

BOARD OF ALDERMEN

ITEM NO.: D(4)

AGENDA ITEM ABSTRACT

MEETING DATE: JUNE 21, 2011

TITLE: Energy Efficiency Program Update and Approval of Residential Program Design

DEPARTMENT: PLANNING, MANAGER, ECD	PUBLIC HEARING: No
ATTACHMENTS: A. Resolution B. Staff memo C. Triparty MOA on Energy Subsidies D. Draft Residential Program Design	FOR INFORMATION CONTACT: RANDY DODD, 918-7326 MATT EFIRD, 918-7314 ANNETTE STONE, 918-7319

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 to approve a residential program design for the next phase of the program.

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, June 22, and December 3 2010; information from those reports is for the most part not repeated in this item. Chapel Hill and Carrboro have entered into a Memorandum of Agreement and separate but coordinated agreements with SEEA. Chapel Hill and Carrboro are receiving support from Clean Energy Solutions, Inc. (CESI) to pursue this effort. Staff has worked with CESI to inform businesses about the new revolving loan. A residential energy assessment subsidy has also been released. Staff have also worked with CESI, Chapel Hill, and Duke Energy to launch a pilot residential subsidy program for Duke customers pursuing air sealing and insulation improvements.

FISCAL AND STAFF IMPACT:

The Town has received \$37.5k from SEEA as an initial first year allocation, with an additional \$37.5k reserved for first year funding assuming progress can be demonstrated. Future funding beyond the first year will depend on completing loans and audits during the remainder of the first year, and successfully competing for additional funds, including discretionary funds. Duke Energy is providing all funds for its residential subsidy program. 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 implement the residential program. The primary administrative work is being performed by CESI as arranged for in the Memorandum of Agreement with Chapel Hill.

RECOMMENDATION:

Staff recommend that the Board approve one of the two resolutions provided. Staff encourage the Board to not delay action because of the risk of jeopardizing grant funding under ARRA given the pending summer break and upcoming SEEA performance review activities.