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Dear Chairwoman Karen Douglas:

On May 4, 2009 in the City of Diamond Bar located in the Los Angeles area, the California Energy Commission staff conducted a public workshop on the American Recovery and Reinvestment Act (ARRA):U.S. Department of Energy: Energy Efficiency and Conservation Block Grant (EECBG) Funds.

At the public Workshop in Diamond Bar a power point presentation on the "Energy Efficiency and Conservation Block Grant Program", was made by John Sugar, Manager Special Projects Office, California Energy Commission. (PDF file, 18 pages, 122 kb.

On page 3 of the power point presentation it showed that the Energy Commission would receive \$49.6 million in Block Grant Funding from the U. S. Department of Energy. Of this amount 60 % approximately \$30 million would be distributed through the Commission to small cities and counties.

On page 12 of his power point presentation under Conceptual Program 1, the distribution of the \$30 million in Block Grants to small jurisdictions was through Population Based Formula Grants. Under this formula each jurisdiction's project would be funded at about \$7.00 per capita based on population.

The California Energy Commission web site lists the 262 small cities and the 31 small counties eligible for Block Grant Funding.

On behalf of the City of Laguna Woods and the other small cities and counties, I am requesting that the following information be posted on the Commission's web site and that this information be presented at future Commission sponsored public workshops:

1. Include with the list of small jurisdictions, the amount each would receive under the population based formula at \$7.00 per capita. Also include the per capita amount each small jurisdiction would receive if all \$49.6 million in Block Grant funds were distributed using the population based formula.
2. On the Commission's web site it states that: "The Energy Commission has been allocated \$49.6 million and will make 60% of these funds available to small cities and counties through a competitive grant program. This statement contradicts the Commission staff's presentations at public workshops and their public comments that no decision has been made on how the Block Grant funds will be distributed to the small cities and counties. According to the Commission staff, the purpose of the public workshops is to solicit input from the stake holders on how the Block Grant funds should be distributed to the small cities and counties.

There are 262 small cities and 31 small counties eligible for Block Grant funding. If the Commission adopts a Competitive Grant Process it will pit small cities and counties against one another at a time when we are facing reduced revenues and staffing. The competitive grant process will guarantee that a large number of small cities and counties receive NO FUNDING.

Under the Competitive Grant scenario include on your web site and at future public workshops the minimum and maximum grant amounts that will be awarded and estimate how many small cities and counties will receive NO FUNDING.

Without a population based per capita formula, the small cities and counties have no idea of how much money they can expect from the Block Grant Program or when or if they will receive any funding. This places the small cities and counties at a distinct disadvantage when compared to the equitable, efficient and timely manner in which the U.S.Department of Energy distributed Block Grant funding to California's large cities and counties based on a population formula

What is preventing the Commission from adopting the population based formula for distributing the Block Grant funds to the small cities and counties before June 25, 2009? We want to be able to submit our projects that comply with the federal and state guidelines like the large cities and counties based on a per capita formula. We want the Commission to be the ally of the small cities and counties not our adversary.

If I can provide you or the Commission staff with any additional information on the need of small cities and counties for the Commission to provide an equitable, efficient and timely distribution of the Block Grant funds to ensure that all small cities and counties receive their proportional share and no small jurisdiction is left without funding, please email me at pfoley@lagunawoodscity.org or call me at ((49) 639-0562.

Patrick Foley

Community Services Manager

City of Laguna Woods