https://www.fedconnect.net/FedConnect/>



# Part III:

## Michigan's Energy Efficiency & Conservation Block Grants

Presented by

Amy Butler

June 23, 2009

# Presenter:



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# Part III:

## Getting Connected: Interconnecting Your Renewable Energy Project to the Electric Grid

By  
Jennifer Utter Heston

June 23, 2009



# Agenda

- Renewable Energy Project Development
- Interconnection
  - Interconnection Process
  - Interconnection Standards
- Net Metering

# Renewable Energy Project Development

- Site selection
- Land agreements
- Resource assessment
- Environmental review
- Economic modeling
- Interconnection
- Micro-siting and layout
- Permitting
- Sales agreements
- Financing
- Equipment procurement
- Engineering
- Construction contracting
- Operations & maintenance

- “[T]he process undertaken by an electric utility to construct the electrical facilities necessary to connect a project with a distribution system so that parallel operation can occur.”

# Interconnection Process

- Technical consultation
- Interconnection application
- Engineering review
- Distribution system study
- System upgrades
- Project installation
- Inspection and testing
- Interconnection agreement

# Interconnection Standards

- Category 1 – Projects  $\leq 20$  kW
- Category 2 – Projects  $> 20$  kW  $\leq 150$  kW
- Category 3 – Projects  $> 150$  kW  $\leq 550$  kW
- Category 4 – Projects  $> 550$  kW  $\leq 2$  MW
- Category 5 - Projects  $> 2$  MW

# Projects ≤ 20 kW

- Application fee is capped at \$75
- Cannot be charged for studies or upgrades
- Utility shall not require additional insurance
- Meters – Separate generator meter not required
  - DTE and CECo customers - if net metering, utility shall provide bidirectional meter(s) at no additional charge
  - All other regulated utility customers – if net metering, bidirectional meter(s) provided at incremental cost
  - Generator meters, if requested by the customer, provided at cost

## Projects > 20 kW ≤ 150 kW

- Application fee is capped at \$100
- Need a licensed P.E. or licensed electrical contractor
- May be charged for studies or upgrades
- Utility shall not require additional insurance
- Meters – Generator meter required
  - DTE and CECos customers - if net metering, utility shall provide bidirectional meter(s) at no additional charge
  - All other regulated utility customers – if net metering, bidirectional meter(s) provided at incremental cost
  - Generator meters provided at cost

## Projects > 150 kW ≤ 550 kW

- Application fee is capped at \$150
- Need a licensed P.E. or licensed electrical contractor
- May be charged for studies or upgrades
- \$1 million general liability insurance required
- Meters
  - Generator meter required
  - Customer pays the cost of providing any new meters

## Projects > 550 kW ≤ 2 MW

- Application fee is capped at \$250
- Need a licensed Professional Engineer
- May be charged for studies or upgrades
- \$1 million general liability insurance required
- Meters
  - Generator meter required
  - Customer pays the cost of providing any new meters

# Projects $\geq$ 2 MW

- Application fee is capped at \$500
- Need a licensed Professional Engineer
- May be charged for studies or upgrades
- \$1 million general liability insurance required
- Meters
  - Generator meter required
  - Customer pays the cost of providing any new meters

# Net Metering

- Net Metering is an electric policy whereby customers who own renewable energy facilities may receive retail credit for at least a portion of the energy they generate. “Net” means the deduction of any energy outflows from metered energy inflows.

# Net Metering

- Separate application required
- Customers of any class shall be permitted to interconnect eligible electric generators
- Program is limited to generators with capacity designed to meet only the customer's needs
  - Wind and solar generators limited to 150 kW

Questions?

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