

CHAPTER 18  
STATE ENERGY PROGRAM

[Prior to 3/11/87, see Energy Policy Council[380] Ch 18]

**565—18.1(473) Scope of authority and purpose.** The state energy program is established to promote energy management improvements by all Iowa consumers. Funds for this program are made available through annual grants from the U.S. Department of Energy and from other sources determined by the Iowa legislature. The funds are administered by the environmental services division of the department of natural resources.

The state energy program was enacted under Title III of the Energy Policy and Conservation Act, Public Law 94-163, amended by Title IV of the Energy Conservation and Production Act, Public Law 94-385. Regulations were promulgated in 10 CFR Part 420 on February 20, 1976.

The program was enacted to develop and implement a comprehensive program for the identification, development and demonstration of energy efficiency and alternative energy opportunities to meet local needs and to utilize local resources.

The purpose of the program is to comply with federally required program measures, to demonstrate energy efficiency within state government, to develop and promote community energy management models, to provide energy information and education for Iowa consumers, to support the development and use of Iowa energy resources, and to evaluate procedures to improve marketing effectiveness and operation efficiency.

The department of natural resources will annually submit to the U.S. Department of Energy a combined state energy plan and grant application. The plan will qualify the department to receive an annual federal grant for the next fiscal year (July 1 through June 30) and to implement the program measures described in the plan.

**565—18.2(473) Definitions.**

*“Energy management”* means efficient energy use or the utilization of renewable energy resources which results in a net reduction in the use of nonrenewable energy resources.

*“Energy management improvement”* means an activity which is intended to reduce energy consumption or installation of a renewable energy resource as prescribed in Subpart D of 10 CFR Part 450.

*“Grantee”* means the state or other entity named in the notice of financial assistance award as the recipient.

*“Plan”* means a state energy plan for the state energy program including required program measures and otherwise meeting the applicable federal guidelines.

*“Program measure”* means one or more actions by the state of Iowa, designed to effect energy management improvements, excluding actions in areas specifically covered by national energy conservation programs.

**565—18.3(473) General.** The department of natural resources will administer the state energy program and will set forth the conditions and requirements that are applicable in the state energy plan which is based on federal guidelines and which is approved annually by the federal funding agency.

**18.3(1) Goals and purposes.** The goals and purposes of the program are as follows: to improve the state economy by striving for energy independence, to increase the efficient use of energy resources, to substitute nonrenewable energy with Iowa energy resources, to improve the standard of living through energy management, to coordinate energy management activities throughout the state, to minimize adversity resulting from energy shortfalls, to recommend legislation that will improve Iowa’s energy management climate, to provide continuing information and education about energy management, to effectively market energy management opportunities, and to develop monitoring and evaluation procedures that will ensure continued improvement in program effectiveness.

**18.3(2) Program measures.** Several program measures will be used to accomplish these goals and purposes. Program measures may include training and education, the creation of new energy-related jobs, demonstrations and pilot projects, developing and distributing literature, financial and technical assistance, and other activities.

The selection of program measures will be based on the result of market analysis and assessment of needs by the director and may include a public hearing or other solicitations of input.

A program measure may be included in the plan if submitted to the department in writing, if it meets federal guidelines and regulations and the rules of this chapter, and if it is determined to be beneficial to Iowa.

**565—18.4(473) State energy plan.** Each year the department shall submit a state energy plan and grant application to the U.S. Department of Energy. The plan will describe all program measures to be implemented during the coming fiscal year (July 1 through June 30) and will comply with federal guidelines. Upon approval by the U.S. Department of Energy, this plan becomes the document that authorizes federal funding and the implementation of the proposed program measures. A copy is available from the department upon request.

The department maintains its policies, schedules, structure, and budget in a manner that encourages public review, responsiveness to user concerns, energy conservation and fiscal solvency.

**565—18.5(473) Eligibility.** All residents of the state of Iowa are eligible to propose program measures and to receive the benefits and services provided by the state energy program. Assistance shall be provided in the form of program measures that will have an immediate and substantial effect in reducing the rate of growth in Iowa energy demand.

**18.5(1) Proposals.** To be eligible to receive a financial grant for the development and implementation of a program measure, an applicant must submit a proposal that meets all of the requirements specified in a Request for Proposals. To accomplish the goals and purposes as set forth in the plan, proposals will be solicited statewide from the greatest number of individuals and organizations that can be identified, or the request for proposal will be published in newspapers.

Project proposals will include:

1. A description and cost estimate of the proposed program measure(s);
2. An explanation of the benefits to be gained from the projects;
3. An explanation and justification of need for the programs;
4. A proposed schedule of when funds will be needed;
5. A proposed plan with an activity time schedule and sources of funds.

**18.5(2) Criteria for selection.** The environmental services division shall review each proposal and shall select the projects to be recommended for approval by the department. Criteria for evaluating proposals and awarding contracts are included in each Request for Proposal. These criteria are pertinent to specific objectives targeted by each RFP and include a point system for evaluation. Criteria may include, but will not be limited to, proposals which:

1. Foster coordination among Iowans;
2. Enhance economic development;
3. Increase investments to energy conservation;
4. Extend service/assistance to the disadvantaged or areas/sectors not served before;
5. Document estimated energy savings;
6. Provide for matching funds.

Proposals will be reviewed and evaluated by a panel of not fewer than three persons with general knowledge of the applicable energy management field but without personal interest in the proposal or the applicants.

**565—18.6(473) Appeal and complaint procedure.** The following appeal and hearing procedures shall be used.

**18.6(1)** In the event applicants believe they are eligible for a grant award but have been denied such a grant, they may appeal the decision by writing the department within 15 days of the award decision and ask that a state hearing be held. The claimant must explain in writing why the decision is being appealed and include any information which might affect the decision.

**18.6(2)** The director will respond to the claimant in writing within 15 days of receiving the appeal. The response will include notice of the date, time and place of the scheduled hearing. Hearings may be held by telephone at a mutually convenient time. Prior to the hearing, the department will provide an opportunity for the claimant to review the grant proposal file and any written evidence that will be used in the hearing. An informal conference with the director or appropriate staff may be requested for the purpose of discussing actions taken and resolving the issues raised in the request for hearing.

**18.6(3)** The rules of Iowa Administrative Code 567—Chapter 7, “Contested Case Proceeding,” shall govern appeals to the department of natural resources.

These rules are intended to implement Iowa Code section 473.7 and as specified in 10 CFR 420 (1976).

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CHAPTER 19  
GRANTS TO NONPROFIT AND LOCAL GOVERNMENT  
HOUSING ORGANIZATIONS

Rescinded IAB 7/9/03, effective 8/13/03

CHAPTERS 20 to 49

Reserved