



Fuel Cell Items in the American Recovery and Reinvestment Act of 2009

The AARA, signed into law on February 17th, 2009 contains two parts. Division A: Appropriations Provisions and Division B: Tax, Unemployment, Health, State Fiscal Relief, and Other Provisions. Fuel cell and hydrogen technologies will likely benefit from program items noted below.

Division A: Appropriations

Title III - Department of Defense:

Provides **\$75 Million for every RDT&E** (\$300 million total) program managed by the Army, Navy, Air Force as well as Defense Wide programs. Fuel cells are eligible for funding under this program as noted in the report language as well as wind, solar, biofuels and bioenergy.

Title IV - Department of Energy:

EERE

Provides \$16.8 billion for EERE of which **\$2.5 billion will benefit applied research, development, demonstration and deployment activities** (\$1.2B carve out for biomass and geothermal). The remainder of the funding will be determined by the Secretary of Energy

Energy Efficiency and Conservation Block Grants - \$3.2 Billion. Of the total, \$400 million will be competitively awarded. Eligible projects include fuel cells in buildings and \$3.1 Billion for State Energy Program.

State Energy Program – \$3.1 Billion. The State Energy Program (SEP) provides grants to states to address their energy priorities and program funding to adopt emerging renewable energy and energy efficiency technologies.

Alternative Fueled Vehicles Pilot Grant Program - \$300 Million (Clean Cities) Designed to help acquire motor vehicles with a higher fuel economy, including hybrid vehicles, electric vehicles, commercially available plug-in hybrid vehicles and the necessary infrastructure. A total of 30 grants, based on geography, will be awarded on a competitive basis.

Transportation Electrification - \$ 400 million to benefit a variety of vehicle platforms including fuel cells and fuel cell plug-in vehicles. Priority will be given to large-scale projects including programs at airports, material handling facilities, etc.

Electricity delivery and Energy Reliability - \$4.5 billion for Smart Grid applications. Of the total, \$10 million to implement section 1305 of EISA which directs the National Institute of Standards and Technology to establish protocols and standards to increase the flexibility of use for Smart Grid equipment and systems.

Fossil

The committee provided \$3.4 billion for FE R&D \$1billion for fossil energy research and development programs; \$800million for additional amounts for the Clean Coal Power Initiative Round III Funding Opportunity Announcement. Fuel cell work has been incorporated into this suite of programs in the past.

Science

Advanced Research Projects Agency-Energy (ARPA-E), \$400 million for RDT&E. Created under the America COMPETES Act of 2006, ARPA-E was designed to fast-track high-risk/high-reward technologies.

Title V—Financial Services and General Government

General Services Administration:

Federal buildings fund - \$5.5 billion for high-performance Green Federal buildings.

Energy Efficient Federal Motor Vehicle Fleet Procurement - \$300 million for market support for advanced, efficient and lower carbon Federal vehicles.

Division B: Tax Credits

Repeal of Limitation on Property Financed by Subsidized Energy Financing -

Eliminates reduction of grants and subsidizes on fuel cells to allow for maximum tax credit impact.

Increased Limit on Issuance of Clean Renewable Energy Bonds

Increases limit on Clean Renewable Energy bonds to \$1.6 billion. Bonds can be issued by power provides, governments electric coops. Qualified facilities include those eligible for the Investment Tax Credit.

Modification of Credit for Residential Energy Efficient Property

Modifies existing Investment Tax Credit residential fuel cells (placed in service in January 2009 and limited to joint occupancy dwellings) by increasing dollar cap to \$3,334/kW.

Temporary Increase in Credit for Alt. Vehicle Refueling Property

Until January 1, 2011 the tax incentive for hydrogen fueling stations will be 30% up to \$200,000. (This was increased from \$30,000).

Grants for Energy Property in Lieu of Tax Credits

Between 2009 and 2010, facilities with insufficient tax liability can apply for a grant instead of claiming the ITC. Only tax-paying entities are eligible.