

THE ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (EECBG)

**2007 Authorized in the Energy Independence and Security Act
2009 Funded in the American Recovery and Reinvestment Act
2021 Amended & Funded in the Infrastructure Investment and Jobs Act (IIJA)**

The bipartisan Infrastructure Investment and Jobs Act provides \$550 million for the Energy Efficiency and Conservation Block Grant.

What is the Purpose of the EECBG Program?

Administered through the U.S. Department of Energy (DOE), the EECBG will assist eligible entities in implementing energy efficiency and conservation strategies to:

- reduce fossil fuel emissions created as a result of activities within the jurisdictions of eligible entities;
- reduce total energy use; and
- improve energy efficiency in the transportation, building, and other appropriate sectors.

Who is Eligible for EECBG Formula Grants?

- Every city with a population of 35,000 or more.
- Every county with a population of 200,000 or more.
- Each state (including Puerto Rico) is guaranteed to have its 10 largest cities and 10 largest counties eligible for direct formula grants, regardless of population.
- Each state is required to pass through at least 60% of its funding share to cities and counties not receiving direct formula funding. Each state decides how to award these funds among these cities and counties.
- Not less than 2% of the funds are directed to Tribal Governments.

Who is Eligible for Competitive Grants?

- Units of local governments (including Indian tribes) that are not direct eligible entities or a consortia of those units of local government can submit an application that includes a plan outlining the eligible activities they wish to implement. Priority will be given to units of local governments located in States with populations of less than 2,000,000 or those with projects that would result in significant energy efficiency improvements or reduction in fossil fuel use.

How Do I Apply?

- Revised program guidance and funding allocations are expected in Fall 2022.
- Additional information and applications for formula awards and competitive grants will be available on the DOE [website](#).¹

What Activities are Eligible under the EECBG Program?

The original EECBG authorization included 13 categories of activities and programs eligible for EECBG and the IIJA added a new eligible use:

- Developing/implementing an energy efficiency and conservation strategy;
- Retaining technical consultant services to assist in the development of such a strategy;
- Conducting residential and commercial building energy audits;
- Establishing financial incentive programs for energy efficiency improvements (*e.g., loan programs, rebate programs, waive permit fees*);
- Providing grants to nonprofit organizations to perform energy efficiency retrofits; Developing/implementing programs to conserve energy used in transportation (*e.g., flex time by employees, satellite work centers, promotion of zoning requirements that promote energy efficient development, transportation infrastructure: bike lanes/pathways, pedestrian walkways, and synchronized traffic signals*);
- Developing and implementing building codes and inspection services to promote building energy efficiency;
- Implementing energy distribution technologies;

¹DOE EECBG website: <https://www.energy.gov/eere/wipo/energy-efficiency-and-conservation-block-grant-program>

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- Developing public education programs to increase participation and efficiency rates for recycling programs;
- Purchasing/implementing technologies to reduce and capture methane and other greenhouse gases generated by landfills or similar sources;
- Installing light emitting diodes (LEDs);
- Developing, implementing, and installing on or in any government building of onsite renewable energy technology that generates electricity from renewable resources (e.g., solar and wind energy, fuel cells, and biomass);
- 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
- Any other activity as determined by the Secretary of Energy in consultation with the Secretaries of Transportation and Housing and Urban Development and the Administrator of the Environmental Protection Agency.

Annual Report

No later than two years after the date on which funds are initially provided to eligible communities and annually thereafter, the eligible communities shall submit to the DOE Secretary a report describing:

- The implementation of the Energy Efficiency and Conservation Strategy; and
- Energy efficiency gains.

What are the Requirements for States under the EECBG Program?

- A state that receives a grant under the program shall use not less than 60 percent of the amount received to provide subgrants to non-entitlement communities no later than 180 days after the date on which the DOE Secretary approves a proposed Energy Efficiency and Conservation Strategy of the State.
- No later than 120 days after enactment of the law each state shall modify its energy conservation plan to establish additional goals for increased energy efficiency and conservation.
- Within these 120 days, each state will submit to the DOE Secretary a proposed Energy Efficiency and Conservation Strategy that establishes a process for providing subgrants to non-entitlement communities and includes a plan for the use of their money to implement their energy conservation plan. (The DOE Secretary has 120 days to approve or disapprove a proposed strategy. If a strategy is disapproved, the Secretary will provide reasons for disapproval and allow the recipient to resubmit as many times as needed until the Secretary approves a proposed strategy.)
- A state may not use more than 10 percent of amounts provided for administrative expenses.
- Each state that receives a grant under the program shall submit to the DOE Secretary an annual report that describes the status of the implementation of the State's conservation strategy, the status of the subgrant program, and the energy efficiency gains achieved.



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