

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 104 Public Service Commission and Energy Systems

PROGRAM: Bureau of Energy System

TIMELINE: October 1, 2009 through September 30, 2010

PROGRAM MISSION STATEMENT (Customer-Focus Direction)

The Bureau of Energy Systems was created to develop and implement sound energy policies, provide learning opportunities for Michigan's residents, businesses, and institutions to understand the necessity and importance of energy efficiency and renewable energy resources to our economy, and increase the adoption and deployment of energy efficiency and renewable energy technologies; industry; and practices within the state.

VISION STATEMENT

Establish Michigan as a leader in renewable energy, increase energy efficiency in the public private sectors, and reduce the state's dependence on import energy,

PROGRAM STATEMENT

The Bureau's core programs and function are: the **State Energy Program** that provides technical and financial assistance to public and private entities for energy efficiency and renewable energy projects, biomass projects and other alternative energy solutions ; and the **Energy Efficiency & Conservation Block Grants Program** which offers competitive grants to fund energy efficiency projects and conservation programs in communities throughout Michigan, the State **Energy Efficient Appliance Rebate Program** which provides incentives to encourage residential consumers to purchase energy efficient appliances.

FUND SOURCE:

American Recovery and Reinvestment Act (ARRA) of 2009

Federal Funds

SEP PY 2009 Formula Grant

ARRA – SEP Grant

ARRA – Energy Efficiency Conservation Block Grant

ARRA – Appliance Rebate Program

ARRA – Energy Efficiency Conservation Block Grant Competitive Fund

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 104 Public Service Commission and Energy Systems

PROGRAM: Bureau of Energy System

LEGAL BASIS:

Energy Policy and Conservation Act (PL 109-58) Section 124
American Recovery and Reinvestment Act (ARRA) of 2009, Public Law 111-5
Energy Independence & Security Act of 2007, Subheading E

CUSTOMER IDENTIFICATION:

All residential consumers in Michigan
State Agencies (i.e. agriculture, community health, etc.)
Small businesses with the state of Michigan
All local governments in Michigan

CRITICAL GOALS/MAJOR OBJECTIVES and RESULTS

Program Goals:

Goal 1 – Appliance Rebate Program

- Develop and implement an Appliance Rebate Program in 2010 providing over 114,000 rebates for energy efficient appliances.
- Rebates will be provided for a variety of energy efficient appliances.
- Develop program policies and procedures.
- The Michigan plan for the Appliance Rebate Program has been submitted to the U.S. Department of Energy.

Goal 2 – Energy Efficiency & Conservation Block Grant (EECBG) Program

- Develop and implement a competitive grants program for local government grants during FY2009.
- Develop program policies and procedures.
- The Michigan plan for the EECBG was submitted to the U.S. Department of Energy in June 2009.
- The Request for Proposal was issued in September 2009.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 104 Public Service Commission and Energy Systems

PROGRAM: Bureau of Energy System

Goal 3 – State Energy Program (SEP) American Recovery and Reinvestment Act (ARRA) of 2009 Program

- Reduce the consumption of energy in state-owned and occupied buildings, drive energy efficiency in small industrial operations, and encourage the diversification of small businesses into the manufacturing of renewable energy technologies.
- Building Retrofits – 750
- Building Energy Audits – 125
- Loans and Grants – 20
- Energy Savings – 85 MMBTUs
- The Michigan SEP ARRA project proposal has been approved by the U.S. Department of Energy.

Goal 4 – State Energy Program for plan year 2009

- Provided 2009/10 program and budget to the U.S. Department of Energy on schedule; the U.S. Department of Energy approved plan in September 2009.
- Filed timely quarterly reports for the current budget.

Goal 5 – Better Buildings For Michigan Program

- Launch the Better Buildings for Michigan Program, including setting up steering committee, developing detailed timelines for progress, and completing contractual arrangements.

Processes/Services

- Apply and receive federal formula funds from the U.S. Department of Energy. Offer sub-grants to both entitlement and non-entitlement communities via a Request for Proposal to local governments for a variety of energy efficiency and conservation activities statewide.
- Rebates will be provided for a variety of energy efficient appliances.
- The SEP ARRA will offer grants, low interest loans, and in-kind services to facilitate the implementation of energy efficiency, energy retrofits, renewable energy technologies in Michigan.
- Our processes and services are developed by constantly communicating with our customers.

FY 2010 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: Sec 104 Public Service Commission and Energy Systems

PROGRAM: Bureau of Energy System

PROGRAM IMPROVEMENT PLANS FOR FY11

- Proposals will be selected and awarded for the EECBG Program in early 2010 providing more than 100 grants to Michigan local governments to implement proposed projects. Staff will also award and administer three to eight additional competitive grants to nonprofits, which in turn will assist local government sub-recipient grantees to successfully implement their projects.
- The Appliance Rebate Program will be implemented in early 2010 providing over 114,000 rebates to residential consumers.
- The SEP ARRA is a three year program implemented in FY09. No program modification is anticipated at this time.

CHALLENGES FOR FY11 and BEYOND

- Appliance Rebate Program challenges includes managing expectations since dollars are limited. Policies will be put in place to ensure dollars are not overspent and that timely notices are provided to consumers, retailers, contractors, and others when rebates will no longer be available.
- The EECBG challenges include administering a large number of grants, managing data requirements and reporting on grantee accomplishments to the U.S. Department of Energy. Policies will be put in place to ensure dollars are not overspent and that timely responses are provided to all grantees.
- The SEP ARRA challenges are: 1) Addition resources for Clean Advanced Manufacturing and AgEnergy projects, 2) adoption of uniform performance contracting standards for Michigan, and 3) implementation of 2009 Energy Building Codes..
- Managing multiple neighborhood residential and commercial sweeps and analyze the successes and failures of the sweeps to influence development of remaining program neighborhood sweeps.

CHARTS - none