**The American Recovery and Reinvestment Act (ARRA) of 2009**

# Energy Efficiency and Conservation Block Grant Program

*Planning and Strategy Development for Local Governments*

**EECBG Team**

**Office of Weatherization and Intergovernmental Programs**

**June 11, 2009**

The American Recovery and Reinvestment Act (ARRA) of 2009

# Energy Efficiency and Conservation Block Grant Program

## *Speakers*

**U.S. Department of Energy**
Charlie Hemmeline

**Facilitators**
Michael Myers, Lockheed Martin
George Burmeister, Colorado Energy Group

# The Purpose of This Webinar is to Provide You With:

- An overview of the EECBG Program
- A review of the eligible activities and examples of potential projects
- Guidance on the Energy Efficiency Conservation Strategy (EE&C Strategy) and;
- Guidance for successful program implementation

# Agenda

I. EECBG Overview
II. Eligible Activities and the EE&C Strategy
III. Additional Resources
VI. Questions and Answers

# Secretary Chu on the Block Grants

*"The Block Grants are a major investment in energy solutions that will strengthen America's economy and create jobs at the local level. The funding will be used for the cheapest, cleanest and most reliable energy technologies we have – energy efficiency and conservation – which can be deployed immediately. The grants also empower local communities to make strategic investments to meet the nation's long term clean energy and climate goals."*

- Secretary Steve Chu

# EERE Recovery Act Funding Overview

- EERE: $16.8 billion (10-Fold Increase in Budget)
- WIP: $11.6 B (70% of EERE Recovery Act Funds)
- WIP is the steward of significant investment in state, local, and tribal governments

| | |
|---|---|
| **Weatherization Assistance** | **$ 5.0 B** |
| **State Energy Program** | **$ 3.1 B** |
| **EECBG Program Formula** | **$ 2.8 B** |
| **EECBG Program Competitive** | **$ 400 M** |
| **Appliance Rebate Program** | **$ 300 M** |

# Program Purpose

1. To spur economic growth and create/retain jobs
2. To assist state, local, and tribal governments in implementing strategies to:
   a. Reduce fossil fuel emissions;
   b. Reduce total energy use;
   c. Improve energy efficiency in the transportation, building, and other appropriate sectors.

# Objectives

## Recovery Act

- Spur economic growth and create jobs
- Transparency & accountability

## Strategic Energy

- Save energy and reduce greenhouse gas emissions;
- Invest funds to stimulate economy now ***and*** meet long-term energy goals
- Create comprehensive energy programs/strategies with aggressive goals and benchmarks of current performance
- Develop programs and projects that will persist beyond grant period
- Leverage funds with public and private sources
- Coordinate across regions, states and local jurisdictions

# Funding Opportunity Announcement (FOA)

FINANCIAL ASSISTANCE
FUNDING OPPORTUNITY ANNOUNCEMENT

U. S. Department of Energy

National Energy Technology Laboratory

Recovery Act – Energy Efficiency and Conservation Block Grants – Formula Grants

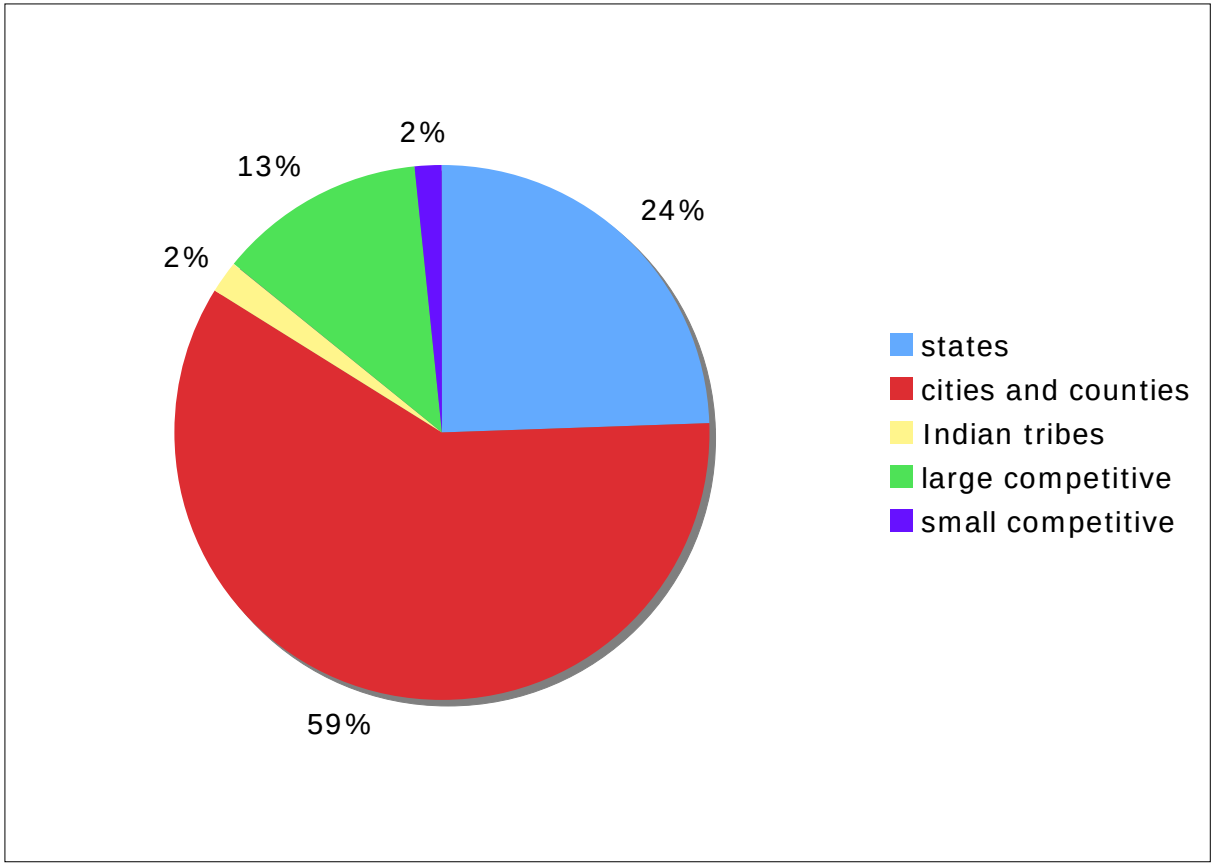
Funding Opportunity Number: DE-FOA-0000013

Announcement Type: INITIAL

CFDA Number: 81.128 Energy Efficiency and Conservation Block Grant Program (EECBG)

| | |
|---|---|
| Issue Date: | March 26, 2009 |
| Application Due Date: | *For State Applicants Only:* May 26, 2009 at 8:00:00 PM Eastern Time *Applicants are encouraged to submit their applications well before the due date.* |
| | *For Units of Local Government and Tribal Applicants Only:* June 25, 2009 at 8:00:00 PM Eastern Time. *Applicants are encouraged to submit their applications well before this due date.* |

# Appropriations: Total $3.2 billion




***Formula Grants:***

**Cities and counties**
$1,880,310,000

**States**
$767,480,000

**Indian tribes**
$54,836,200

***Competitive Grants:***

$398,000,000
$54,820,000

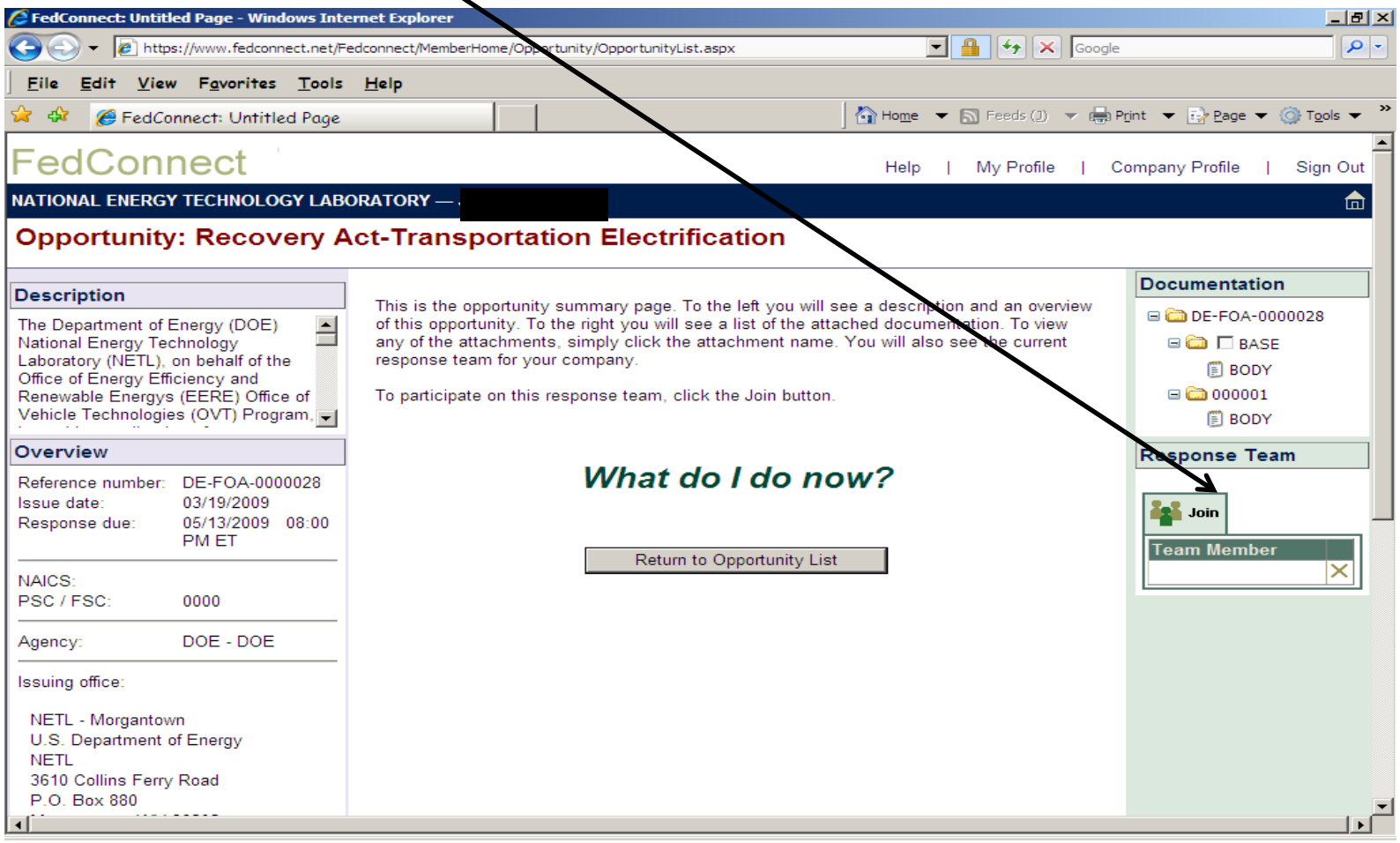
# Application Deadline is June 25, 2009 8PM ET

- Obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number at http://www.dnb.com/US/duns_update/
- Register with the Central Contractor Registration (CCR)* at http://www.ccr.gov/
- Register as a vendor with FedConnect *. Once you are signed in, you MUST join the Response Team as a Team Member. http://www.fedconnect.net
- Download the application package from Grants.gov and complete. From the main page, click on "Apply for Grants", then click on "download a grant application package" – use CFDA number 81.128. Once you download the application package, save it on your computer.
- Submit the application materials to FedConnect. http://www.fedconnect.net. In FedConnect, submitting your "response" is submitting your application.

**Applicants who are not registered with CCR and FedConnect, should allow at least 10 days to complete these requirements.*

For complete application information and program guidance, read the Funding Opportunity Announcement (FOA). http://www.eecbg.energy.gov

**CRITICAL STEP! Join the Response Team.** Not only do you have to be signed in to FedConnect, but you MUST join the Response Team for the FOA you are interested in applying to.



# Eligible Uses of Funds

- Primarily for energy efficiency and energy conservation
- Community-wide; not just municipal buildings and facilities
- Don't have to do capital *projects,* can do *programs*
- Prioritize activities that pay dividends year after year
- Funds must be obligated within 18 months, expended within 36

1. Strategy Development
2. Technical Consultant Services
3. Building Energy Audits
4. Financial Incentive Programs
5. Energy Efficiency Retrofits
6. Energy Efficiency and Conservation Programs for Buildings and Facilities
7. Development and Implementation of Transportation Programs
8. Building Codes and Enforcement
9. Energy Distribution Technologies for EE
10. Material Conservation Programs including source reduction, recycling, and recycled content procurement programs
11. Reduction and Capture of Methane and Greenhouse Gases
12. Traffic Signals and Street Lighting
13. Renewable Energy Technologies on Government Buildings
14. Any Other Appropriate Activity

# What do you plan to do?
# Eligible activities
# Model EE&C Strategy

# 1. Development of a Strategic Plan

1. Opportunity to create/modify a community energy/sustainability/climate/clean energy economic plan.
2. Hold neighborhood meetings, develop goals and objectives. Determine your priorities.
3. Get assistance from DOE, its partners, or other regional or national associations.
4. If you DO NOT submit Attachment D with your application, you can receive up to $250K to develop your EE&C Strategy.
5. If you DO submit Attachment D with your application, you can STILL conduct planning activities as an eligible activity.

# 2. Technical Consultant Services

- Retain technical consultant services to assist in the development of an EE&C strategy
- Provide expert guidance to measure progress in achieving your goals
- Identify strategies to achieve goals
- Develop annual reports
- Other services for implementation

# 3. Residential and Commercial Building Energy Audits

- Fund city-wide residential energy efficiency audit program
- Provide small business audit and retrofit initiative
- Point-of-sale audit requirement
- Conduct benchmarking using tools such as Portfolio Manager

# 4. Financial Incentive Programs

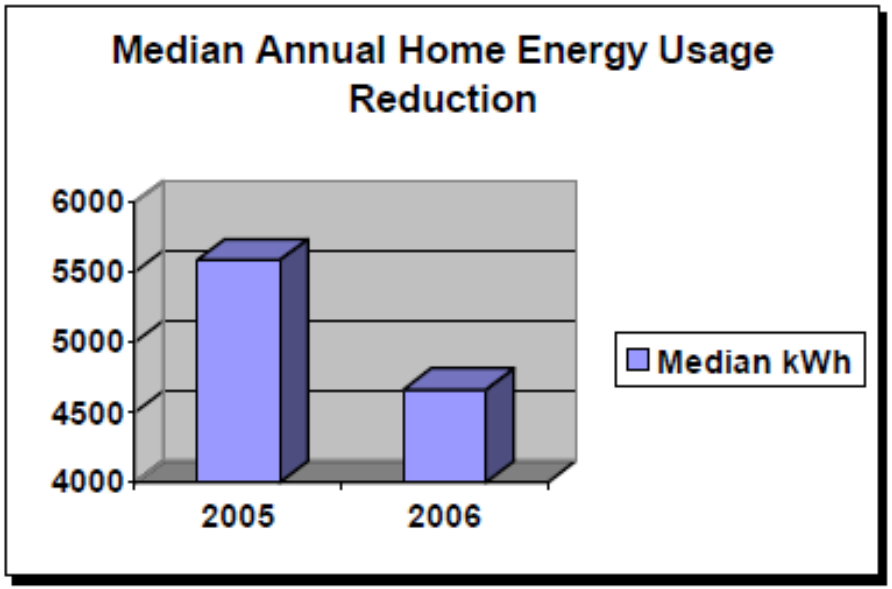
- Create a revolving loan fund*
- Amortize loans over long time periods
- Buy down interest rates
- Reduce costs through aggregation
- Provide on-bill financing
- Use Energy Saving Performance Contracts

City of Ann Arbor Municipal Energy Fund

***Cost cap for local governments: Greater of 20% or $250,000***

# 5. Energy Efficiency Retrofits

- Fund residential, commercial, industrial, or local government energy efficiency facility retrofits
- Implement energy service company retrofit recommendations
- Conduct re-commissioning
- Conduct building retrofit training, including usage of diagnostic equipment, to identify areas of improvement, enhance maintenance practices, and identify new technologies




**City of Houston Pleasantville Weatherization Program**

# 6. Energy Efficiency and Conservation Program for Buildings and Facilities

- Initiate a neighborhood green-energy efficiency retrofit program for residents and local businesses;
- Provide free retrofits to low and moderate income residents and small businesses utilizing retrained displaced workers;
- Establish high performance building practices;
- Improve coordination of energy-related policies ;
- Leverage HUD and DOE utility low income & Weatherization programs.

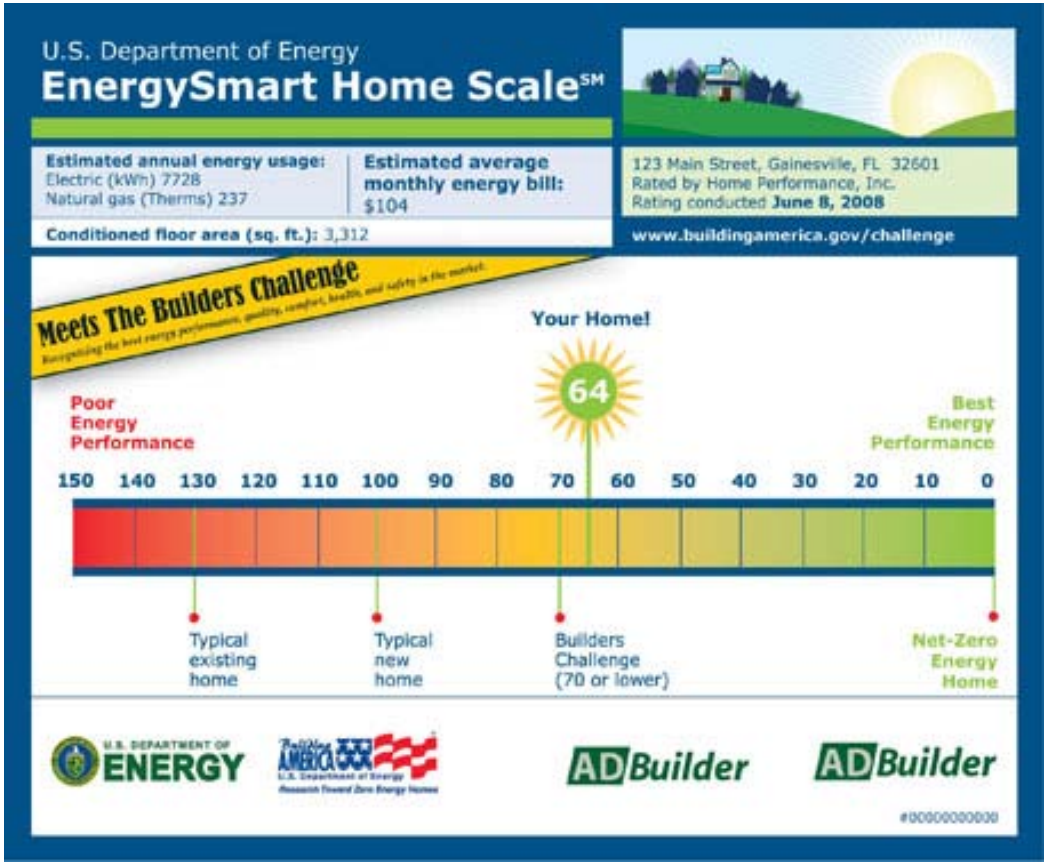
# 7. Development and Implementation of Transportation Programs

- Employee flex time programs
- Promote use of satellite work centers
- Develop and promote zoning guidelines that promote energy-efficient development
- Create regional transit-oriented development
- Establish alternative fuel polices
- Purchase alternative fuel vehicles -- **Incremental costs only**
- Develop infrastructure such as bike lanes & walkways
- Create Incentive programs to reduce commutes

Metro Regional Government

# 8. Building Codes and Inspections to Promote Building Energy Efficiency

- Develop and implement building codes and inspection services to promote building energy efficiency
- Adopt advanced building codes that target energy savings of 30% or higher than current standards
- Provide advanced training to builders and/or installers of materials or systems required by new energy codes
- Promote high performance buildings:
  - Green Buildings
  - US DOE Builders Challenge
  - Net Zero homes



# 9. Energy Distribution Technologies

- Technologies that significantly increase energy efficiency
- Build an integrated system within the electricity grid consisting of thermal generation, energy storage, and energy management systems—such as combined cooling, heat and power (CHP)
- Install numerous, small stand-alone electricity generators to provide back-up power at designated locations as part of an energy assurance plan
- Develop policies and incentives to implement CHP

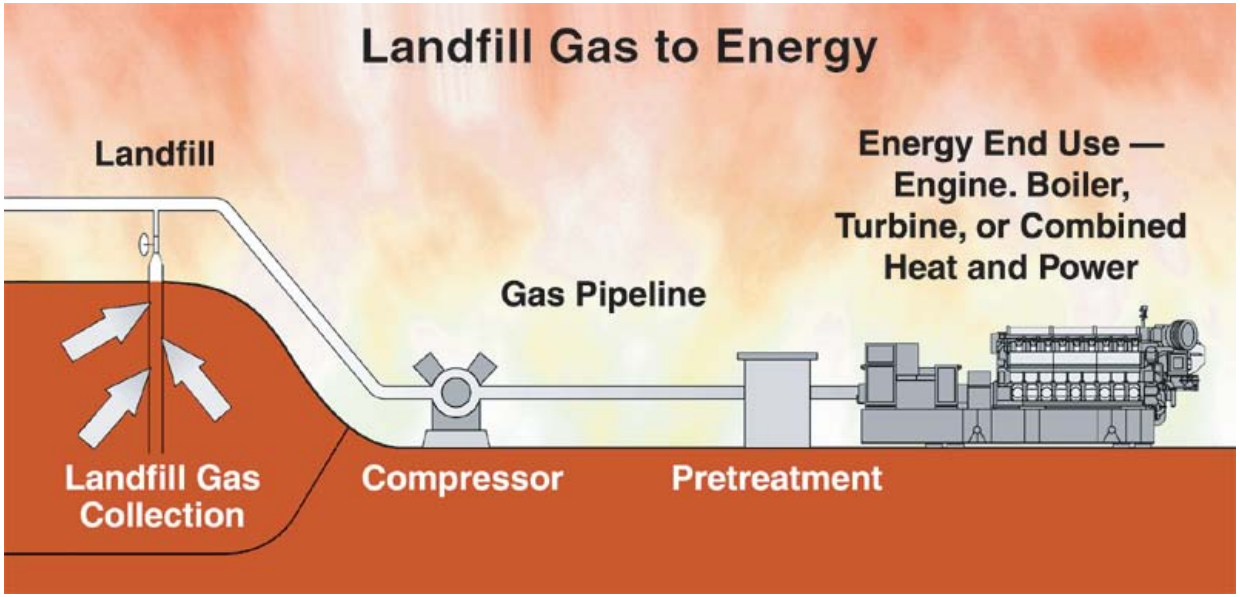
# 10. Material Conservation Programs that Lead to Energy Efficiency

- Implement a Zero Waste Initiative that lead to increases in energy efficiency
- Implement a sustainable purchasing policy
- Conduct business and industrial waste audits
- Implement a construction and demolition (C&D) materials recycling program
- Implement activities to increase participation and efficiency rates for material conservation programs

# 11. Reduction and Capture of Methane and Greenhouse Gases generated by landfills or similar waste-related sources

- Purchase and implement technologies to reduce, capture, and use methane and other greenhouse gases such as a Landfill Gas (LFG) Project;

- Connect related power sources such as a wastewater treatment facility with a LFG operation.



# 12. Traffic Signals and Street Lighting

- Install and/or replace traffic signals and street lighting with energy efficient lighting technologies, including light emitting diodes; and any other technology of equal or greater energy efficiency;
- Implement traffic light synchronization.

# 13. Development or Implementation of On-Site Renewable Energy on Government Buildings

- Develop, implement, and install onsite renewable energy technology that generates electricity from renewable resources, including solar energy; wind energy; fuel cells; and biomass
- Develop a city-wide power purchase agreement for solar/renewable energy installations on all municipal facilities and buildings
- Install renewable energy systems on targeted city facilities—park facilities, libraries, fire stations, etc.

Moscone Center, San Francisco, CA

# 14. Other Appropriate Activities as Approved

- Entities may submit “any other appropriate activity” for approval in the Energy Efficiency & Conservation Strategy
- Directly from EISA authorizing statute
- DOE must consult with HUD, DOT and EPA on approval

# B-1 Attachment -- Project Activity Sheet

EECBG Activity Worksheet

Grantee: _____ Date: _____

DUNS #: _____ Program Contact Email: _____

Program Contact First Name: _____ Last Name: _____

Project Title: _____

Activity: _____ If Other: _____

Sector: _____ If Other: _____

Proposed Number of Jobs Created: _____ Proposed Number of Jobs Retained: _____

Proposed Energy Saved and/or Renewable Energy Generated: _____

Proposed GHG Emissions Reduced (CO2 Equivalents): _____

Proposed Funds Leveraged: _____

Proposed EECBG Budget: _____

Projected Costs Within Budget: Administration: Revolving Loans: Subgrants:

Project Contact First Name: _____ Last Name: _____ Email: _____

Metric Activity: _____ If Other: _____

Project Summary: *(limit summary to space provided)*

- One activity per sheet
- Describe/summarize activity. Narrative should be clear, descriptive & complete.
- Proposed benefits are estimates only:
  - Jobs created and/or retained
  - Energy saved
  - GHG emissions reduced
  - Funds leveraged
- EECBG Estimated Benefits Calculator provided to applicants
- Calculator for application only http://www.eecbg.energy.gov/

Applicants: Please insert relevant information into green boxes. For those activities that you are not funding, please leave blank.

| EECBG Eligible Activities | 1. Geographic Location (please select from from drop-down list (1)) | 2. Proposed EECBG Budget ($) | 3. Proposed Funds Leveraged ($) (2) | 4. Proposed Total Funding ($) | 5. Proposed RE technology capacity installed (MW) | 6. Proposed Methane Captured (cubic feet) | 7. Annual Estimated Expected Energy Savings (kWh) | 8. Annual Estimated Expected GHG Reduced (metric tons CO2e) (3) | 9. Annual Estimated Expected Jobs created and/or retained |
|---|---|---|---|---|---|---|---|---|---|
| | AK | | | | | | | | |
| 1. Development of an Energy Efficiency and Conservation Strategy | AK | $ - | $ - | $ - | | | | | 0 |
| 2. Technical Consultant Services | AK | $ - | $ - | $ - | | | - | - | 0 |
| 3. Residential and Commercial Building Energy Audits | AK | $ - | $ - | $ - | | | - | - | 0 |
| 4. Financial Incentive Programs | AK | $ - | $ - | $ - | | | - | - | 0 |
| 5. Energy Efficiency Retrofits | AK | $ - | $ - | $ - | | | - | - | 0 |
| 6. EE and Conservation Programs for Buildings and Facilities | AK | $ - | $ - | $ - | | | | | 0 |
| 7. Development and Implementation of Transportation Programs | AK | $ - | $ - | $ - | | | | | 0 |
| 8. Building Codes and Inspections | AK | $ - | $ - | $ - | | | - | - | 0 |
| 9. Energy Distribution | AK | $ - | $ - | $ - | | | - | - | 0 |
| 10. Material Conservation Programs | AK | $ - | $ - | $ - | | | | | 0 |
| 11. Reduction and Capture of Methane and GHG | AK | $ - | $ - | $ - | | 0 | - | - | 0 |
| 12. Traffic Signals and Street Lighting | AK | $ - | $ - | $ - | | | - | - | 0 |
| 13. RE Technologies on Government Building (enter funding and kW in appropriate RE tech row below) | AK | | | | | | | | |
| 13a. Biomass | AK | $ - | $ - | $ - | 0 | | - | - | 0 |
| 13b. Concentrating Solar Power | AK | $ - | $ - | $ - | 0 | | - | - | 0 |
| 13c. Geothermal | AK | $ - | $ - | $ - | 0 | | - | - | 0 |
| 13d. Hydropower | AK | $ - | $ - | $ - | 0 | | - | - | 0 |
| 13e. PV | AK | $ - | $ - | $ - | 0 | | - | - | 0 |
| 13f. Wind | AK | $ - | $ - | $ - | 0 | | - | - | 0 |
| 14. Other | AK | $ - | $ - | $ - | | | | | 0 |

# Attachment D of the FOA

# ENERGY EFFICIENCY AND CONSERVATION STRATEGY

# Two Options for Submitting EE&C Strategy* (Attachment D of the FOA)

- **Option 1**: Before award
  - ✓ Submit at time of application.
  - ✓ In this case, you can STILL conduct further planning activities with your funds if you wish to.

- **Option 2**: After award (if you need time to plan)
  - ✓ Submit it within 120 days of the effective date of your award.
  - ✓ In this case, submit an Activity Worksheet (Attachment B1 of the FOA) <u>with your application</u> to reflect the activity of developing your strategy.
  - ✓ You can receive up to $250K for this activity from your allocation.

* For local governments and tribes only

# Staged Disbursement of Funds

- If you **DO NOT** submit your strategy with your application, then:
  - ✓ You can receive up to $250K to develop your strategy.

- If you **DO** submit your strategy with your application **AND** it is approved, then:
  - ✓ If your allocation is under $2 Million, you will receive the full amount of your allocation.
  - ✓ If your allocation is over $2 Million, you will receive 50% of your allocation. The remainder will be awarded after one or more progress reviews.

# EE&CS: Your Answers Should Address

**Question 1** – What is your Proposed EE & Conservation Strategy?

- Clearly identify the goals and objectives relating to the use of EECBG funds only.
- If you have an existing strategy, explain how EECBG funding will support it.
- Outline briefly the major milestones.
- **Example:** "Our goal for the Energy Efficiency Retrofit Program is to install efficiency measures recommended by the audit in all our government buildings and facilities in our community by 2011. "

**Question 2** – What is Your Proposed Implementation Plan?

- Identify the eligible activities that programs and projects fall under.
- How do you plan to implement these activities?
- Relate response to Question 1 goals as appropriate.
- **Example:** "Under the eligible activity, Energy Efficiency Retrofits, the ESCO's energy audit serves as [County] county's implementation plan. We will use EECBG program funds to provide …"

**Question 3** – How are You Working with Adjacent Units of Local Government?

- How are you coordinating with your neighbors?
- **Example:** [County] is a member of Regional Council which has convened meetings and held planning workshops for elected officials and staff for the purpose of setting regional energy reduction goals.

# EE&CS: Your Answers Should Address

**Question 4** – How Will You Share Information with Your State?

- Explain how are you sharing information with your State
- **Example:** "We plan to share information with our state by providing them monthly reports and inviting them to our monthly meetings."

**Question 5** – Describe How the Project Sustains Benefits Beyond the Recovery Act Period?

- Describe how your eligible activities are yielding benefits beyond the three year funding period.
- Show how these funds are being treated as an investment in the community.
- **Example:** " Energy reductions and cost savings resulting from our activities will sustain over the lifetime of the installed equipment, with added assurance as a result of our city's regular maintenance and operations schedule…"

**Question 6** – How Will You Ensure Transparency & Accountability?

- What steps are you taking to prevent fraud, waste, error, and abuse?
- **Example:** "The Office director will be responsible for the plan development and implementation, and will regularly present budget and metric results to the city manager and city council. The Office director will work with the city's EECBG working committee of city, utility and public stakeholders to review the plan and provide for public input…"

# Limitations on the Use of Funds

## Local Governments and Tribes

- Cap on administrative costs, excluding reporting: 10% or $75,000, whichever is greater
- Cap on revolving loan funds: 20% or $250,000, whichever is greater
- Cap on sub grants to non governmental organizations for assistance in implementation of strategy: 20% or $250,000, whichever is greater

## States

- Cap on administrative costs, including reporting: 10%
- No cap on revolving loan funds
- States may not use less than 60% of their allocation to provide sub-grants to local governments ineligible for a direct formula grant from DOE

# NEPA – National Environmental Policy Act

- NEPA requires federal agencies to base their major decisions on high quality environmental information
- All EECBG activities are subject to NEPA review
- Not all will be subject to the same levels of review
- Some proposed activities will likely qualify for categorical exclusions
- Others proposals will need an environmental assessment or an environmental impact statement, which could delay the award process and the ability of the grantee to obligate and expend program funds within the required timeframes
- More detailed information starts on page 18 of the FOA
- Need to consider NEPA when developing strategy

# Frequently Asked Questions

Q: Does the Davis Bacon Act (prevailing wages) apply?

A: Yes

Q: How should I calculate job creation estimates for my application?

A: $92,000 = 1 job. Or, if you have an accurate estimate already, use that.

Q: How should I calculate the other metrics I must report on to DOE?

A: Guidance is coming soon.

Q: What are the allowable uses of renewable technologies?

A: They can be installed in/on/physically connected to a government building and must feed the power supply of that building. They can also be bundled with efficiency measures under a building retrofit or financial incentive program.

Q: Will I be able to amend my strategy after I receive my award?

A: Yes

# Start Now!!!

- Start planning activities and developing your strategy
- Meet with local stakeholders
- Look for opportunities to leverage funds
- Coordinate with other grantees to maximize impact
- Determine methods to monitor and manage funds to ensure accountability
- Evaluate options: Will this project be successful? Will this project make a difference? Will it save energy? Will it create jobs?

# Bookmark Program Site: www.eecbg.energy.gov

EERE: Energy Efficiency and Conservation Block Grants Program Home Page - Mozilla Firefox

File Edit View History Bookmarks Tools Help

http://www.eecbg.energy.gov/

Most Visited | Getting Started | Latest Headlines

U.S. Department of Energy
Energy Efficiency and Renewable Energy — *Bringing you a prosperous future where energy is clean, abundant, reliable, and affordable*

EERE Home

## Energy Efficiency and Conservation Block Grant Program

About the Program | Solution Center | Information Resources | Financial Opportunities

Search | Search Help | More Search Options

**EECBG Webcast**

**Energy Efficiency and Conservation Block Grant Program Webcast Series: Register Here**

**Quick Links to Programs**

- Weatherization and Intergovernmental Program
- State Energy Program
- Weatherization Assistance Program
- Tribal Energy Program
- Renewable Energy Production Incentive

***"These investments will save taxpayer dollars and create jobs in communities around the country," said Vice President Biden. "Local leaders will have the flexibility in how they put these resources to work - but we will hold them accountable for making the investments quickly and wisely to spur the local economy and cut energy use."***

Over $2.7 billion in formula grants are now available to U.S. states, territories, local governments, and Indian tribes under the Energy Efficiency and Conservation Block Grant (EECBG) Program, funded for the first time under the American Recovery and Reinvestment Act of 2009. This Program, authorized in Title V, Subtitle E of the Energy Independence and Security Act of 2007 (EISA) and signed into Public Law (PL 110-140) on December 19, 2007, provides funds to units of local and state government, Indian tribes, and territories to develop and implement projects to improve energy efficiency and reduce energy use and fossil fuel emissions in their communities. The Program is administered by the Office of Weatherization and Intergovernmental Programs (WIP) in the Office of Energy Efficiency and Renewable Energy (EERE) of the U.S. Department of Energy (DOE).

### Program Application Deadline - NEW

As of May 11, 2009, the program application deadline for ALL applicants, including local, tribal, and state governments, is June 25, 2009, 8:00:00 PM, Eastern Time.

### How to Apply

Due to the increase in Federal funding activities, the EECBG Funding Opportunity Announcement (FOA) and application package are located on two different websites. The FOA and its attachments are located at FedConnect, the federal online site for government funded programs. The application package is located at Grants.gov. For detailed instructions on locating these essential documents needed to apply for the EECBG Program, please read Special Application Instructions. (PDF 22 KB). Download Adobe Reader.

### Solution Center

To help eligible grantees develop energy efficiency projects and programs that meet the conditions and guidelines of the EECBG Program, technical assistance resources are provided on this website. Please visit our Solution Center to access best practices, our EECBG webcast series, and information resources.

**REGISTER NOW**

NOTE: Eligible applicants must register and apply to receive direct formula funds. There are several one time actions you must complete in order to submit an application to this announcement:

1. Obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number at http://www.dnb.com/US/duns_update/ (NOTE: If you already have a DUNS number, you do not need to apply for a new one.)
2. Register with the Central Contractor Registration (CCR) at http://www.ccr.gov/ (NOTE: If you are already registered with CCR, you do not need to reregister - however, CCR does require that registrants update their contact information annually.)
3. Register E-Business Point of Contact with FedConnect to submit their application at at www.fedconnect.net

EERE Information Center

**NEWS**

Obama Administration Announces $3.2 Billion in Funding for Local Energy Efficiency Improvements
March 26, 2009

DOE to Invest $8 Billion in Weatherization and State Energy Grants
March 12, 2009

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**FEATURES**

- Funding Opportunity Announcement (PDF 749 KB) Download Adobe Reader
- State and Local Grant Allocation Page
- Tribal Grant Allocation Page
- EERE Recovery Act Activities

**PUBLICATIONS**

Instructions for Downloading the Funding Opportunity Announcement (PDF 22 KB)

State and Local Grant Allocations (PDF 671 KB)

Tribal Grant Allocations (PDF 191 KB)

EECBG Formula Methodology (PDF 157 KB)

Done

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# Helpful Reading

- Funding Opportunity Announcement
  http://www.eecbg.energy.gov/ or http://www.fedconnect.net

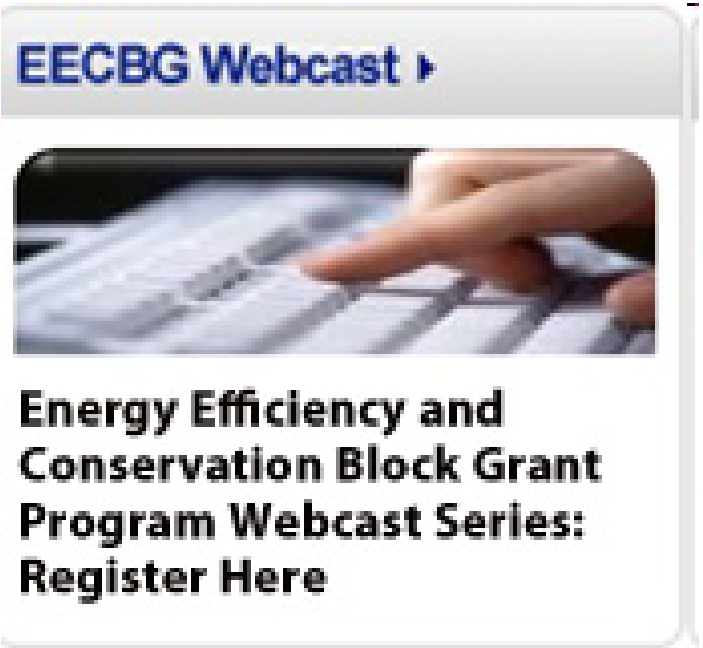
- Example EE&C Strategies
  http://www.eecbg.energy.gov/solutioncenter/eligibleactivities/activity_1.html

- FedConnect Primer
  https://www.fedconnect.net/FedConnect/PublicPages/FedConnect_Ready_Set_Go.pdf

- Solution Center
  http://www.eecbg.energy.gov/solutioncenter

- Frequently Asked Questions
  http://www.eecbg.energy.gov/about/FAQ.html

# Resources For Grantees




- EECBG Webinars:
  - Planning and Strategy Development
  - Application Process
  - Financial Incentive Mechanisms
  - *Register online*
- Solution Center
  - Best practices and tools
  - Accessible from http://www.eecbg.energy.gov/
- Coming soon
  - Technical assistance from DOE National Labs
  - Competitive grants FOA

# Questions?

- Send your question in an email to EECBG@NETL.DOE.GOV

-Or-

- Contact the EERE Information Center
  - Submit questions online
    http://www.eere.energy.gov/informationcenter
  - Call via toll-free phone
    1-877-EERE-INF (1-877-337-3463)

# Thank You !

## Check the website for updates: www.eecbg.energy.gov