

FY 2009 Annual Program Performance Measures

DEPARTMENT: MICHIGAN DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

APPROPRIATION UNIT: (Leave Blank)

PROGRAM: Bureau of Energy System

TIMELINE: October 1, 2008 through September 30, 2009

PROGRAM MISSION STATEMENT (Customer-Focus Direction)

VISION STATEMENT

The Bureau of Energy Systems is to promote energy efficiency and renewable energy resource development to Michigan's residents, businesses, and public institutions.

PROGRAM STATEMENT

The State Energy Efficient Appliance Rebate Program provides incentives to encourage residential consumers to purchase energy efficient appliances. The State Energy Program American Recovery and Reinvestment Act of 2009 is to facilitate the implementation of energy efficiency and renewable energy technologies and systems in the public and private sectors. The Energy Efficiency & Conservation Block Grants Program offers competitive grants to fund energy efficiency projects and conservation programs in communities throughout Michigan.

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

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.) and the small businesses with the state of Michigan

All local governments in Michigan

12/15/2009

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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.

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.

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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.

PROGRAM IMPROVEMENT PLANS FOR FY10

- 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 FY10 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) passage of revolving loan legislation (HB 5375 and SB 825) which is a critical piece of the implementation strategy; 2) DOE approval of additional retooling projects; and 3) performance tracking.

CHARTS - none