



The Energy Efficiency and Conservation Block Grant (EECBG)

What Cities and Towns Need to Know

What is the Energy Efficiency and Conservation Block Grant (EECBG)?

- The Energy Efficiency and Conservation Block Grant is a new federal funding resource for cities and towns to leverage in their efforts to improve energy efficiency, lower energy usage, and reduce fossil fuel emissions.
- The block grant was enacted as part of the Energy Independence and Security Act of 2007, [PL 110-140], that became law in December 2007.
- Grants awarded under the EECBG program can be used to help cities undertake environmentally-friendly initiatives, such as updating building codes and old buildings, adopting renewable energy solutions, creating incentives for citizens to use transportation alternatives, and implementing energy saving campaigns.

How much money will be available to cities and towns through the EECBG?

- Under the law, Congress can appropriate up to \$2 billion per year for the block grant program. The appropriated funds will be allocated to units of governments as follows:
 - 68 percent of the funds will be set aside for grant awards to cities, towns, and counties;

- 28 percent of the funds will be awarded to the states;
- 2 percent will be set aside for Indian tribes; and
- 2 percent will be set aside for competitive grants to local governments that are not eligible based on population or to a consortium of local governments.

What are the eligibility requirements for the EECBG?

Cities and towns are eligible to receive block grant funds based on the following criteria:

- Cities and towns with a population of at least 35,000 are eligible to apply to and receive grants directly from the U.S. Department of Energy (DOE).
- At a minimum, the ten largest cities in each state, including Puerto Rico, regardless of population, are eligible to apply to and receive grants directly from DOE.
- Cities and towns with a population less than 35,000 or those that are not one of the ten most populous cities in the state can apply for EECBG funds through their state. The law requires each state to pass through at least 60 percent of the total EECBG funding it receives to cities and counties that do not receive funding directly from DOE.

What activities can be covered by the EECBG?

Cities and towns may use grant funding to conduct programs and activities, such as:

- Developing and implementing an energy efficiency and conservation strategy;
- Conducting residential and commercial building energy audits;
- Establishing financial incentive programs for energy efficiency improvements;
- Developing and implementing energy efficiency and conservation programs for buildings and facilities;
- Developing and implementing programs to conserve energy used in transportation (e.g. flex time for employees; satellite work centers; zoning guidelines or requirements that promote energy efficient development; infrastructure, such as bike lanes, pathways and pedestrian walkways; and synchronized of traffic signals);
- Developing and implementing building codes and inspection services to promote building energy efficiency;
- Developing and implementing programs to increase participation and efficiency rates for recycling programs;
- Replacing traffic signals and street lighting with energy efficient lighting technologies;
- Purchasing and implementing technologies to reduce and capture methane and other greenhouse gases generated by landfills or similar sources; and
- Developing, implementing and installing on or in any government building onsite renewable energy technology that generates electricity from renewable resources, such as solar and wind energy, fuel cells and biomass.

What are the reporting requirements under the EECBG?

- As a condition of the grant, communities that receive funding will be required to develop an Energy Efficiency and Conservation Strategy planning document and to provide annual updates to DOE on the implementation status of the Strategy, as well as realized energy efficiency gains.

What can you do to help?

Local elected officials are in a unique position to provide a comprehensive perspective on issues of sustainability and energy efficiency.

- Contact your Representative and Senators and urge them to say "Yes" to \$2 billion for the Energy Efficiency and Conservation Block Grant program in the FY 2009 Federal Budget.
- Share with your congressional delegation how your community is promoting energy efficiency, reducing greenhouse gases, providing alternative transportation options, encouraging smart growth and land use, etc.
- Tell your legislators how your city or town can use the EECBG to contribute to the quality of life in your community.



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EECBG Funding Allocations

\$2 Billion Annual Appropriation

First year funding can be used for strategy development; funding in subsequent years is only for implementation of city and county strategies approved by U.S. DOE.

U.S. DOE Competitive Grant Program (\$40 million)

All non-formula cities/counties are potentially eligible for funding

2%

2%

Tribal Programs (\$40 million)

68%

28%

Formula City & County Program*

(\$1.36 billion)

- Every city with a population of 35,000 or more
- Every county with a population of 200,000 or more
- In addition, each state (including Puerto Rico) is guaranteed to have at least its 10 largest cities and 10 largest counties eligible for formula grants, regardless of population

Balance of State Program

(\$560 million)

- Each state is required to pass through at least 60% of its funding share to cities and counties not receiving direct formula funding
- Each state decides how to award these funds among these cities and counties

* Law (PL 110-140) directs U.S. DOE to develop a formula for allocating block grant funds among these cities and counties, with population factors a key consideration.