Iowa Energy Office Program Updates

Quad Cities Renewable Energy Conference November 9, 2018

> Stephanie Weisenbach lowa Energy Office



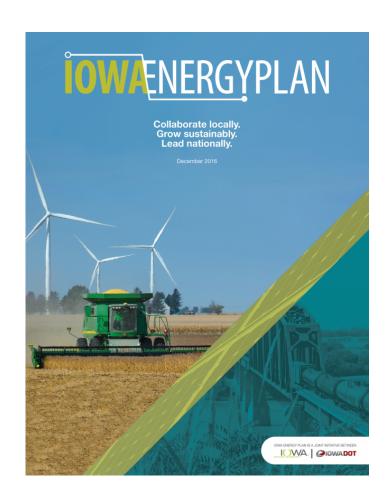
About the Iowa Energy Office

- » Designated as state energy office via Governor, Iowa Code and US Department of Energy
- » At Iowa Economic Development Authority since 2011
- » Non-regulatory
- » Focus on strategic direction, stakeholder engagement, communication with state agencies and implementation of programs



Iowa Energy Plan

- » Led in 2016 by then-Lt. Governor Kim Reynolds, IEDA and Iowa DOT
- » Year-long process, four working groups
- » Plan and Resources released 2016
- » Progress Report released 2018





Seven Key Focus Areas of lowa Energy Plan

Economic Development and Energy Careers	lowa's Energy	Transportation and	Energy Efficiency and
	Resources	Infrastructure	Conservation
 ✓ Energy workforce development ✓ Technology-based R & D (e.g. energy storage pilot projects) 	✓ Biomass conversion potential	✓ Natural gas expansion ✓ Grid modernization vision ✓ Alternative fuel vehicles	✓ Access to energy expertise in rural areas

Further Strategy and Plan Development:

- Biomass Conversion Action Plan 2018
- Energy Storage Action Plan coming in 2019
- Electric Vehicle Infrastructure Support Study coming in 2019



Iowa Energy Office

IOWA PROGRAMS AND PROJECT OPPORTUNITIES



B3 Benchmarking



The <u>Iowa Public Buildings</u>

<u>Benchmarking Program</u> serves
as a tool for public buildings to
track their energy usage.

Currently there are over 2,200
buildings enrolled.

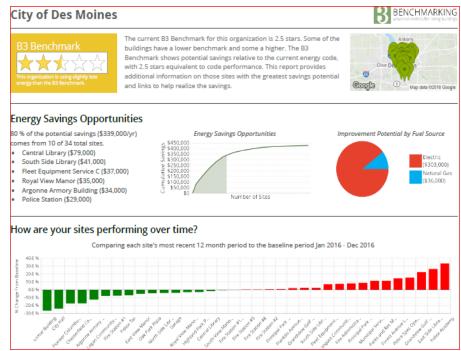
» 133 Organizations Currently Enrolled

- 47 Cities
- 44 School Districts
- 16 Community Colleges
- 12 Counties
- 7 State Agencies
- 3 Higher Education Institutions
- 2 Private Institutions
- 2 Other



B3 Benchmarking

- An "apples to apples" comparison of similar public buildings within the State of Iowa and the Midwest
- Interfaces with EPA Portfolio Manager
- » Energy "Report Card" provides the user a snapshot of their buildings' energy performance over time
- » Provides building managers the data needed to gain support from upper management to implement energy efficiency projects



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Volkswagen Settlement Funding

- » Volkswagen to spend approximately \$15 billion on three programs nationally
 - Buy Back/Emissions Modification | \$10 billion
 - Zero-Emissions Vehicle Modification (ZEV) Investment | \$2 billion
 - Through its new company, <u>Electrify America</u>
 - Environmental Mitigation Trust | \$2.9 billion
 - Allocated to states lowa to receive ~\$21 million
 - Iowa DOT administering funding, website and email updates available
- » Iowa Energy Office / Iowa Clean Cities
 - Serving on state agency working group assisting DOT
 - Conducting outreach to stakeholders on alternative fuel vehicle projects
 - Released Alternative Fuel Vehicle Readiness Guide
 - Planning webinar after DOT release of funding applications



lowa's Eligible Mitigation Activities

- » Focuses on replacing older, MY2009 or older diesel vehicle with new diesel, alternative fuel or electric vehicles.
- 3 15% of funding going to Zero Emission Vehicle (ZEV) Investments, targeting electric vehicle charging stations

Mitigation Category	Funding Percentage	Estimated Application Cycle Total	Estimated Trust Fund Total
Class 4-8 Buses	45%	\$3,150,000	\$9,450,000
Freight and Port Drayage Trucks	15%	\$1,050,000	\$3,150,000
Non-Road Transport and Equipment	10%	\$700,000	\$2,100,000
ZEV	15%	\$1,050,000	\$3,150,000
DERA	15%	N/A	\$3,150,000
Total	100%		\$21,000,000



Iowa Energy Center (IEC)

- SF 513 signed into law May 12, 2017
 - Transferred management and responsibility of the lowa Energy Center from ISU to IEDA
 - IEDA-IEC Mission To support activities which align with the 7 key focus areas of the Iowa Energy Plan
- Official transfer took effect October 1, 2017
- Administrative rules being developed with IEC Board
- Programs anticipated to open for applications by spring 2019
- The Iowa Energy Center's funding source sunsets on July 1, 2022



IEC Grant Program

- » Eligible grant recipients: businesses, colleges/universities, private non-profit agencies/ foundations
- » Competitive grant program
- » At least one funding announcement per year
- Must align with one of the 7 focus areas of the lowa Energy Plan
- » Must provide a benefit for lowa ratepayers
- Interested in supporting transformative, innovative, pilotscale projects



IEC Loan Program

- » Alternate Energy Revolving Loan Program (AERLP)
 - Began in late 1990s, enacted in lowa Code
 - Over \$14 million revolving in program
 - Zero interest on AERLP funds
 - Loans up to \$1 million
 - Eligible projects: small hydro and AEPs

- Definition of Alternate Energy Production (AEP) Facility
 - Solar
 - Wind turbine
 - Waste management
 - Resource recovery
 - Refuse-derived fuel
 - Agricultural crops and residue
 - Wood-burning
 - Related improvements and facilities



Resources for Potential Applicants

- » <u>Iowa Solar Energy System Tax Credit</u> Iowa Dept of Revenue
 - Annual cap of \$5 million in the program.
 - The lowa Solar Energy System Tax Credit equals a percentage of the federal tax credits offered for solar energy systems. Currently, the federal credit equals 30 percent of installation costs.
 - Residential: 50% of the federal credit. lowa credit cannot exceed \$5,000.
 - Business: 50% of the federal credit. Iowa credit cannot exceed \$20,000.
- » Modified Accelerated Cost-Recovery System (MACRS)
 - Businesses may recover certain investments through depreciation deductions on federal taxes
- » Public and non-profit entities can utilize Power Purchase Agreements with private companies, which can claim credits
 - Customer makes payments over predetermined period of time. Private system owner handles operations and maintenance.
 - PPA Checklist for State and Local Governments by NREL
 - Steps to a Successful Solar Request for Proposal by the Solar Foundation



Resources for Potential Applicants

- » Tools from the National Renewable Energy Lab
 - Wind Prospector tool: includes wind speed and direction data at several heights, air pressure, etc. (NREL)
 - PVWatts Calculator: develop energy production and cost estimates of potential PV installations
 - System Advisor Model (SAM): makes performance and cost of energy estimates based on varying installation, operating and design parameters.
 - <u>RE-Opt Lite</u>: recommends an optimal mix of renewables, conventional generation and energy storage.



Contact Information

» Stephanie Weisenbach, Program Manager lowa Energy Office 515.348.6221

stephanie.weisenbach@iowaeda.com

https://www.iowaeconomicdevelopment.com/energy

