



June 26, 2009

Regarding Docket Number 09-OII-1:

Founded in 2005, we are a 501 c3 nonprofit with the mission of promoting and developing energy efficiency and renewables in the High Sierra. We manage the Eastern Sierra Energy Initiative for the Eastern Sierra Council of Governments (ESCOG), including the counties of Inyo and Mono and the cities of Mammoth Lakes and Bishop.

We have been closely following the ARRA/Energy Efficiency Conservation Block Grant (EECBG) program development for small cities and counties and participated in the recent webcast from Redding. We are particularly disturbed with the following draft program design element:

Provide competitive grants for up to 35% of the cost of each project.

While we understand the CEC's desire to "leverage" the EECBG funds, funding only 35% of energy efficiency projects for small cities and counties seems to defeat the purpose of the ARRA funds in several ways:

- 1. In these times of fiscal contraction, very small cities and counties lack the scale to match 50-65% of an energy efficiency project. Nothing will be done at all and nothing will be stimulated.
- This same dollar sharing aspect is not a policy of the DOE-direct EECBG 2. grants made to larger jurisdictions. Apparently the CEC is comfortable with changing the intent of the DOE-provided EECBG funds.

We are hopeful this provision will be dropped in the final policy decision.

Thank you. I would be pleased to discuss further.

Rick Phelps

Executive Director

David Harvey Chairman

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