

State Energy Program - ARRA

The stimulus bill provides \$3 billion for support of the State Energy program Formula Grants, American Recovery and Reinvestment Act (SEP ARRA) program. This will be a new Department of Energy (DOE) program requiring rules and guidance from DOE. The State of Wyoming State Energy Office has been allocated \$24,941,000 based on formula. The allocation must be obligated /committed within 18 months from the effective date of the award with projects completed and all funds expended within 36 months of the effective date of the award.

The objectives of the ARRA include job creation, preservation and economic recovery. The Wyoming State Energy Office recognizes that the ARRA SEP seeks to 1) increase energy efficiency to reduce energy costs and consumption for consumer, businesses and governments; 2) reduce reliance on imported energy, 3) improve the reliability of electricity and fuel supply and the delivery of energy systems and 4) reduce the impacts of energy production and use on the environment. SEP primary objectives include:

- Stimulating the creation or increased retention of jobs;
- Saving energy (kwh/therms/gallons/BTUs/etc.);
- Increasing energy generation from renewable sources; and
- Reducing greenhouse gas (GHG) emission

Wyoming has proposed three programs which, if approved by DOE, will use funding to address energy efficiency for government, non-profit and consumer markets and the installation of renewable energy systems. Summaries of the three programs follow:

- **Facility Retrofit:** A grant program to promote a pre-selected set of energy efficiency upgrades for public, Tribal entities, non profit and joint powers boards owned facilities. Specifically, the grants would only be used to improve seven potential building components: 1) attic/ceiling improvements; 2) the sealing of cracks and/or insulation of foundations; 3) upgrading of interior lighting; 4) insulation and sealing of HVAC ductwork; 5) replacement of boilers/furnaces; 6) installation of on demand water heaters and 7) measures to improve the efficiency of HVAC systems including replacement. These seven improvement areas are considered high value projects because they provide significant energy savings. Total funding for this program is projected at approximately \$19.18M. Any facility being retrofitted must belong to the applicant and must be located within the boundaries of the State of Wyoming.
- **Photovoltaic Expansion - Renewable Energy:** An expansion of the Residential Photovoltaic program to include other renewable energy sources such as wind and geothermal heat pumps. Further, the program is amended to be based on a per kW credit which promotes both residential and commercial adoption. Installations of these renewable resources will displace coal-fired power generation which carries a 2,000 lb/hour CO2 footprint. These programs are expected to employ more than 20 contractors to install renewable energy producing equipment around the state.

This program leverages tax credits available to consumers bringing the average cost of an installed system down an estimated 50%. Projected total funding for this program is \$2.560MM

- **Weatherization:** An expansion of the weatherization program to households with income levels of up to 250% of the poverty level, or approximately \$65K/year for a family of four. Leveraging the infrastructure and reporting systems being developed to deploy more weatherization contractors around Wyoming. Program seeks 1% participation over 3 years or approximately 480 homes. Total funding for this program is estimated at \$3.480MM.

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