

## MEMORANDUM

TO: Mayor and Town Council

FROM: Sustainability, Energy and Environment Committee  
Jim Ward, Chair  
Laurin Easthom  
Ed Harrison  
Penny Rich

SUBJECT: Recommendation for Energy Efficiency and Conservation Strategy

DATE: January 25, 2010

### PURPOSE

To present a recommendation for the activities that could be included as part of the Town's strategy for use of Energy Efficiency and Conservation Block Grant (EECBG) funds.

### BACKGROUND

At the January 11, 2010 Council Business Meeting, the Council received a [memorandum](#) outlining a process for finalizing and submitting the Town's Energy Efficiency and Conservation Strategy—a required plan under the block grant program. In accordance with the proposed process, the SEE Committee met at its regularly scheduled meeting on January 15, 2010 to receive and discuss a strategy recommendation from the staff and Clean Energy Solutions.

Based on research and experience with the strategy submittal process, it was recommended that the Town exercise both simplicity and flexibility in its development of the strategy. As such, the staff and Clean Energy Solutions put forward a recommendation to develop two primary activities for the Town's strategy: a program to upgrade public facilities and a residential financing and incentives program for efficiency and conservation improvements throughout the community.

### DISCUSSION

The Committee expressed interest in a balance between municipal projects (those that target the Town government's facilities and activities) and community projects (those that are more aimed to effect homes and businesses in town). We also understand that the Town is eligible to receive a modest sum (\$554,900) as compared to many of its peer communities around the state. With those qualifiers, the Committee endorsed the proposed recommendation as generally outlined below:

1. Public Facilities Upgrades:
  - a. \$135K of EECBG investment for municipal lighting and HVAC, with leveraging (less than 5 year paybacks; easy to track savings and demonstrate results)

- b. Also, \$20K - \$100K to pursue performance contracting in public housing (e.g., AC, refrigerators, solar hot water)
2. Residential Financing and Incentives:
  - a. \$200K – 280K of EECBG investment with several options to be considered (e.g., on-bill financing with utility, incentives, behavioral programs)

Based on the information received, the Committee believes that the approach described above will offer the Town the needed flexibility to pursue the specific measures which become most advantageous based on further evaluation and other grant opportunities which the Town is also eligible to receive.

The Committee would also like to note that the contract energy manager position was not included in the final recommendation as an item to be funded under the block grant. It should be noted that a part-time position like this could be funded through the savings generated from lighting and HVAC projects. Additionally, the State Energy Office is developing an internship program for Energy Managers and the Town is eligible to apply for this type of assistance.

#### **NEXT STEPS**

1. With Council's adoption of the attached resolution, the Manager or his designee will submit the energy strategy to the U.S. Department of Energy on or before the Town's deadline of January 28, 2010.
2. Once the energy strategy is approved, the staff will finalize the planning for all activities and drawdown the remainder of the funding to implement all approved activities.
3. The Manager will provide regular updates to the Council concerning the implementation of the energy strategy.

#### **RECOMMENDATION**

That the Council adopt the attached resolution to approve the activities proposed for the Town's Energy Efficiency and Conservation Strategy, and to allow the Town Manager or his designee to fulfill all the requirements necessary to apply for and receive all eligible funding under the Energy Efficiency and Conservation Block Grant Program.

#### **ATTACHMENTS**

1. January 15, 2010 Presentation to SEE Committee (p. 4).
2. Committee Comments (p. 10).