



Implementing The Energy Efficiency and Conservation Block Grant Program (EECBG)

Model Programs that Harness the Benefits of Electrification

Background – On November 15, 2021, President Biden signed the Infrastructure Investment and Jobs Act into law. This “bipartisan infrastructure bill” funded the Energy Efficiency and Conservation Block Grant (EECBG) program at \$550M. The EECBG was created in 2007 under the Energy Independence and Security Act (EISA)¹ and was intended to enable states, local governments and tribes to 1) reduce their consumption of fossil fuels, 2) reduce their energy use overall and 3) improve efficiency.

Fourteen years later, the electric sector has made significant strides in reducing the use of fossil fuels in power generation and driving down the carbon emissions associated with electric power generation. It is consistent with the aims of the program, therefore, for eligible entities to use EECBG funds for electrification programs -- programs enabling the energy efficient switch to electricity from fossil fuel combustion for certain end-uses -- and policies that can improve energy efficiency. BEL suggests entities that are considering applying for EECBG grants, consider the following approaches and program ideas.

The [Beneficial Electrification League](#) will work with grantees to ensure that proposed electrification projects are eligible for funding under the program by helping to align the project goals and metrics with the requirements of EISA. To that end, BEL proposes grantees consider incorporating the projects below into their funding application. The League will solicit the support of stakeholders to assist in this effort. For more information, please contact BEL at infrastructure@be-league.com.

EISA authorizes grant recipients to use their funds under any one of 14 categories. BEL has analyzed the categories and provides a proposed set of model activities under several categories to advance beneficial electrification efforts. These proposals are included in the table below.

¹ Full text of the law (PL 110-140) can be found at: <https://www.govinfo.gov/content/pkg/PLAW-110publ140/pdf/PLAW-110publ140.pdf> (doesn't include 2021 update to category 14)

Authorizing Law Under Section 544 of EISA – “Use of Funds”	BEL’s Proposed Model Approach
(1) Development and implementation of an energy efficiency and conservation strategy	The energy efficiency and conservation strategy should include analysis of energy intensity of fuel choice technology (electric options versus fossil fuel alternatives), and details on determining cost-effectiveness and screening to ensure that the programs will meet energy efficiency and conservation goals.
(2) Retaining technical consultant services to assist the eligible entity in the development of such a strategy, including— <ul style="list-style-type: none"> • Formulation of energy efficiency, energy conservation, and energy usage goals; • Identification of strategies to achieve those goals; • Development of methods to measure progress in achieving the goals; • Development and publication of annual reports. 	The Beneficial Electrification League is available to provide consulting services to eligible entities at any level, from working directly with BEL staff, to in-depth consulting engagements through our private-sector consulting partners.
(3) Conducting residential and commercial building energy audits	Commercial, residential, and industrial energy audits should include evaluation of the opportunity to cost-effectively switch to electricity to save money, improve comfort, improve the performance of equipment, reduce health risks, lower environmental impacts, and meet environmental, social, and corporate governance (ESG) goals.
(4) Establishment of financial incentive programs for energy efficiency improvements	<p>Entities should create a menu of financial incentives and rebate programs to assist in the transition to electrified equipment. These programs can be tailored to local needs, including rebates for low- and moderate-income consumers who may have a harder time taking advantage of rebates due to barriers associated with up-front costs of equipment. These programs are contingent on analysis demonstrating a reduction in energy / fossil fuel use.</p> <p>Categories should include:</p> <ul style="list-style-type: none"> • Lawn equipment for local residents, businesses, parks and recreation departments and more (leaf blowers, lawn mowers, etc.) • Efficient space and water heating and cooling equipment, including air source heat pumps, dual fuel systems, geothermal heat pumps, and grid-interactive electric products

	<ul style="list-style-type: none"> • Electric forklifts • EV chargers • Electric school buses (\$5 Billion in additional funding is available for school buses under separate sections of the Infrastructure Act). • Electric transit buses • Utility terrain vehicles • Electric trucking refrigeration units (eTRUs) • Electric bikes and scooters (assuming they are reducing fossil fuel use versions)
(5) The provision of grants to nonprofit organizations and governmental agencies for the purpose of performing energy efficiency retrofits	Entities can lead by example by developing a strategy per section 1 of the EISA statute (above), conducting an audit per section 3 of EISA (above) and implementing the recommendations in the audit. Investments could include HVAC upgrades including air source and geothermal heat pump systems.
(6) Development and implementation of energy efficiency and conservation programs for buildings and facilities within the jurisdiction of the eligible entity, including— <ul style="list-style-type: none"> • Design and operation of the programs • Identifying the most effective methods for achieving maximum participation and efficiency rates • Public education • Measurement and verification protocols • Identification of energy efficient technologies 	This category provides options to invest in HVAC upgrades including air source and geothermal heat pump systems as well as to provide public education on the benefits of beneficial electrification that achieves energy efficiency and conservation goals. BEL would be able to assist grantees with measurement and verification protocols for beneficial electrification programs.
(7) Development and implementation of programs to conserve energy used in transportation, including measures that increase energy efficiency and decrease energy consumption	Electric transportation provides a wide array of opportunities, including sharable vehicles and multiple modes of transportation (bikes, cars, buses, scooters, etc.) The Beneficial Electrification League suggests focusing on investments that will maximize improvements to quality of life and reduction in costs and fossil fuel consumption over the long-term as this infrastructure investment offers an opportunity to achieve long-term benefits and changes to how people in your community move from place to place for many years to come.
(8) Development and implementation of building codes and inspection services to promote building energy efficiency	The Beneficial Electrification League is aware of several initiatives to improve building codes to plan for electrification and can support interfacing with stakeholders that share common objectives with grantees when it comes to preparing for a future with buildings that take advantages of the opportunities

	that electricity offers. This includes a \$225 Million program established by Section 40511 of the Infrastructure Act to enable updated building codes.
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Appendix 1 – Detailed EISA Text

SEC. 544. USE OF FUNDS.

An eligible entity may use a grant received under this subtitle to carry out activities to achieve the purposes of the program, including—

(1) development and implementation of an energy efficiency and conservation strategy under section 545(b);

(From Section 545(b): (1) PROPOSED STRATEGY. — (A) IN GENERAL. —Not later than 1 year after the date on which an eligible unit of local government or Indian tribe receives a grant under this subtitle, the eligible unit of local government or Indian tribe shall submit to the Secretary a proposed energy efficiency and conservation strategy in accordance with this paragraph. (B) INCLUSIONS. —The proposed strategy under subparagraph (A) shall include— (i) a description of the goals of the eligible unit of local government or Indian tribe, in accordance with the purposes of this subtitle, for increased energy efficiency and conservation in the jurisdiction of the eligible unit of local government or Indian tribe; and (ii) a plan for the use of the grant to assist the eligible unit of local government or Indian tribe in achieving those goals, in accordance with section 544. (C) REQUIREMENTS FOR ELIGIBLE UNITS OF LOCAL GOVERNMENT. —In developing the strategy under subparagraph (A), an eligible unit of local government shall— (i) take into account any plans for the use of funds by adjacent eligible units of local governments that receive grants under the program; and (ii) coordinate and share information with the State in which the eligible unit of local government is located regarding activities carried out using the grant to maximize the energy efficiency and conservation benefits under this subtitle.)

(2) retaining technical consultant services to assist the eligible entity in the development of such a strategy, including—

(A) formulation of energy efficiency, energy conservation, and energy usage goals;

(B) identification of strategies to achieve those goals—

(i) through efforts to increase energy efficiency and reduce energy consumption; and

(ii) by encouraging behavioral changes among the population served by the eligible entity;

(C) development of methods to measure progress in achieving the goals;

(D) development and publication of annual reports to the population served by the eligible entity describing—

(i) the strategies and goals; and

(ii) the progress made in achieving the strategies and goals during the preceding calendar year; and

(E) other services to assist in the implementation of the energy efficiency and conservation strategy;

(3) conducting residential and commercial building energy audits;

(4) establishment of financial incentive programs for energy efficiency improvements;

(5) the provision of grants to nonprofit organizations and governmental agencies for the purpose of performing energy efficiency retrofits;

(6) development and implementation of energy efficiency and conservation programs for buildings and facilities within the jurisdiction of the eligible entity, including—

(A) design and operation of the programs;

(B) identifying the most effective methods for achieving maximum participation and efficiency rates;

(C) public education;

(D) measurement and verification protocols; and

(E) identification of energy efficient technologies;

(7) development and implementation of programs to conserve energy used in transportation, including—

(A) use of flex time by employers;

(B) satellite work centers;

(C) development and promotion of zoning guidelines or requirements that promote energy efficient development;

(D) development of infrastructure, such as bike lanes and pathways and pedestrian walkways;

(E) synchronization of traffic signals; and

(F) other measures that increase energy efficiency and decrease energy consumption;

(8) development and implementation of building codes and inspection services to promote building energy efficiency;

(9) application and implementation of energy distribution technologies that significantly increase energy efficiency, including—

(A) distributed resources; and

(B) district heating and cooling systems;

(10) activities to increase participation and efficiency rates for material conservation programs, including source reduction, recycling, and recycled content procurement programs that lead to increases in energy efficiency;

(11) the purchase and implementation of technologies to reduce, capture, and, to the maximum extent practicable, use methane and other greenhouse gases generated by landfills or similar sources;

(12) replacement of traffic signals and street lighting with energy efficient lighting technologies, including—

(A) light emitting diodes; and

(B) any other technology of equal or greater energy efficiency;

(13) development, implementation, and installation on or in any government building of the eligible entity of onsite renewable energy technology that generates electricity from renewable resources, including—

(A) solar energy;

(B) wind energy;

(C) fuel cells; and

(D) biomass; and

(New in 2021) (14) programs for financing energy efficiency, renewable energy, and zero-emission transportation (and associated infrastructure), capital investments, projects, and programs, which may include loan programs and performance contracting programs, for leveraging of additional public and private sector funds, and programs that allow rebates, grants, or other incentives for the purchase and installation of energy efficiency, renewable energy, and zero-emission transportation (and associated infrastructure) measures; and

(15) any other appropriate activity, as determined by the Secretary, in consultation with—

(A) the Administrator of the Environmental Protection Agency;

(B) the Secretary of Transportation; and

(C) the Secretary of Housing and Urban Development

Full Text Available at: <https://www.govinfo.gov/content/pkg/PLAW-110publ140/pdf/PLAW-110publ140.pdf> (doesn't include 2021 update to category 14)