

Memorandum

TO: Renewable Energy Council

FR: Karlene Fine, Industrial Commission Executive Director

DT: September 21, 2009

RE: Policy Revisions

At your last meeting you recommended to the Industrial Commission revisions to the Renewable Energy Program Policies. Within those recommended policy revisions were the following changes:

The following activities or uses are ineligible for funding under this Program:

- a. Business startup capital
- b. Business working capital.
- c. Business advertising or promotional expenses pertaining to a specific company or entity.
- d. Unallowable expenses include i) food and beverages unless a) the express purpose of the project is to educate individuals outside of the grantee's agency and the costs are being used during those educational meetings for individuals outside of the grantee's agency and b) unless the meetings include an individual(s) outside the grantee's entity and are incurred for the furtherance of the project or for the express purpose of disseminating project information and ii) travel unless directly related to the achievement of the project. Costs incurred for travel to conferences not in furtherance of the project may not be considered as match funding.
- e. Indirect costs in excess of the federal rate.

The Industrial Commission approved the policy revisions as recommended with one change. The Commission was informed of concerns from the Energy and Environmental Research Center regarding these proposed policy revisions. Therefore the Commission made the following change to "e". The policy now reads:

"Indirect costs in excess of the federal rate may be granted on a case by case basis."

You are in receipt of the information from the Energy and Environmental Research Center. I anticipate that with each application that has indirect costs in excess of the federal rate you will be provided with additional justification for exceeding that rate.

The Commission wanted you to be aware of the change that they had adopted. If the Council has further input that they would like to provide to the Commission at this time, please do so. KKF