

Technical Bulletin

Environmental Projects to Help Lead Economic Stimulus

Background

Even the casual reader of The American Recovery and Reinvestment Act of 2009 (aka the Stimulus Bill) cannot help but notice the extent to which special appropriations and other incentives for environmental and renewable energy projects are included—environmental programs are clear “winners” under the law signed by President Obama on February 17, 2009.

New Spending for Environmental Programs

Tens of billions of dollars of new spending are authorized for cleaning up sites, building wastewater treatment plants, constructing water supply plants, protecting water supplies, and enhancing ecosystems, among other activities. A few highlights include:

- Superfund: \$600 million
- Underground tanks: \$200 million
- Clean Water and Drinking Water State Revolving Funds: \$6.4 billion
- Brownfields grants: \$100 million
- Diesel emission reduction grants: \$300 million
- DOD environmental cleanup: \$5.127 billion
- DOD formerly used sites environmental cleanup: \$100 million
- DOE non-defense environmental cleanup: \$483 million

The cleanup funds in particular are noteworthy—it has been years since EPA had

as much as \$600 million in the Federal Superfund with which to leverage cleanup orders. Similarly, funding for DOD cleanups in recent years has been affected by other Defense priorities.

The new funding will result in additional remediation, of course. In addition, there is likely to be a renewed emphasis on risk management and mitigation for old spill and waste disposal sites, including due diligence, allocation of remediation costs, and litigation.

New Spending for Energy Programs

New flexibility has been added to tax incentives available for renewable energy projects, including landfill gas to energy projects. Renewable production tax credits have been extended for several types of facilities, including those using landfill gas (LFG), to facilities placed in service before the end of 2013. Owners of these facilities now may elect to take a 30 percent investment tax credit when the facility is placed in service (in lieu of the production tax credits).

Also of interest to the LFG industry will be the almost-\$17 billion allocated to DOE's Energy Efficiency and Renewable Energy program. Included in these amounts are:

- Energy Efficiency and Conservation Block Grants: \$3.2 billion
- Weatherization Assistance: \$5 billion
- State Energy Programs: \$3.1 billion
- Advanced batteries: \$2 billion

Grants will be used to distribute stimulus funds, and in many cases extra consideration

will be given to projects that are “shovel ready” or that will otherwise be implemented quickly to generate or protect jobs. Specific guidance will be published by DOE and other agencies for grant applications that will specify additional criteria and requirements (e.g., applicability of Davis-Bacon prevailing wage laws, documentation required under the National Environmental Policy Act or NEPA, etc.).

DOE issued its [Financial Assistance Funding Opportunity Announcement for the Energy Efficiency and Conservation Block Grants](#) on March 26, 2009. Grant applications are due from states by May 26, and from local government and tribal applicants by June 25, 2009.

Among the project activities permitted under the DOE block grant program are the purchase and implementation of technologies to reduce, capture, and use methane and other greenhouse gases generated by landfills or similar sources (see Activity Number 11 in the Announcement). LFG projects require submission of additional environmental information for NEPA compliance purposes.

A six-page questionnaire is provided as a part of the application package for submitting the required NEPA information, to include a description of the project and its effects on land uses, wildlife, cultural resources, air quality, water quality, and solid and hazardous wastes.

Public Oversight

Another key provision of the Act is found in Title XV, which establishes an accountability and transparency mechanism so that the public will know where and how public funds are being spent.

Those spending stimulus funds would be well served to make sure the projects they undertake are sound projects that can withstand public scrutiny.

How SCS Can Help

SCS is one of the few national firms qualified to provide investigation, engineering, construction and long-term operations for environmental and renewable energy systems. We can help identify and implement “shovel ready” projects, and we can assist government agencies with grant applications.

But more importantly, we can help make sure that projects are successful—that they make sense environmentally and financially—and will withstand the glare of public disclosure.

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