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Here's how House and Senate energy provisions compare

By Agri-Pulse Staff

Although the Senate version of the economic stimulus package is likely to change, there are several similarities to the $819 billion package approved by the House (HR. 1) last week when it comes to renewable energy. For example, the Senate would provide $27 billion for energy efficiency and renewable energy programs, while the House package included $28.4 billion for energy efficiency and renewable energy programs. Both packages include a combination of tax incentives, grants, loan guarantees and additional appropriations for existing programs.

Here are some of the highlights, according to committee documents and a summary from the National Association of Counties.

Utilities/CREBs: Both the House and Senate versions authorizes an additional $1.6 billion of Clean Renewable Energy Bonds (CREBs) to finance facilities that generate electricity from the following sources: wind, closed-loop biomass open-loop biomass, geothermal, small irrigation, hydropower, landfill gas, marine renewables and trash combustion facilities. Utilities can also defer taxes on the gains they made by selling transmission properties to independent transmission companies through 2009.

Conservation bonds. Both the House and Senate versions add an additional $2.4 billion of qualified energy conservation bonds to finance State, municipal and tribal government programs and initiatives designed to reduce greenhouse gas emissions.

Production Tax Credits (PTC): Both versions provide for long-term extension and modification of the renewable energy production tax credit. The Wind PTC is extended through 2012; other PTCs are extended through 2013. One significant difference: the

House version of the stimulus bill contains a provision to convert investment tax credits that solar power developers rely on into direct payments to investors for the next two years. Under the provision, the Department of Energy would pay grants equal to the amount of tax credits - 30 percent of qualifying costs of a project - directly to renewable power developers.

Pump credit: Both versions increase the 30% alternative refueling property credit for businesses (capped at $30,000) to 50% (capped at $50,000). Hydrogen refueling pumps remain at a 30% credit percentage, but with an increased cap of $200,000. The bill also increases the 30% alternative refueling property credit for individuals (capped at $1,000) to 50% (capped at $2,000)

Energy Research credit. The proposal provides for an enhanced twenty percent (20%) R&D credit in taxable years beginning in 2009 and 2010 for research expenditures incurred in the fields of fuel cells, battery technology, renewable energy, energy conservation technology, efficient transmission and distribution of electricity, and carbon capture and sequestration.

DOE grants and guarantees. The House version provides $8 billion in grants and loan guarantees from DOE for biomass, solar, wind, geothermal, hydrogen, alternative fuel vehicles and efficiency. Funding would be provided only for projects that are ready or almost ready for early commercial use. The Senate version provides $10 billion for loan guarantees.

Energy Efficiency and Conservation Block Grant (EECBG) Program: The House bill has $3.5 billion to assist states, local governments, and Indian tribes in implementing strategies in reducing fossil fuel emissions. The Senate bill has $4.2 billion, but only $2.1 billion is dedicated strictly to the EECBG formula dictated in the 2007 Energy Independence and Security Act. The other $2.1 billion is slated to be a competitive grant program within EECBG for states and applicable units of local government who meet several specific conditions.

The House language goes on to clarify existing formulas for “eligible” entities. Under the Energy Independence and Security Act of 2007 (42 U.S.C. 17151), “eligible” units of government include Alternate 1 and 2 (10 of the most populous counties within one state/ counties with a population over 200,000 respectively). H.R. 1 clarifies that Alternative 1 and 2 each are allotted 34 percent of the total grant funding for their respective grant sections.

The Senate competitive grant conditions are that first, the state must adopt integrated resource planning and rate design modification standards for their utilities. Second, the state must ensure that the units of government who have authority to adopt building codes, will adopt or exceed the 2009 International Energy Conservation Code for residential buildings and the ANSI/ASHRAE/IESNA Standard 90.1-2007 for commercial buildings.

DOE Grants of Institutional Entities for Energy Sustainability and Efficiency: The House provides $1.5 billion to identify, design, and implement sustainable energy infrastructure projects and grants for energy efficiency creative technologies projects. The Senate $1.6 billion allotted for grants to schools and hospitals for energy efficiency improvements. The House definition of "institutional entities" includes institutes of higher education, public school districts, local governments, municipal utilities; but the Senate doesn't include this language.

Diesel Emissions Reduction Act (DERA) Grants and Loans: Both the House and Senate bills include $300 million in grants and loans to states and local government's projects that reduce diesel emissions.

Alternative Fueled Vehicles Pilot Grant Program (DOE): H.R. one has $400 million, this money provides funding for up to 30 pilot grants nationwide. The money may be used for the purchase of alternative fueled vehicles, fuel cell vehicles or hybrids, including buses for public transportation and vehicles at public airports. The installation or acquiring of necessary infrastructure is also eligible for grant funding. The Senate provides $350 million.

Smart Grid Investment Program: Both the House and the Senate bills contain $4.5 billion to modernize the existing electricity transmission system. A smart grid system uses digital technology to deliver energy to consumers, which saves energy and cuts costs.

Rural Energy: The Senate Appropriations Committee includes $250 million for USDA rural energy programs that are not included in the House package. The Senate recommends $200 million in budget authority for USDA loans and grants to assist in the development of new and emerging technologies for the development of advanced biofuels. In addition, The Senate package would provide $50 million for the Rural Energy for America Program. These funds would be used to provide loans and grants to promote energy efficiency and renewable energy development for agricultural producers, rural small businesses and rural schools.

Green Jobs. H.R. 1 allocated $750 million for a program of competitive grants for worker training and placement in high growth and emerging industry sectors, $500 million of which is reserved for research and job training projects that prepare workers for careers in the energy efficiency and renewable energy industries. There is no such provision in S. 336.

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