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MEMO

To: TJPD Commissioners

From: Stephen Williams, Executive Director

Date: July 2, 2009

Re: Status Report on Broadband and Energy Initiatives

Purpose: To brief the Commission on the status of regional initiatives on broadband telecommunications and on energy which are proposed to be funded through competitive grants from the American Recovery and Reinvestment Act of 2009 (ARRA).

Background: At previous meetings the Commission directed staff to work with member governments to develop regional proposals for funding from the American Recovery and Reinvestment Act of 2009 (stimulus package). Two specific areas were identified: energy and broadband telecommunications.

Issues: In general, funds from are coming down through two different methods. Some funds are flowing through established funding processes through the states. Other funds are being awarded based on nationwide competitive grant programs. The funds for energy programs are being funneled through existing commonwealth programs while the broadband telecommunications funds for unserved and underserved areas are coming through a nationwide competitive grant process.

Funds for the Energy Efficiency Community Block Grant are being distributed through the Virginia Department of Mines, Minerals and Energy (VDMME). Some funding will come to the largest localities in the state. Albemarle County and City of Charlottesville will be among the direct recipients. The other four TJPDC members are eligible to apply for competitive funds. During the last week of June the Virginia Department of Mines, Minerals and Energy submitted an application for \$16.1 million to support energy efficiency programs. Of that amount, \$9.7 million is expected to be available in the competitive grant program for local governments. The US Department of Energy must approve the proposal by VDMME before local applications can be submitted for consideration. That approval is expected in late July or early August. In anticipation TJPDC staff is working to obtain a copy of the VDMME proposal. Once

that is accomplished TJPDC will meet with staff from Fluvanna, Greene, Louisa and Nelson Counties to discuss a joint regional application.

Funds for broadband telecommunications are coming through two nationwide competitive programs to facilitate broadband deployment in unserved and underserved rural areas. The Broadband Initiatives Program (BIP) is coming through the USDA Rural Utilities Service. The ARRA appropriates \$2.5 billion of budget authority to extend loans, loan/grant combinations, and grants to projects in rural areas that lack sufficient access to high speed broadband service to facilitate rural economic development. The ARRA also appropriates \$4.7 billion to National Telecommunications and Information Administration (NTIA) to spur job creation, stimulate long-term economic growth and opportunity, and narrow gaps in broadband deployment and adoption. The competitive processes for these two funds are being conducted cooperatively by the two federal agencies. Funds will be awarded through three rounds of applications and all funds must be awarded by September 30, 2010. The Notice of Funds Availability (NOFA) was released on July 1 and applications for the first round of funding are being accepted through August 14, 2009. In anticipation of submitting a regional application, TJPDC organized a meeting by representatives of all six members on June 11. At that time the participants agreed to two actions. It was agreed that TJPDC would request approval from each of the members for staff participation in the development of a joint application. It was also agreed that as soon as the guidance became available that TJPDC would organize a second meeting to review the guidance and develop the strategy for the a regional application. A letter was sent requesting approval for participation to each of the five County Administrative Officers and the City Manager on June 18. TJPDC staff is currently working to schedule the meeting to review the NOFA and establish the strategy for a regional application. At this point it seems unlikely that a regional application can be assembled and approved in time for the first funding round.

Staff will provide information to the Commission as these two initiatives advance over the course of the next several months.