

BOARD OF ALDERMEN

ITEM NO.: D(1)

AGENDA ITEM ABSTRACT

MEETING DATE: DECEMBER 7, 2010

TITLE: Approval of Energy Efficiency Program

DEPARTMENT: PLANNING, MANAGER, ECD	PUBLIC HEARING: Yes __ __ No __X__
ATTACHMENTS: A. Resolution B. Staff memo C. Program Design Material D. Memorandum of Agreement with Chapel Hill	FOR INFORMATION CONTACT: RANDY DODD, 918-7326 MATT EFIRD, 918-7314 JAMES HARRIS, 918-7319 PATRICIA MCGUIRE, 918-7327

PURPOSE: The purpose of this agenda item is for staff to provide an update on recent activities related to an ARRA award for energy efficiency in buildings, in cooperation with the Southeast Energy Efficiency Alliance and Chapel Hill, and for the Board to approve plans for a commercial energy efficiency revolving loan fund and residential energy audit rebates.

INFORMATION:

Town staff have worked with Chapel Hill staff and the Southeastern Energy Efficiency Alliance (SEEA), on a successful grant application to the USDOE for ARRA funds geared towards community scale energy efficiency retrofits of existing buildings. Previous agenda items about the opportunity were provided on June 1, and June 22, 2010; information from those reports is for the most part not repeated in this item. Assuming successful startup, the grant funded project will unfold over two to three years, with the vision being the establishment of a long term, sustaining partnership and program. Chapel Hill and Carrboro have entered into a Memorandum of Agreement and separate but coordinated agreements with SEEA. Chapel Hill and Carrboro will be eligible to compete with other SEEA grant participants for additional funding after the initial year, as described in the attached staff memo. Chapel Hill and Carrboro are receiving support from Clean Energy Solutions, Inc. (CESI) to pursue this effort.

FISCAL AND STAFF IMPACT: The Town has received \$37.5k from SEEA as an initial first year allocation, and with successful mid-year review, will receive an additional \$37.5k in the near future to complete the funding for the first year of the effort. Future funding beyond the first year will depend on completing loans and audits during the first year, and successfully competing for additional funds. Several staff members have spent and will continue to spend time coordinating with CESI, SEEA, Chapel Hill staff, contractors, nonprofits, and interested business and residential parties, to issue new commercial energy loans and prepare for residential retrofits. The primary administrative work is being transitioned to CESI as arranged for in the Memorandum of Agreement with Chapel Hill.

RECOMMENDATION: Staff recommend that the Board approve the program design through the draft resolution, and in doing so, direct staff to continue work on program implementation. Staff encourage the Board to not delay finalization of program design to minimize the risk to future funding through an unfavorable December program review by SEEA due to tardiness.