

The Green Energy Newsletter,*Written by Architects and Engineers - for Architects, Builders, Developers & Real Estate Professionals.*

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O.K. Everyone had a good time and raved about the Laughable LEED in last week's newsletter. So this week we will get a little more serious and look at the nitty gritty of the Obama Stimulus.

WHAT THE ECONOMIC RECOVERY BILL MEANS TO GREEN ENERGY

Here is a synopsis of what the new stimulus package provides for GREEN ENERGY incentives, which affect the building industry either directly or indirectly. It remains to be seen how all this money will be handed out, and how that might translate into more work for architects, builders, and the construction trades. But here are the Green Energy Incentives and the Energy Tax Credits which this stimulus bill provides:

1. GREEN ENERGY INCENTIVES:

STATE ENERGY PROGRAMS: \$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.

ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANTS: \$3.2 billion to assist local governments in implementing energy efficiency and conservation programs. Authorized in Title V of EISA. Of which:

- \$2.8 billion is awarded based on existing formula
- \$400 million is awarded on a competitive basis

GREEN INNOVATIVE TECHNOLOGY LOAN GUARANTEES: \$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 EPCA '05.

GREEN RESEARCH & DEVELOPMENT, DEMONSTRATION AND DEPLOYMENT: \$600 million for the Advanced Research Projects Agency-Energy (ARPAE). Authorized under Section 5012 of the America Competes Act.

\$2.5 billion for applied research, development, demonstration and deployment activities.

GREEN JOBS: \$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)(i) of the Workforce Investment Act. Up to \$37.5 million provided for Job Corps Centers, which may include training for careers in energy efficiency.

GREEN SCHOOLS: \$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.

GREEN FEDERAL BUILDINGS:

- \$3.6 billion for Department of Defense energy efficiency projects and modernization of facilities
- \$4.5 billion to GSA for measures to convert GSA facilities to High-Performance Green Buildings.
- \$400 million to establish the Office of Federal High Performance Green Buildings
- \$75 million for Defense-Wide funding of research, development, test and evaluation projects, including pilot projects, demonstrations, and energy efficiency manufacturing enhancements

WEATHERIZATION ASSISTANCE PROGRAM: \$5 billion for the weatherization of low-income family homes. Authorized in Title IV, Part A of Energy and Conservation and Production Act, Public Law 94-385

GREEN ASSISTED HOUSING:

- \$250 million will support a program to upgrade HUD-sponsored low-income housing to increase energy efficiency.
- \$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.

ELECTRICITY GRID:

- \$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.
- \$3.25 billion for the Bonneville Power Administration
- \$3.25 billion for the Western Area Power Administration

ENERGY EFFICIENT APPLIANCE REBATE PROGRAMS: \$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.

2. ENERGY TAX CREDITS

EXISTING HOMES TAX CREDIT: 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.

INVESTMENT TAX CREDIT: 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

ENERGY CONSERVATION BONDS: Increases and expands the bond limitation on energy conservation bonds by \$2.4 billion for loans and grants to implement Green Community Programs

ADVANCED ENERGY INVESTMENT TAX CREDIT: 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.

ENERGY GRANTS IN LIEU OF TAX CREDITS: 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 micro-turbines.

TRANSIT BENEFITS: Increases the monthly exclusion for employer-provided transit and vanpool benefits to the level of employer-provided parking level of \$230 per month.

REMEMBER WE DO TITLE 24 - If you have questions on any aspect of Green Energy, Sustainability, LEED, Green Point Ratings or Title 24, simply give Alan or Mark a call at (415 391-0186) to discuss your Title 24 documentation needs or any Green Energy Subject. **We provide the best Title 24 service in California**, through the synergism of an Architect and an Energy Engineer working together to enhance your project.