

MEMORANDUM

TO: House Committee on Environment and Energy

FROM: Jennifer M V. Fitch, Commissioner, Department of Buildings and General Services

DATE: 1/20/2023

SUBJECT: Municipal Energy Resilience Grant Program

Background

Acts and Resolves No. 172, passed on June 2nd 2022, established the Municipal Energy Resilience Program (MERP) and allocated \$45M of American Rescue Plan Act (ARPA) State and Local Fiscal Recovery grant funds to “(A) make recommendations to municipalities on the use of more efficient renewable or electric heating systems; and (B) make necessary improvements to reduce emissions by reducing fossil fuel usage and increasing efficiency in municipally owned buildings.” In October 2022, Act 172 ARPA funds were selected for Revenue Loss Replacement. This allows BGS to implement the program as intended.

Program Description

The Municipal Energy Resilience Program provides staffing support, technical assistance, and project funding to help energy burdened communities across the state become more resilient by reducing their energy use and building operational costs. The program provides the following grants and services to covered municipalities:

- \$5M to cover energy resilience building audits. Audits are free until funds are exhausted.
- Education, outreach, technical assistance, and grant application assistance from Regional Planning Commissions (RPCs).
- Community education grants of up to \$4,000 per covered municipality to promote long term resilience planning and education.
- Grants of up to \$500,000 are available to make covered municipal buildings more energy efficient and resilient.

Qualifying projects include weatherization, thermal efficiency, supplementing or replacing fossil fuel heating systems with renewable or electric heating systems. Any city, town, fire district, incorporated village, or other governmental incorporated unit except school districts are eligible for funding. Awards will be calculated based on the criteria stipulated in Act. 172 as well as the merit of the application. Municipalities with the highest energy burden community needs and lowest resources as defined in Efficiency Vermont’s



2019 Energy Burden Report will be prioritized for funding.

BGS is engaging the following program partners on design, outreach, education, and technical assistance:

- Vermont's 11 Regional Planning Commissions (Act. 172 allocates \$2.4 million for assistance)
- Efficiency Vermont
- Vermont League of Cities and Towns
- Vermont Energy and Climate Action Network

Program Timeline

- November 17, 2022: ARPA outreach county visits commenced.
- December 19, 2022: Energy assessment services Requests for Proposals bids closed.
- January 3, 2023: RPC agreements signed.
- January 9, 2023: Energy assessment services RFP bid review committee convenes.
- February 10, 2023: RPC initial funds disbursed.
- March 7, 2023: Town Meeting Day applications open for \$4k Community Resilience Grants.
- April 10, 2023: Energy assessment service contracts executed. Applications open for building assessments/audits.
- April 15, 2023: First quarterly report due for RPC grant recipients.
- January 1, 2024: Energy resilience project grant applications open.
- January 15, 2024: All energy assessments must be completed.
- December 31, 2024: All grant awards must be obligated.
- December 31, 2026: All grant awards must be expended.
- June 30, 2028: Final reporting submitted.

*Highlighted dates are expected but not finalized and are therefore subject to change based upon the requirements of program design and implementation.

