



GOVERNOR'S OFFICE OF  
**ENERGY DEVELOPMENT**

Governor's Office of Energy Development  
NRAEQ Building Block Presentation  
*February 3, 2016*

Dr. Laura Nelson, Executive Director



# OED's FY17 Non-Lapse

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- ▶ **\$516,700** in non-lapse funds which cannot be used for operating expenses, e.g., lease.
  - ▶ **\$381,700 PVE - STRIPPER WELL** - Limited to commercial/industrial energy efficiency & renewables programs involving buildings, infrastructure, transportation, agriculture.
  - ▶ **\$135,000 ENERGY RESEARCH TRIANGLE** – Funds are fully committed to 8 projects (3 faculty-level, 5 student), with final disbursements to occur in early FY17.
- ▶ **Funding available to operations will be 48% less in FY17.**
  - ▶ This is because Non-Lapse OEDAD funds from prior years will be fully spent by the end of the current fiscal year.



# Funds Available for OED's Lease



- ▶ Cost of World Trade Center lease is increasing.
  - ▶ In FY17, the lease alone will consume 94% of the CURRENT EXPENSE budget with no increase in square footage.

	FY14		FY15		FY16 est		FY17 budget	
	Actual	% of Total	Actual	% of Total	Estimated	% of Total	Estimated	% of Total
Personnel	\$ 1,168,900.00	57.31%	\$ 1,474,900.00	68.85%	\$ 1,574,400.00	70.03%	\$ 1,571,200.00	65.58%
Travel	\$ 22,800.00	1.12%	\$ 60,000.00	2.80%	\$ 66,100.00	2.94%	\$ 66,100.00	2.76%
Current Expense	\$ 387,700.00	19.01%	\$ 269,200.00	12.57%	\$ 233,700.00	10.39%	\$ 121,300.00	5.06%
<b>LEASE*</b>	<b>\$ 70,023.00</b>	<b>18.06%</b>	<b>\$ 73,019.00</b>	<b>27.12%</b>	<b>\$ 111,389.00</b>	<b>47.66%</b>	<b>\$ 114,131.00</b>	<b>94.09%</b>
DP Current Expense	\$ 41,600.00	2.04%	\$ 52,900.00	2.47%	\$ 52,900.00	2.35%	\$ 52,900.00	2.21%
DP Capital	\$ 7,200.00	0.35%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Pass Through	\$ 411,500.00	20.17%	\$ 252,500.00	11.79%	\$ 290,200.00	12.91%	\$ 553,500.00	23.10%
Cost Accounts	\$ -	0.00%	\$ 32,600.00	1.52%	\$ 30,900.00	1.37%	\$ 30,900.00	1.29%
<b>TOTAL</b>	<b>\$ 2,039,700.00</b>		<b>\$ 2,142,100.00</b>		<b>\$ 2,248,200.00</b>		<b>\$ 2,395,900.00</b>	





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# OED's Value-Add: *Select Programs*

<u>FY15 OED Activity</u>	<u>Investment Leveraged or Cost Saved**</u>
Administration of Renewable Energy Systems Tax Credit	\$53,325,249.00
Administration of Alternative Energy Development Tax Credit	\$820,154,761.00
Launch of Commercial Property Assessed Clean Energy Program	\$500,000.00
Administration of the U-Save Revolving Loan Fund	\$1,200,000.00
Installation of EV charging stations in partnership with UVU	\$21,000.00
Procurement of Electric Vehicles for UVU administration	\$32,500.00
Installation of EV charging stations in partnership with USU	\$5,000.00
Installation of EV charging stations in partnership with Salt Lake City	\$55,000.00
Installation of EV charging stations in partnership with Salt Lake County	\$37,500.00
Governor's Utah Energy Development Summit	\$250,000.00
Creation of the Utah Energy & Minerals Education Initiative	\$220,000.00
Other forums and symposia	\$125,000.00
Administering State Energy Program on behalf of the US Dept. of Energy	\$350,000.00
Clean Power Plan comments and correction of EPA's errors	\$32,950,000.00
Growing the University of Utah's Nuclear Engineering Department	\$1,000,000.00
	<b>\$910,226,010.00</b>





# Request for 1x Supplemental

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- ▶ **Building Block Request: \$32,000 one-time supplemental for FY16**
  - ▶ OED's lease agreement did not allocate proportional costs to OED of shared square footage of WTC Suite 300 - shared with GOED, USTAR, WTC.
  - ▶ GOED has asked OED to pay these proportional costs for the remaining period of the lease.
  - ▶ FY16 One-Time Supplemental request addresses the shortfall in the current year.
    - ▶ **Lease ends 4/30/2017.**





# Request for HCITC Staff

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- ▶ **Building Block Request: \$100,000 ongoing**
  - ▶ One FTE staff member to administer the newly-passed **High Cost Infrastructure Tax Credit Program (HCITC)**.
  - ▶ Position will provide outreach & education on HCITC; assist companies in applying; process applications; and staff the Utah Energy Infrastructure Authority board.





# Request for Lease Funds

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- ▶ **Building Block Request: \$35,000 ongoing**
  - ▶ To-date OED has covered its lease expense largely through available non-lapse OEDAD funds which are now depleted.
  - ▶ OED will require full funding for a lease and associated operations funding (*i.e. well beyond this \$35K building block*), and is working with OMB to find a more final resolution.





# Questions?

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