



**Ohio**

**Air Quality  
Development Authority**

# Ohio Jobs Stimulus Package *Advanced Energy Component Non Coal*

## Stakeholder Meetings

### OAQDA

## September 24 & 26, 2008

**Kimberly Gibson:** Ohio Air Quality Development Authority

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# Welcome

*Edison Technology Centers*



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## Agenda

- **Welcome by Edison Representative** (5 minutes)
- **Kick Off by Kimberly Gibson/Megan Zemke** (10 minutes)
  - Background on Legislation/program
  - Guiding Principles
- **Approach to Designing the Program by Ed Saltzberg** (10 minutes)
  - Overview of USA Energy Advisors
  - Explain the approach
  - Seek participant input to the award program
- **Participant Input led by Ed Saltzberg** (50 minutes)
  - Questions for stakeholders
    - Award process considerations
    - Ohio industry considerations
  - Open microphone for additional input



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## Advanced Energy in Ohio

- **Business Investment Leadership**
  - *For the past five years, Ohio has been among the leaders in business expansion and number one 2006 with 431 companies investing \$4.2 billion*
- **Research and Development Leadership**
  - *Ohio's private sector spent \$5.9 billion on R&D in 2005*
- **Strength from our Universities**
  - *Academic research expenditures in Ohio increased by 66.7% from 2000 to 2005, compared with 52.1% for the nation, for a total of \$1.53 billion in FY2005.*
  - *Ohio has 187 institutions of higher education, more than any other state on a per capita basis*



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## Overview

*Governor Ted Strickland signed a \$1.57 billion bipartisan jobs stimulus package (HB 554) on June 12, 2008*

- **Creating an \$84 million Advanced Energy (non coal) stimulus program to**
  - Attract new investment
  - Focused on industrial applications and not research and development
  - Build upon Ohio's manufacturing strength
  - Advance energy technology development toward commercialization
  - Prepare Ohio's workforce for the future
- **Target industries include**
  - Solar, wind, hydro, biomass, geothermal, energy efficiency
  - Also distributed generation, storage, fuel cells, waste conversion technologies, demand reduction
  - Edison Technology Centers and university research and development programs
  - Favoring partnerships with the Choose Ohio First Co-op/Internship Program to offer opportunities to students
  - Programs to educate small business on energy efficiency and alternatives
- **Administered by the Ohio Air Quality Development Authority**
  - Over three years
  - Issuing \$28 million in awards each year
  - Divided between grants and loans
  - Awarded through a formal application and review process
  - Supported under contract by USA Energy Advisors



# Guiding Principles

## Strategic Positioning

*Vision of the future*

1. Attracting new investment
2. Building on manufacturing strength
3. Anchor firms
4. Advancing an established sector
5. Reclaiming innovation
6. Preparing the workforce for new jobs

## Workforce Impacts

*New jobs over retained jobs*

1. Construction
2. Fulltime
  - Contained
  - Foundational
3. Higher wages
4. Opportunities
  - Unemployed
  - Underemployed
  - Keep young workers
  - Coop programs

## Tipping Point Analysis

*Making a difference*

1. Graduate to next commercialization phase
2. Bridge to next funding round
3. Expansion in Ohio
4. Breakthrough potential

## Leverage

*Other resources*

1. Private capital
2. State of Ohio stimulus sources
3. Increasing project value
4. Other public sources



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## Application and Award Process

- **Schedule:** Open – applications considered as long as funds are available
- **Pre application:** Screen for compliance and completeness (LOI format)
- **Application and Validation**
  - Criteria that meet State of Ohio goals
  - Performance measures to guide applicants
  - Review and recommendation to OAQDA staff
- **Statutory Approval Process**
  - Staff presents recommendation to Development Financing Advisory Council
  - Development Financing Advisory Council reviews and makes recommendation
  - Presentation to Ohio Air Quality Development Authority for Consideration and approval
  - Submitted to Controlling Board for final Approval
  - Project funds disbursed and monitored by OAQDA



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## Introduction to USA Energy Advisors

- **We are Ohio-based:** A subsidiary of Columbus-based Value Recovery Group
- **Our Mission:** Bring energy experts dedicated to serving the economic, capital, management and technology needs of government and industry clients
- **Our Services:**
  - Government Energy and Economic Development Strategies
  - Design and Operation of Government Energy Incentive Programs
  - Commercialization Strategies
  - Business Management Services
  - Investment Underwriting Services
  - Access to capital markets



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## Program Design Schedule

- September 24 -26: *Solicit stakeholder input*
- October 7: *Draft program design to OAQDA*
- October 14: *Compile OAQDA Comments*
- October 20: *Scheduled Program roll out*



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## Questions for Stakeholders

### *Ohio Industry Considerations*

1. The Advanced Energy Stimulus Component focuses on late stage projects to attract new investments in and bring new jobs to Ohio. What do you see as barriers to going the final mile?
  - The cost of money, access to money
  - Availability of suppliers, manufacturing “readiness”
  - Regulations, utilities, market acceptance, trained workers, infrastructure, competing platforms, support network
  - How can the State of Ohio best address these barriers?
2. Can you recommend ways to use this program to attract anchor firms to Ohio or firms that can change the competitive landscape?
3. Do your customers or suppliers primarily reside in Ohio or out-of-state?
4. Would you take advantage of consultation services and business management technology evaluation and access to capital if offered as part of this program?



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## Questions for Stakeholders

### *Award Process Considerations*

1. A demonstrated commitment to stay in Ohio is a high value consideration. Can you suggest ways this may be demonstrated by applicants in their submissions?
2. Other than the guiding principles and target industries, what other award criteria should be considered that further Ohio's jobs and industrial goals. Why do you think so?
3. The application process will likely be automated through the OAQDA website. Do you have other suggestions to make the application process more efficient?
4. Can you suggest anything to specifically include or exclude in the application process?
5. Can you suggest anything else to ensure this program meets the goals set forth in the guiding principles



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# OPEN MICROPHONE