1.0 Call To Order

2.0 Corrections and approval of minutes from 1/26/09 meeting

3.0 Update on tasks.
   3.1 EPA Community Energy Challenge
      3.1.1 CCM energy services
      3.1.2 Portfolio Manager
   3.2 Community Innovations Grant
      3.2.1 Information on discussion with Peter Hutchins, Small Cities Grant coordinator for town
      3.2.2 Advertising, criteria, mechanics
   3.3 Adoption of LEED-equivalent standards in state, town building codes (Chris)

4.0 Other business
   4.1 Energy Provisions in federal stimulus bill (see OLR summary, attached)
   4.2 State Energy Authority discussion (article attached)
   4.3 POCD plans (letter attached)

5.0 Public comment

6.0 Adjourn

/KF 03/17/09
Attachment
From: Susan Shortsleeve [mailto:sshortsleeve@baystateconsultants.com]
Sent: Tuesday, January 13, 2009 4:02 PM
To: Joyce Okonuk; mal.leicheter@lebanonct.org
Cc: ANDY MEROLA
Subject: CCM Energy Purchasing - annual projection of electric supply charges

We have concluded our annual review of the pass through charges in your electric supply contract. The purpose of this review is to revisit the projection that we made earlier this year in this regard for calendar 2008 and to make a similar projection going forward for calendar 2009. Because your electric contract includes a base rate plus pass through charges, it is necessary to track those pass through charges, in order to estimate your overall cost of electric supply.

We have also compared your average 2008 contract rate to the average 2008 utility rate to give you an approximation of the savings in 2008. It is not practical to calculate 2008 savings with precision for a number of reasons. The utility supply rates, which you avoid, effectively change every three months; the pass through charges change every month; and your consumption changes every month. Using the simplifying assumption described in the attached memo, you saved approximately $22,800 annually or 9% below the cost of utility supply in 2008.

Please let me know if you have any questions about the attached set of projections.

John

John Shortsleeve
Bay State Consultants
30 Porter Road
Boxford, MA 01921
Ph: 978-352-9099
Fax: 978-824-2466
Email: jshortsleeve@baystateconsultants.com

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This electronic mail transmission may contain confidential and/or privileged information intended only for the person(s) named. If this e-mail was received in error, please advise the sender by reply e-mail and delete this e-mail immediately. Any use, distribution, copying or disclosure to another person is strictly prohibited. Thank You Lebanon Town Offices
****
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No virus found in this outgoing message.
Checked by Barracuda Spam Firewall
Memo
To: Hon. Joyce Okonuk, Mal Leichter, Town of Lebanon
From: John Shortsleeve
Cc: Andy Merola, CCM; Susan Shortsleeve
Re: Pass Through Charge Projections for 2009
Date: January 9, 2009

We have concluded our annual review of the pass through charges in your electric supply contract. The purpose of this review is to revisit the projection that we made earlier this year in this regard for calendar 2008 and to make a similar projection going forward for calendar 2009. Because your electric contract includes a base rate plus pass through charges, it is necessary to track those pass through charges, in order to estimate your overall cost of electric supply. In the table below, we have listed the following charges (units in cents / kwh):

- Column 2 - The projection we made earlier this year;
- Column 3 - The charges for the first 11 months of 2008, as actually incurred;
- Column 4, 5 - The projected charges for 2009.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Rate</td>
<td>10.30</td>
<td>10.30</td>
<td>10.30</td>
<td>10.30</td>
<td></td>
</tr>
<tr>
<td>Congestion</td>
<td>0.39</td>
<td>0.44</td>
<td>0.44</td>
<td>0.44</td>
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<tr>
<td>Auction Revenue Rebate</td>
<td>(0.21)</td>
<td>(0.145)</td>
<td>(0.145)</td>
<td>(0.145)</td>
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<tr>
<td>Capacity</td>
<td>0.16</td>
<td>0.10</td>
<td>0.16</td>
<td>0.25</td>
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</tr>
<tr>
<td>CCM Fee</td>
<td>0.13</td>
<td>0.13</td>
<td>0.13</td>
<td>0.13</td>
<td></td>
</tr>
<tr>
<td>Total Contract Cost</td>
<td>10.77</td>
<td>10.83</td>
<td>10.89</td>
<td>10.98</td>
<td></td>
</tr>
<tr>
<td>Utility rate avoided</td>
<td></td>
<td>11.86</td>
<td>12.50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008 Savings / month</td>
<td></td>
<td>$1,900 / mo</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008 Savings off utility rate</td>
<td></td>
<td>9%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: The above charges are for supply only. Transmission and Distribution costs, which are regulated by the CT DPUC, comprise the remainder of your electric bill.

**Base Rate:** This is the base rate as listed in your electric supply contract.

**Congestion Charge:** Wholesale power prices are established hourly through a regional auction process. In a perfect grid system with ample transmission capacity in all zones, this auction process would establish one New England-wide market price, for every hour of the day, throughout all of the zones in
New England. However, when transmission lines are congested, more expensive generating plants within a particular zone must be utilized, because less expensive power outside of that zone cannot be transmitted over those congested transmission lines. Congestion cost is the resulting differential in hourly market prices between two zones. In your contract, the congestion pass through charge is defined as the differential in prices between the CT load zone and the HUB (which is a sub zone in Western Massachusetts). We have used the average congestion cost for the first 11 months of 2008 – **0.44 cents per kwh** - to project 2009 congestion costs. Please note that this charge varies considerably each month.

**Auction Revenue Rebate:** In order to mitigate congestion charges, TransCanada receives certain “auction revenues” related to the sale of electric transmission rights. Because of the delay in determining and allocating these auction revenues, TransCanada will bill for the cost of congestion on a monthly basis and then calculate the Auction Revenue Rebate on a quarterly basis, approximately 90 days following the close of each quarter. The average value of these auction revenue credits to date in 2008 has been **(0.145) cents per kwh**. We have used that average value to estimate the “auction revenue credits” in 2009. Like congestion, this amount may vary by month and is generally lower in the winter months.

**Capacity Charge:** This charge is assessed per kw of demand, as opposed to kwh of consumption. Consequently, accounts with a higher kw of demand reading pay more than accounts with a lower kw of demand. For the purpose of simplifying this memo, we have calculated the average capacity charge per kwh - (total $ of capacity charges for all accounts divided by total kwh of consumption for all accounts as per the most recent load profile).

On June 1, 2009, the capacity charge will be reset for the ensuing 12 months based on your contribution to peak demand in the peak hour last summer (which peak hour was June 10, 2008 at 5 PM). Assuming no change in the peak hour demand currently assigned to your accounts, this charge will increase to **0.25 cents per kwh**, because of the regulated increase in the cost of capacity as of June 1. If you are participating in a demand response program, your payments for capacity through that program should increase in June for the same reason. If it is not practical to participate in a demand response program, we should discuss steps you can take to reduce demand at your largest accounts during the afternoon hours this summer.

**Utility Rate Avoided:** The average utility rate that you avoided in 2008 was **11.86 cents per kwh** (this is the blended rate for the rate classes in your load profile as per the most recent load profile). The average utility rate you will avoid in the first quarter of 2009 is **12.50 cents per kwh**.

**Savings:** It is not practical to calculate 2008 savings with precision for a number of reasons. The pass through charges vary by month, and your usage varies both by year and by month. Using the average values in the chart above, and using a simplifying assumption that your annual consumption in the last 12 months was the same as your annual consumption in our last load profile, and further assuming that your monthly consumption remained level and unchanged for 12 months, the “rough justice” estimate of your savings in the last 12 months, as compared to the cost of utility supply, would be **$1,900 per month** or 9% below the cost of utility supply.

Please give us a call at 978-352-9099 if you have questions.
Why have electric rates skyrocketed — in fact doubled — in recent years?

You and every consumer ask that question every time you open an electric bill.

The answer: Irrational market rules created by ISO-New England and approved by the Federal Energy Regulatory Commission have failed spectacularly, saddling Connecticut businesses and consumers with the second-highest electricity prices in the continental United States.

Connecticut businesses and residents cannot wait any longer for relief, which is why I am again urging the legislature to create a Connecticut electricity authority. This nonprofit, independent agency could build and own power plants, and this, coupled with other reforms, would lower our rates by $1 billion, almost 20 percent. It would circumvent ruinous market rules that ISO-New England and the federal commission refuse to reform.

The power authority would be an honest, nonprofit broker that would buy wholesale electricity from generators and sell it to the utilities at cost, cutting out middlemen such as hedge funds, investment banks and energy traders. It would have the authority to float bonds to finance and even own power plants or other energy projects.

Several proposed power plants have all the needed approvals, but remain unbuilt because they lack financing. A power authority would break the financing logjam, assuring Connecticut sufficient power supply in the future.

A state electricity authority would also serve as a planning agency, ensuring, longer term, a stable and affordable power supply. A key component of that planning is conservation, which is why my legislation calls for placement of all conservation programs with the authority.

For years, misunderstanding about the cause of high electricity prices has hamstrung efforts to lower them. High fossil fuel prices and electric supply shortages have been blamed, but neither are the primary culprits. If high oil and natural gas prices were the cause, electric rates should have fallen along with fuel prices. Rates have barely budged. Additionally, Connecticut currently has enough power plants to meet demand.

The real cause of high prices is the anti-competitive market rules imposed by ISO-New England and the Federal Energy Regulatory Commission. These rules defy common sense and economic sense, while flagrantly favoring power generators over consumers.

In a normal market, the lowest price sets the market. For example, assuming comparable quality at three hamburger stands, consumers will buy hamburgers from the cheapest, forcing the others to lower their prices to stay competitive. ISO and the Federal Energy Regulatory Commission designed an electricity market that turns this rule of supply and demand on its head: The highest — not the lowest — price sets the market. Federal rules require Connecticut consumers to pay all power producers as if they burn the most expensive fuel that is powering plants supplying electricity, usually natural gas.

As a result, Connecticut's nuclear and coal plants, which use the cheapest fuels, receive a huge, undeserved windfall. These plants supply about 55 percent of our power, so Connecticut consumers vastly overpay for more than half their electricity, earning plant owners profits of 44 percent to more than 100 percent.

The main cause of Connecticut's record prices is this massive, unjustified gap between the cost of producing electricity and the price consumers pay.

The result is corporate welfare — government rigging the market to guarantee excessive profits for one industry at the expense of consumers.

Abolishing this rule would lower Connecticut's rates by as much as $1 billion a year because ratepayers would pay the nuclear and coal-burning plants a rate reflecting their actual cost of production.

I have cajoled and petitioned — even sued — the Federal Energy Regulatory Commission to change its policy. A state authority can accomplish the equivalent result — achieving a similarly large reduction — by buying power directly from all power producers and eliminating the profiteering.

Although I hope that the Obama administration reforms the Federal Energy Regulatory Commission, Connecticut cannot and should not wait. The legislature should create a public energy authority so that ratepayers and businesses at last receive relief.

• Richard Blumenthal is Connecticut's attorney general.

What's your opinion? Be heard with a Letter to the Editor: www.courant.com/writeletter

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March 12, 2009

Energy Task Force Advisory Committee
579 Exeter Road
Lebanon, CT 06249

Dear Committee Members:

The Town of Lebanon is required by State Statute to prepare a Plan of Conservation and Development (POCD) every 10 years in order to be eligible for discretionary State funding. The Plan of Conservation and Development Committee was appointed in the fall by the Planning and Zoning Commission to develop a draft POCD for 2010.

Because the POCD is to be used by Town departments, boards and commissions when making short and long term decisions, your input is vital to reflecting the needs of your specific department or agency. At this time, the POCD Committee would like to solicit your input into the future needs of your agency.

The POCD Committee has set aside 10:00 am to 9:00 p.m. on Wednesday, April 22, 2009 to meet with departments, boards or commissions so that you can educate us to your specific issues as they pertain to the POCD. One or more of your members may attend this meeting, and we ask that you are prepared to discuss your 10-year agency goals and objectives. The existing POCD is available at lebanontownhall.org under “documents”.

Please contact Town Planner Phil Chester (642-2006) to set up a time when you can meet with us. If you are unavailable to attend on April 22nd the Committee will make every attempt to meet with you on another day.

Sincerely,

Phillip McLellan, Chair
Alton Blodgett, Vice Chair
Lincoln Chesmer
Sue Brett Davis
Brandon Handfield

Keith LaPorte
Marc Lang
Oliver Manning
Patricia McCarthy
Alicia Wayland
ENERGY AND TELECOMMUNICATIONS PROVISIONS IN FEDERAL STIMULUS BILL

By: Kevin E. McCarthy, Principal Analyst

You asked for a summary of the energy and telecommunications provisions of the recently adopted federal stimulus bill (H.R. 1).

SUMMARY

The bill provides $20 billion in federal tax incentives for energy efficiency and renewable energy. Among other things, it extends and expands tax credits for purchases such as new furnaces, energy-efficient windows and doors, or insulation. It extends the production tax credit for electricity derived from renewable resources. It provides a tax credit of up to $7,500 for families that purchase plug-in hybrid vehicles.

The bill appropriates over $17.5 billion for existing and new energy programs that are directly relevant to Connecticut. It provides $3.1 billion for the Department of Energy’s (DOE) State Energy Program, which provides grants and funding to state energy offices. The funding is conditioned on governors’ assurances regarding utility rate regulatory policies, building code requirements, and prioritizing existing state programs in accordance with the bill. The bill provides $3.2 billion in new funding to help local governments implement energy efficiency programs. It appropriates $5 billion for weatherization of low-income family homes and expands eligibility for this program. It provides $4 billion for public housing capital projects and $2.25 billion for building owners who receive project-based assistance under the Department of Housing and Urban Development’s (HUD) Section 8 program. This funding can be used for energy efficiency and part of the funding is targeted for this purpose. The bill
also has $300 million in funding for the federal Energy Star Program and for matching grants for state rebates to consumers who buy energy efficient Energy Star products to replace old appliances.

The bill increases, by $4 billion, the national authorization of two types of bonds that states and municipalities can issue to finance renewable energy and energy efficiency projects. These bonds carry a low interest rate as the bondholder receives federal tax credits in lieu of interest.

Among the bill’s energy technology provisions are $6 billion for the Innovative Technology and Loan Guarantee Program, which supports the commercial use of advanced technologies to reduce emissions of air pollutants and greenhouse gases. The bill also provides $400 million for the Advanced Research Projects Agency-Energy program and $500 million for research, labor exchange, and job training projects to prepare workers for careers in energy efficiency and renewable energy industries (“green jobs”). It also appropriates $800 million to the DOE for projects related to biomass and $400 million for geothermal activities and projects.

The bill contains a number of energy provisions that do not affect Connecticut, e.g., $10 billion for the Western Area Power Administration, which provides electricity in a number of western states. It also has several provisions that only apply to the federal government, such as $300 million to the armed forces for energy efficiency research and development.

With regard to telecommunications, the bill provides $7 billion for extending broadband services to unserved and underserved rural and urban communities across the country. It also appropriates $650 million for the program that provides coupons for people buying converter boxes to enable them to receive digital television.

This report provides cites to sections of the bill making statutory changes; most of the appropriations to DOE are found in Title IV and most of the appropriations to HUD are in Title X11. Much of the information in this report is taken from a summary of H.R. 1 prepared by the National Conference of State Legislatures, which has summaries of various provisions of the bill on its website, www.ncsl.org. Additional information is taken from www.dsireusa.org, which describes federal and state incentives for energy efficiency and renewable energy.

**ENERGY PROVISIONS**

**Tax Provisions**

The bill provides $20 billion in tax incentives for energy efficiency and renewable energy. Among other things, it extends the income tax credit for improvements in home energy efficiency, extends the production tax credit for electricity derived from renewable resources, and establishes a new investment tax credit for investments in advanced energy manufacturing facilities.
In addition, the bill allows businesses eligible for the production tax credit or the existing investment tax credit for new renewable energy facilities to receive a federal grant instead of taking the credit (Sec. 1603). (This benefits companies that do not have federal tax liability.) The grant equals 30% of the expenditures for fuel cells, solar systems, and small wind systems, and 10% for other qualified renewable and cogeneration systems. Taxpayers may not use more than one of these incentives. The grant is not included in the taxpayer’s gross income. Similarly, the bill allows taxpayers who are eligible for the production tax credit to take the investment tax credit instead.

**Income Tax Credits (Sec. 1121).** It extends through 2010 the 30% income tax credit for energy efficiency improvements in the building envelope of existing homes (e.g., insulation and energy efficient windows) and for the purchase of high-efficiency heating, cooling, and water-heating equipment. To be eligible, furnaces and related equipment must meet specified efficiency standards, e.g., natural gas furnaces must have an annual fuel utilization efficiency rate of at least 95. The improvements or equipment must serve a dwelling that is owned and used by the taxpayer as a primary residence. The maximum amount of homeowner credit for all improvements combined is $1,500 for purchases during the two year period of 2009 and 2010. Further information about these and other federal energy tax credits is available at [www.dsireusa.org](http://www.dsireusa.org).

**Production Tax Credits (Sec. 1101).** The bill extends the production tax credit for electricity derived from wind through 2012 and for electricity from biomass, geothermal, hydropower, landfill gas, waste-to-energy, and marine facilities through 2013. The credit is 2.1¢ per kilowatt-hour for wind, geothermal, and closed-loop biomass systems and 1.0¢ per kilowatt-hour for other eligible technologies. Generally the credit applies to the first ten years of the system’s operation.

**Investment Tax Credits (Secs. 1302 and 1103).** The bill establishes a new manufacturing investment tax credit for investment in advanced energy facilities, such as those that manufacture components for the production of renewable energy, advanced battery technology, and other innovative green technologies. Up to $2.3 billion in credits can be allocated. It removes the $2,000 cap for solar thermal and geothermal systems and the $4,000 cap on small wind systems under the existing investment tax credit for renewable energy systems.

**Alternative Fuel Incentives (Secs. 1123 and 1141 to 1144).** The bill expands tax benefits for alternative fuel vehicles and fueling equipment. Among other things, it provides a tax credit of up to $7,500 for consumers who purchase plug-in hybrid vehicles.

**Appropriations**

**State Energy Program (Sec. 410).** The bill appropriates $3.1 billion for the State Energy Program, which provides grants and other funding to state energy offices for
energy efficiency and renewable energy programs. The normal matching requirements under the program do not apply to the funding provided by the bill.

The bill requires that, as a condition of receiving these grants, the governor notify the Secretary of Energy that the state meets certain conditions regarding utility regulatory policies, building codes, and the prioritization of existing state programs. Specifically, the bill requires the governor to certify that the applicable state regulatory authority will seek to implement appropriate proceedings for each electric and gas utility over which it has ratemaking jurisdiction to ensure that utility financial incentives are aligned with helping their customers use energy more efficiently and that provide timely cost recovery and a timely earnings opportunity for utilities associated with cost-effective measurable and verifiable efficiency savings. In Connecticut, existing law imposes similar “decoupling” requirements on the Department of Public Utility Control.

The governor must also certify that the state, or the units of local government that adopt building codes, will implement:

1. a building energy code for residential buildings that meets or exceeds the most recently published International Energy Conservation Code, or achieves equivalent or greater energy savings;

2. a building energy code for commercial buildings that meets or exceeds the ANSI/ASHRAE/IESNA standard 90.1-2007, or achieves equivalent or greater energy savings; and

3. a plan for achieving compliance with these codes within 8 years of the bill’s enactment in at least 90% of new and renovated residential and commercial building space, with the plan including training and enforcement components.

It is unclear to what extent the current State Building Code meets these requirements.

The bill also requires states, to the extent practicable, to give priority to:

1. extending existing efficiency programs, including energy efficiency retrofits of buildings and industrial facilities that are funded by the state or through utility rates;

2. extending existing programs to support renewable energy projects and deployment activities; and

3. cooperative and joint activities between states to advance more efficient and effective use of the new funding to support these priorities.

**Assistance for Municipalities.** The bill appropriates $3.2 billion for the Energy Efficiency and Conservation Block Grant program, of which $2.8 billion must be
allocated on a formula basis and $400 million must be awarded on a competitive basis to grant applicants.

The program seeks to decrease energy consumption and reduce fossil fuel emissions by increasing energy efficiency in the building, transportation, and other energy consuming sectors of the economy. The program is open to municipalities with a population of 35,000 or more.** Part of the formula funding goes to state energy offices (in Connecticut, the Office of Policy and Management) for distribution to smaller municipalities. Program funds can be used for, among other things, conducting residential and commercial building energy audits; establishing loan, rebate, and incentive programs for energy efficiency improvements; providing grants to nonprofit organizations for energy efficiency retrofits; and developing programs to conserve energy in transportation. Additional information about this program is available at http://apps1.eere.energy.gov/wip/block_grants.cfm.

[** Note that cities with population below 35,000 may be eligible for competitive sub-grants from the state. Peter Hutchins is keeping his eye on this. – KF]

**Weatherization Assistance Program (Sec. 407).** The bill appropriates $5 billion for Weatherization Assistance Program. The bill increases the maximum income a household can have and participate in the program from 150% to 200% of the federal poverty level. It increases the maximum amount of assistance per dwelling unit from $2,500 to $6,500.

This program helps low-income households reduce their energy bills by increasing their home’s energy efficiency. DOE provides funding to states, which manage the day-to-day details of the program. Low-income families receive services from a network of about 970 local weatherization service providers, e.g., community action agencies. Through this program, the providers install energy efficiency measures in the homes of qualifying homeowners free of charge. The measures include such things as caulking and weather stripping; furnace and cooling system tune-up, repair, and replacement; replacement of windows and doors; and building insulation. In Connecticut, the program is administered by the Department of Social Services, which contracts with community action agencies as part of the Connecticut Energy Assistance Program.

**Energy Efficiency in Assisted Housing.** The bill provides $4 billion for the Public Housing Capital Fund. Of this amount, HUD must allocate $3 billion under its formula grant, but housing authorities that are designated as troubled are ineligible for this funding. Eligible housing authorities can use this funding for a variety of purposes, including increasing energy efficiency in federally-supported elderly and disabled units. HUD must allocate the remaining $1 billion by September 30, 2009, for priority investments, including investments that leverage private sector funding or financing for renovations and energy conservation retrofit investments. Under both provisions, the funding must supplement and not supplant state and local funds.
The bill provides an additional $2.25 billion for project-based Section 8 units (units in privately-owned buildings that are subsidized by rental subsidies that are tied to the building). Of this amount, $2 billion can be used for a variety of purposes, including improving energy efficiency. The remaining $250 million must be used for grants or loans for energy retrofit and green investments in such housing. HUD can enter into agreements with the building owners in which they and the department share the savings produced by energy efficiency measures.

**Advanced Technologies (Sec. 405, 406).** The bill provides more than $30 billion for energy initiatives such as smart power grids, advanced battery technologies produced in the U.S., and energy efficiency measures. The bill establishes the Smart Grid Investment Program to modernize the electricity grid to make it more efficient and reliable. It increases funding by $4.5 billion for the Electricity Delivery and Energy Reliability program. This funding can be used to modernize the electric grid (including incorporating demand response equipment), improve security and reliability, and conduct research on energy storage.

The bill provides $500 million for loan guarantees for transmission and renewable energy projects that begin construction by September 30, 2011. These include projects that (1) generate electricity or thermal energy, and facilities that manufacture related components; (2) electric power transmission systems, including upgrading projects; and (3) biofuel projects that substantially reduce greenhouse gas emissions.

The bill appropriates $2 billion for grants to support the manufacturing (in the U.S.) of advanced vehicle batteries and components.

**Vehicles.** The bill appropriates $300 million for the Alternative Fueled Vehicles Pilot Grant Program. This program helps state and local governments, among others, acquire fuel efficient vehicles, including hybrids, electric vehicles, commercially available plug-in hybrid vehicles, as well as related infrastructure. A total of 30 grants, based on geography, will be awarded on a competitive basis. This funding is available until September 30, 2011.

**Bonding (Secs. 1111, 1112)**

The bill increases, by $1.6 billion, the authorization for clean renewable energy bonds (CREBs). Certain entities, notably states and municipalities, can use CREBs to finance renewable energy projects. The list of qualifying technologies is generally the same as that used for the production tax credit. The advantage of CREBs is that they are issued (theoretically) with a 0% interest rate. (In practice, the actual interest rate has been slightly higher.) The issuer pays back only the principal of the bond, and the bondholder receives federal tax credits in lieu of the traditional bond interest. Further information about CREBs is available at [www.irs.gov/irb/2007-14_IRB/ar17.html](http://www.irs.gov/irb/2007-14_IRB/ar17.html)

The bill increases, by $2.4 billion, the authorization for qualified energy conservation bonds. These bonds operate like CREBs. Their proceeds can be used by
states and municipalities for a wide range of energy projects and programs. These include energy efficiency capital expenditures in public buildings, renewable energy projects, research and development projects, several types of energy related demonstration projects, and public energy efficiency education campaigns.

**TELECOMMUNICATIONS PROVISIONS (SEC. 6000 ET SEQ.)**

**Broadband**

The bill provides $7 billion for extending broadband services to unserved and underserved communities across the country. Specifically, the bill appropriates $4.7 billion for National Technology and Information Administration’s Broadband Technology Opportunities Program, to be available until September 30, 2010. Funding is provided to accelerate broadband deployment in unserved and underserved areas and to strategic institutions that are likely to create jobs or provide significant public benefits. Among other things, the program provides equipment and support services for (1) schools, libraries, healthcare providers, and higher education institutions to facilitate greater use of broadband service by or through these organizations; (2) organizations and agencies that provide outreach and other services to facilitate greater use of broadband service by low-income, unemployed, aged, and other vulnerable populations; and (3) job-creating facilities located in state- or federally-designated economic development areas. Of this amount, $350 million goes to establish the State Broadband Data and Development Grant program and for the development and maintenance of a national broadband inventory map. In addition, $200 million is for competitive grants for expanding public computer center capacity and $250 million is for competitive grants for innovative programs to encourage sustainable broadband adoption.

The bill also appropriates $2.5 billion to the Department of Agriculture to provide grants, loans and loan guarantees for broadband infrastructure. At least 75% of the area to be served by a project receiving funds from such grants, loans or loan guarantees shall be in a rural area without sufficient access to high speed broadband service to facilitate rural economic development, as determined by the Secretary of Agriculture. It is unclear whether any parts of Connecticut will meet this criterion.

**Digital TV Converter Boxes**

In addition, the bill appropriates $650 million to implement and administer the digital-to-analog converter box coupon program, including additional coupons to meet new projected demands and consumer support, outreach, and administration. Of the amounts provided, up to $90 million may be used for education and outreach to vulnerable consumers, including one-on-one assistance for converter box installation.

KM:ak