

GEORGIA DELIVERS LOCAL BUILDING INFRASTRUCTURE PROJECTS

KRISTOFOR ANDERSON'S LEADERSHIP POWERS GEFA'S MISSION TO TURN FEDERAL DOLLARS INTO LOCAL IMPACT

BY JULIE CHESNA

Many state energy offices serve as the conduit between federal funding and local energy projects. Acting as the bridge between Washington and local governments, these offices ensure that federal dollars flow smoothly into energy efficiency, infrastructure upgrades, and clean energy initiatives at the community level. By translating broad national goals into actionable local projects, state energy offices can be the catalyst that transforms federal funding into real, on-the-ground progress. Without their coordination, local governments might miss out on these important opportunities.

It's typically up to the state energy office or other designated state department to take the initiative and drive this process forward, ensuring no funding is left on the table. They must actively engage local governments, streamline applications, and provide the technical support necessary to turn ideas into actionable projects—empowering local governments to capitalize on resources to modernize infrastructure and accelerate the clean energy transition.

The Georgia Environmental Finance Authority (GEFA) stands as a prime example of a state energy office taking decisive action. GEFA has proactively leveraged federal funding from the Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA) to empower local governments across the state. By simplifying the application process, offering technical guidance, and targeting disadvantaged communities, GEFA ensures that federal dollars are being strategically invested in projects that maximize energy efficiency, grid resiliency, and sustainability. Their hands-on approach, from outreach to execution, has positioned Georgia as a leader in using federal resources to drive real, measurable change at the local level.

At the helm of GEFA's State Energy Office is a committed and dynamic team led by Executive Director Hunter Hill. Driving the state's energy programs forward is Kristofor Anderson, the Director of Energy Resources. With 14 years of experience at GEFA, Anderson's leadership has been instrumental in shaping and expanding the state's energy initiatives. His strategic vision and dedication are key reasons why GEFA's energy programs have thrived.

Most recently, GEFA was awarded \$2.9M in funding from the Energy Efficiency Conservation Block Grant (EECBG), which will be used to support local governments in implementing energy efficiency projects, upgrading infrastructure, and reducing energy consumption in disadvantaged communities.

Energy Services Media (ESM) spoke with Anderson to gain perspective from his time at GEFA, exploring the lessons learned, future opportunities, and the significant impact of key initiatives like the Energy Efficiency Conservation Block Grant and Energy Performance Contracting (EPC) program.



Kristofor Anderson, Director of Energy Resources, Georgia Environmental Finance Authority | Photo by Kaylin Gilstrap

ESM: Can you give a snapshot of the current state of the Georgia State Energy Office? Has there been growth recently, and what's driving that?

Anderson: There has been growth, and we're very busy. I've been with the Energy Office for 14 years, and the current environment reminds me of the period during the American Recovery and Reinvestment Act (ARRA) around 2009-2010. We've added a few positions and handled extra workload. The real drivers behind this growth are the Bipartisan Infrastructure Law (BIL) and the Inflation Reduction Act (IRA), which passed a few years ago. These laws have created or re-funded programs, many of which come through state energy offices via formula funding. We've been actively applying for these funds, chasing competitive opportunities, and bringing additional funds into Georgia. It's been keeping us incredibly busy for the past two years as we've worked to secure and distribute the funds to ensure Georgia benefits.

ESM: Which energy programs have been added in the last few years as a result of BIL and IRA?

Anderson: There are several new programs. One of the big ones is the Home Energy Rebates Program, which was included in the IRA. That brings about \$220 million to the state of Georgia through our office, split between two programs.

There is also significant funding for electric grid resiliency improvements in the state. One of those programs is the 40101(d) Program, a formula program for states to receive grid resiliency funds. We also applied for a competitive grant under the Grid Resilience and Innovation Partnerships Program (GRIP). Through GRIP, we received an award of \$250 million, which is all for grid resiliency improvements.

The EECBG program, while not new, was actually created during the George W. Bush administration and first funded under ARRA. It wasn't funded again until the BIL. Now, thanks to the BIL, Georgia has \$2.9 million in new funding to distribute to local governments across the state.

In addition, we're working on a new Energy Efficiency Revolving Loan Fund Capitalization Grant program.

These are just some of the programs we're involved in. We've also gone after other competitive opportunities, and there's significantly more funding available for our legacy programs, such as the Weatherization Assistance Program and the State Energy Program.

ESM: How has the state energy landscape evolved over the past 14 years you have been a part of the state energy office?

Anderson: There's definitely been an evolution. When I first started, there was a lot of focus on new renewable technologies like solar and wind, which were just beginning to grow. Today, those technologies are well-established, so we don't focus on them as much. However, electric vehicles (EVs) and infrastructure have seen massive growth. Ten years ago, we launched a pilot program to fund EV charging stations when very few existed in Georgia. Now, there is a lot of new attention on EVs, and the BIL provides more funding for their expansion.

We're also talking more about electric grid resiliency. The BIL has a strong emphasis on upgrading our grid, which is crucial for meeting modern demands.

Workforce development is another major focus. As clean energy technologies grow, we need a skilled workforce to support that transition. We're also dedicated to ensuring disadvantaged communities receive support, especially those that haven't experienced economic growth in recent years.

ESM: Let's talk about the Energy Efficiency and Conservation Block Grant (EECBG) program. How has GEFA approached building that program and distributing the funds?

Anderson: The EECBG funding for state energy offices is a formula grant opportunity, so we saw it as an easy decision to pursue. We knew we could secure the funding and use it to invest in good projects for local governments across the state, especially smaller ones.

Once the Department of Energy (DOE) released the guidance and opened the application period, we moved quickly. We assigned a project manager to lead the effort, analyzed our options, and reviewed the DOE blueprints. We also worked with partners to map disadvantaged communities using federal tools, identifying where we could make the most impact. We applied for the funding and were able to secure it pretty quickly.

In the background, we were also figuring out how to allocate the funds efficiently. Our portion of the funding is for small local governments, while larger cities and counties can apply directly to the DOE for their own EECBG funding. We saw this as an opportunity to boost smaller local governments, so we strategized about how to make the application process easy and accessible for them. Many small local governments don't have the staff capacity to spend a lot of time on applications, so we didn't want it to be a burden.

We partnered with a nonprofit, Southface, which is a leading organization in energy efficiency and sustainability nationwide. We made Southface available as a technical resource for local governments, helping them think through potential projects, such as building efficiency, vehicle electrification, or community solar. Southface helped a number of local communities put together and submit their applications.

We also worked with other partners, like the Georgia Municipal Association and the Association of County Commissioners of Georgia, to raise awareness and ensure no opportunity was overlooked. We used as many outreach channels as possible to spread the word about the funding opportunity. We wanted to make sure that we didn't leave any stones unturned.

In the end, we received more applications than we had funding for, so we decided to cap grant sizes at \$150,000, limiting the number of projects we could fund. We had a lot of interest, and local governments applied through our simple online application template. It was exciting to see the level of engagement and the number of projects that came in.

ESM: How did you communicate to the local governments that funding was available through GEFA?

Anderson: We used a combination of several communication channels, including email, social media, and webinars, to spread the word. We've built strong relationships with local governments through other programs, like the state's revolving loan fund for water infrastructure; we leveraged those contacts to help us get the message out. Our project manager even made cold calls to local governments that qualified for the grant to ensure they were aware of the opportunity.

ESM: If a local government isn't awarded funds, does GEFA provide alternative resources or follow-ups?

Anderson: We recognize the demand from small local governments, so we're trying to make sure we can still support their projects, even if they weren't funded through the EECBG program. We're also always looking for new funding opportunities that could come up down the road.

ESM: What impact do you see these funds having on local governments?

Anderson: These funds enable local governments to tackle projects they otherwise wouldn't have been able to afford, like energy efficiency improvements in government buildings. Beyond that, some projects have expanded into workforce development and EV fleet transitions. These initiatives are not only saving energy but also laying the groundwork for future clean energy work and planning within these communities.

ESM: What were some challenges or lessons learned from building the EECBG program?

Anderson: I think a key lesson we learned is the importance of making it easy for local governments to engage.

Our initial hypothesis was that if we wanted to receive enough applications, we needed to simplify the process. I know some states have struggled to get enough applications for various reasons, so we focused on outreach and making the application process as easy as possible. That approach has proven to be crucial.

In terms of challenges, we did face some difficulty reaching certain communities. Despite using multiple channels, including cold calling, there were a few communities we weren't able to fully connect with.

ESM: Why did you include the energy savings performance contracting (ESPC) blueprint as one of the blueprint options applicants could choose?

Anderson: We included that option because at GEFA, we manage the state's energy performance contracting program, which was established by law in 2010. We were designated as the program manager for state agencies that want to pursue performance contracts. While we don't have any direct authority over local government performance contracting, we've always aimed to be a resource for them.

We've offer technical assistance by providing template documents, a list of pre-qualified ESCOs, and other tools. Over the years, we've received calls from local governments interested in performance contracting but unsure where to start. Many of them have never done one before, and while they may have had an ESCO knocking on their door and know they have needs within their buildings, the process can feel overwhelming.

Even for more sophisticated state agencies, performance contracting can be a bit daunting, especially for smaller local governments. That's why we've always wanted to be a resource for them. When we saw that the blueprint was available, we made sure to include it so local governments could evaluate if it was the right fit for them.

ESM: Have there been challenges with the ESPC program, and how have you addressed them?

Anderson: Yes, there have been a lot of lessons learned since the program was first created. Our first project kicked off back in 2014, and since then, we've had a good range of projects, which has provided us with valuable insights. We've gone through the entire project life cycle multiple times, particularly focusing on the procurement side, and as we've helped agencies navigate the process, we've gathered a long list of areas that could be improved and challenges to address.

The procurement process is long and fairly complex. The way we initially set up the program made it a bit longer and more complicated

than necessary. So, around 2017 or 2018, we took a hard look at the process and made some changes. We streamlined both the RFP and investment-grade audit agreement processes, and I believe we achieved our goal.

Before the changes, the RFP phase required a lot of heavy engineering analysis and facility evaluation from the companies submitting proposals. We worked to reduce that burden, making the process quicker and easier, not just for the energy service companies (ESCOs) submitting proposals but also for the state agencies implementing the projects.

A key lesson we've learned is how to better navigate the state requirements—both the legal ones and the best practices we've developed over time.

We also learned how to better explain the program to state agencies. We don't see ourselves as salespeople for performance contracting. Instead, we act as facilitators for agencies interested in the program. Our approach is to present the information and tools they need at events where facility managers and other relevant personnel are and then let them decide if it's the right fit for them.

ESM: What advice would you give to other state energy offices building their performance contracting programs?

Anderson: I think it's important to look across the country and see how performance contracting programs are set up in other states. That's something we spent a lot of time on years ago. We evaluated many contract templates and procurement processes from other states to figure out what was working, what wasn't, and what best practices we could adopt. Over the years, we've made revisions to our program based on this kind of analysis.

Of course, some aspects are dictated by legal requirements, and every state has its own structures that influence how these programs work. One thing Georgia did well when the program was created by law was assigning one agency as the program manager and gatekeeper. This allowed us to work closely with the ESCO community, the state Attorney General's office, and others to develop what I believe are very sound contract templates and a strong financing structure.

This structure also allows us to evaluate how projects are progressing, make adjustments to program policies when needed, and learn about potential risks and pitfalls. In some states, any agency can go out and procure performance contracts on their own, without much structure. In Georgia's case, having a robust framework and a central agency in charge has been a real benefit, helping ensure that projects are executed in the best possible way.

ESM: What's the overall impact of performance contracting on the state?

Anderson: I think it's a good tool—one that's useful to have in the toolbox. Our former executive director used to describe it as a 'useful credit card,' something you can rely on when you don't have another way to fund a project. That's how I've come to view it as well. It helps agencies complete projects they might not otherwise have been able to pursue if they

**GEORGIA'S ENERGY SAVINGS PERFORMANCE CONTRACT PROJECT LIST
2014 - 2020**

AGENCY	ESP	FINANCE METHOD	GESPC TERM	CONTRACT VALUE
Georgia Department of Corrections	Johnson Controls	GO Bonds	15 years	\$4,497,682
Georgia Department of Corrections	Noresco	US Bank	15 years	\$28,597,273
Georgia Department of Transportation	Honeywell	Self-pay	14 years	\$6,170,000
Georgia Tech - Board of Regents	Johnson Controls	US Bank	7 years	\$7,761,925
Georgia Tech - Board of Regents	ABM	JPMorgan Chase	10 years	\$6,448,462
Georgia World Congress Center Authority - GDEcD	Trane	Hannon Armstrong	17 years	\$27,891,612
North Georgia Mountains Authority - DNR	Engie	US Bank	15 years	\$4,626,014
University of Georgia - Board of Regents	Johnson Controls	US Bank	7 years	\$2,422,515
TOTAL: \$88,415,483				

lacked the appropriations or maintenance funding. This gives them another option for financing these kinds of projects, and that's certainly valuable in certain situations.

I also think it allows agencies to take a more holistic view of their facilities. Performance contracting offers the opportunity for a comprehensive energy audit, where a top-notch engineering team can spend months reviewing a facility and identifying ways to save energy, water, and money, while improving operational efficiencies. The audit cost can then be rolled into the overall project financing, which is a great opportunity.

It has also enabled some innovative projects in state agencies. For example, we've done work at one of our major universities addressing systems they might not have otherwise considered. It's sparked creativity, and today, we have agencies exploring how they can incorporate elements like solar generation into their projects—not just to save money through efficiency but to potentially generate revenue through energy production.

This holistic approach to performance contracting is highly effective for certain facilities and agencies, and it's exciting to see the kinds of projects that can emerge from it.

Right now, we actually have projects that received approval from our board and the Georgia State Finance and Investment Commission to move forward into procurement. One is at the University of Georgia, and the other is at the Georgia World Congress Center. Both are currently in the procurement phase.

ESM: Looking out five years, where do you see GEFA going? Where is the opportunity, and what challenges lie ahead?

Anderson: The major opportunities and challenges ahead revolve around implementing the BIL and IRA funding. Many of these new programs will last for the next four to five years, so our office is going to be heavily involved in ensuring we get the money out the door efficiently and create impactful programs.

We approach this with lessons learned from the ARRA era. Many energy offices remember the boom, but also the bust that followed. We're mindful of that, and we're considering how to leverage these programs to create long-term wins.

One of the key things we're thinking about is how to manage these programs without growing our staff too much, only to have to scale back after the funding cycle ends. We're focused on finding the right level of staffing and implementing these projects successfully.

This will keep us busy over the next four to five years. I hope the lasting legacy of this effort will be the success of these projects, whether it's upgrading critical infrastructure like the electrical grid or improving the energy efficiency of homes we've weatherized. These are the kinds of lasting impacts we aim to achieve.

Additionally, we have the opportunity to think strategically about more flexible funding that we can tailor to state priorities. This includes focusing on clean energy workforce development, creating programs that can continue beyond the BIL and IRA funding period. We're also considering how we can use this funding to continue improving and refining our performance contracting program, and possibly support local governments as well.

These are the kinds of things we're focused on in our office. While there are certainly going to be challenges, we're excited about the opportunities ahead.

In the years ahead, state energy offices like GEFA will continue to play a pivotal role in shaping the future of energy infrastructure and sustainability at the local level. By bridging the gap between federal funding and community-driven projects, they ensure that resources are effectively deployed, creating lasting impacts that extend far beyond the initial investment. As we witness the growing demands of energy efficiency, grid resiliency, and clean energy advancements, it is clear that the leadership and strategic vision within these offices will be essential in driving progress. GEFA's proactive approach under Kristofor Anderson's guidance exemplifies the power of collective action, proving that when state energy offices lead with purpose, communities thrive, infrastructure modernizes, and a sustainable energy future becomes more than just a goal—it becomes a reality. 🌱