

# Energy Efficiency in the Economic Recovery Bill

A summary based on H.R. 1, the American Recovery and Reinvestment Act of 2009, as signed into law by President Barack Obama on February 17, 2009. **Updated 02-25-2009**

| Item  | Final Law  |
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| <b>Broad Energy Programs</b>  |  |
| State Energy Program  | <ul style="list-style-type: none"> <li>• \$3.1 billion for the Department of Energy's (DOE's) State Energy Program (SEP), which provides grants and funding to state energy offices for energy efficiency and renewable energy programs conditioned on state Governors' assurances regarding regulatory policies, building code requirements and the prioritization of existing state programs. Authorized under Part D of Title III of the Energy Policy and Conservation Act.</li> </ul> |
| Energy Efficiency and Conservation Block Grant Program                | <ul style="list-style-type: none"> <li>• \$3.2 billion to assist local governments in implementing energy efficiency and conservation programs. Authorized in Title V of EISA. Of which:               <ul style="list-style-type: none"> <li>○ \$2.8 billion is awarded based on existing formula</li> <li>○ \$400 million is awarded on a competitive basis</li> </ul> </li> </ul>   |
| Loan Guarantees   | <ul style="list-style-type: none"> <li>• \$6 billion for the Innovative Technology and Loan Guarantee Program, which supports commercial use of advanced technologies to avoid and lower air pollutants, greenhouse gases, etc. Authorized under Title XVII of EPAAct '05.</li> </ul>  |
| Research, Development, Demonstration, and Deployment (ARPA-E)         | <ul style="list-style-type: none"> <li>• \$400 million for the Advanced Research Projects Agency-Energy. Authorized under Section 5012 of the America Competes Act.</li> <li>• \$2.5 billion for applied research, development, demonstration and deployment activities.</li> </ul>  |
| Green Jobs  | <ul style="list-style-type: none"> <li>• \$500 million for research, labor exchange and job training projects to prepare workers for careers in energy efficiency and renewable energy industries. Authorized by Section 171(e)(1)(B)(ii) of the Workforce Investment Act.</li> <li>• Up to \$37.5 million provided for Job Corps Centers, which may include training for careers in energy efficiency</li> </ul>  |
| <b>Buildings , Appliances, Electricity, Industry, and Agriculture</b> |  |
| Green Schools   | <ul style="list-style-type: none"> <li>• \$9.75 billion for public safety and other government services, which may include assistance for elementary and secondary education and public institutions of higher education, and for modernization, renovation or repair of public school facilities and public institutions of higher education facilities, including modernization, renovation, and repairs that are consistent with a recognized green building rating system.</li> </ul>  |
| Federal Buildings   | <ul style="list-style-type: none"> <li>• \$3.6 billion for Department of Defense energy efficiency projects and modernization of facilities</li> <li>• \$4.5 billion to GSA for measures to convert GSA facilities to High-Performance Green Buildings.</li> </ul>   |

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|  | <ul style="list-style-type: none"> <li>• \$400 million to establish the Office of Federal High Performance Green Buildings</li> <li>• \$75 million for Defense-Wide funding of research, development, test and evaluation projects, including pilot projects, demonstrations, and energy efficiency manufacturing enhancements</li> </ul>  |
| Weatherization Assistance Program (WAP)    | <ul style="list-style-type: none"> <li>• \$5 billion for the weatherization of low-income family homes. Authorized in Title IV, Part A of the Energy and Conservation and Production Act, Public Law 94-385.</li> </ul>  |
| Assisted Housing                           | <ul style="list-style-type: none"> <li>• \$250 million will support a program to upgrade HUD-sponsored low-income housing to increase energy efficiency.</li> <li>• \$1 billion for the Public Housing Capital Fund for competitive grants, including investments that leverage private sector funding or financing for renovations and energy conservation retrofit investments</li> </ul>  |
| Electricity Grid                           | <ul style="list-style-type: none"> <li>• \$4.5 billion for research and development, pilot projects, and federal matching funds for the Smart Grid Investment Program to modernize the electricity grid. Authorized under Title XIII of EISA.</li> <li>• \$3.25 billion for the Bonneville Power Administration</li> <li>• \$3.25 billion for the Western Area Power Administration</li> </ul>   |
| Energy Efficient Appliance Rebate Programs | <ul style="list-style-type: none"> <li>• \$300 million for the Energy Star Program and for matching grants for state rebates to consumers for buying energy efficient Energy Star products to replace old appliances. Authorized under Section 124 of the Energy Policy Act of 2005 (EPACT05), or for the Energy Star Program.</li> </ul>  |
| <b>Transportation</b>                      |  |
| Public Transportation and Rail             | <ul style="list-style-type: none"> <li>• \$8 billion for capital assistance for high-speed rail corridors and Intercity Passenger Rail Service</li> <li>• \$6.9 billion for transit capital assistance, of which \$100 million is for public transit agencies for capital investments that will assist in reducing the energy consumption or greenhouse gas emissions of their public transportation systems</li> <li>• \$1.5 billion in grants for state governments, local governments and transit agencies, for capital investments in surface transportation infrastructure, including New Starts and Small Starts projects and passenger and freight rail transportation projects, as well as highway and bridge projects</li> <li>• \$1.3 billion for Amtrak, of which \$450 million is capital security grants</li> </ul> |
| Advanced Batteries                         | <ul style="list-style-type: none"> <li>• \$2 billion for grants to assist U.S. companies in the manufacturing of advanced battery systems and components, including funding awards to manufacturers of advanced battery systems and vehicle batteries, including advanced lithium ion batteries, hybrid electrical systems, component manufacturers, and software designers.</li> </ul>  |
| Plug-in Electric Vehicles                  | <ul style="list-style-type: none"> <li>• \$400 million for the Plug-In Electric Drive Vehicle Program, which provides grants to state and local governments and others to carry out projects to encourage the use of plug-in electric drive vehicles. Authorized under Section 131 of EISA.</li> </ul>   |

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| Alternative Transportation Grants and Programs | <ul style="list-style-type: none"> <li>• \$300 million for assistance to state and local governments to acquire efficient alternative fuel vehicles. Authorized under Section 721 of the EPACT05.</li> <li>• \$300 million for grants to state and local governments to reduce diesel emissions. Authorized under Title VII, Subtitle G of the EPACT05.</li> </ul>   |
| Federal Fleet                                  | <ul style="list-style-type: none"> <li>• \$300 million for GSA's Motor Vehicle Acquisition and Motor Vehicle Leasing program, in order to replace the Federal fleet with more efficient vehicles.</li> </ul>   |
| <b>Tax Provisions</b>                          |  |
| Existing Homes Tax Credit                      | <ul style="list-style-type: none"> <li>• Extends and increases the value of the credit to 30 percent of cost up to \$1,500 for 2009 and 2010 for property meeting certain standards.</li> </ul>  |
| Investment Tax Credit                          | <ul style="list-style-type: none"> <li>• Removes the \$2,000 cap on the 30 percent credit for solar thermal and geothermal property, as well as the \$4,000 cap on small wind property.</li> </ul>   |
| Energy Conservation Bonds                      | <ul style="list-style-type: none"> <li>• Increases and expands the bond limitation on energy conservation bonds by \$2.4 billion for loans and grants to implement Green Community Programs</li> </ul>   |
| Advanced Energy Investment Credit              | <ul style="list-style-type: none"> <li>• Establishes a new 30 percent investment tax credit for the manufacture of "advanced energy property," including technology for the production of renewable energy, energy storage, energy conservation, efficient transmission and distribution of technology, and carbon capture and sequestration. Up to \$2.3 billion in credits may be allocated.</li> </ul>      |
| Grants in Lieu of Credits                      | <ul style="list-style-type: none"> <li>• Provides grants to businesses instead of tax credits (which only have value if you owe taxes) for specified energy property placed in service during 2009 or 2010, including for combined heat and power systems, geothermal heat pumps, fuel cells, and microturbines.</li> </ul>  |
| Transit Benefits                               | <ul style="list-style-type: none"> <li>• Increases the monthly exclusion for employer-provided transit and vanpool benefits to the level of employer-provided parking level of \$230 per month</li> </ul>  |
| High Speed Rail Bonds                          | <ul style="list-style-type: none"> <li>• Modifies the exempt facility bond eligibility requirement for high-speed intercity rail transportation facilities to use vehicles capable of attaining a maximum speed in excess of 150 mph.</li> </ul>   |
| Plug-in Electric Drive Motor Vehicle Credit    | <ul style="list-style-type: none"> <li>• Modifies the plug-in electric drive motor vehicle credit by limiting the maximum credit to \$7,500 regardless of vehicle weight.</li> <li>• Eliminates the credit for low speed plug-in vehicles and for plug-in vehicles weighing 14,000 pounds or more</li> <li>• Replaces 250,000 plug-in vehicle limitation with a 200,000 per manufacturer limitation</li> </ul> |