



December 15, 2009

**To: Cities of Kansas City, St. Louis, Springfield and Independence
Counties of Boone, Clay, Greene, Jackson, Jasper, Jefferson, St. Charles and St. Louis**

OFFICIAL NOTICE

Re: Federal Stimulus Bill – Qualified Energy Conservation Bond Allocations

Dear Local Elected Official:

In February 2009, Congress signed into law the omnibus American Recovery and Reinvestment Act of 2009 (“ARRA”). ARRA created new bond program opportunities for state and local government, including the expansion of federal tax credit bond programs. This Notice provides important information for your community relating to an expanded type of tax credit bond: Qualified Energy Conservation Bonds (“QECBs”), a brief description of which is attached to this Notice as Attachment 2.

The QECBs program is capped by a national limitation amount, which was allocated among the States and to certain counties and cities within each state (collectively, the “Original Allocation Designees”). A list of the Original Allocation Designees and the amount allocated to each is attached to this Notice as Attachment 1. Original Allocation Designees should consult with their legal and financial advisors for the details of these bonds and should not rely solely on this Notice or the attachments.

Because QECBs could provide a valuable incentive for both public projects and private development in your community, and since the allocations are limited, this Notice is intended to provide information concerning the specifics and accessibility of the QECBs program. The State recognizes the federal allocation amounts, but also creates a mechanism for maximum distribution of the State’s ultimate allocation. The purpose of the allocation process is to assure that the State as a whole takes full advantage of this federally tax-advantaged bonding opportunity.

An Original Allocation Designee may use its original allocation, but ARRA also allows Original Allocation Designees to reallocate all or a portion of their original allocation back to the State if surplus allocation amounts exist in order to further economic activity in other areas of the State. It is truly a way for local government to participate in the economic recovery of the State as a whole, without regard to boundary or jurisdiction. The Department of Economic Development (the “Department”) has been named as the agency to manage the bond allocation and reallocation process. This Notice outlines how the Department will administer the QECB allocation and how an allocation of QECBs can be used.

The Department hereby notifies you that your jurisdiction is an Original Allocation Designee and has received an allocation of QECBs pursuant to Notice 2009-29 issued by the

Internal Revenue Service on July 20, 2009, in the amounts specified in Attachment 1 to this Notice (the "QECB Allocation"). A copy of IRS Notice 2009-29 is attached to this Notice as Attachment 3.

Pursuant to ARRA and IRS Notice 2009-29, you are notified as follows:

1. Each Original Allocation Designee may, at any time, waive any QECB Allocation by providing written notice, included in this Notice as Attachment 6, to the Department at the address set forth above. Timely waivers will benefit those communities and projects having a need for QECB allocation.

2. Any public entity (including but not limited to an Original Allocation Designee) may apply to the Department for a QECB Allocation. A copy of the QECB Application is attached to this Notice as Attachment 4.

3. Every public entity receiving a QECB allocation (including but not limited to an Original Allocation Designee), must notify the Department in writing of the issuance of QECBs, the form of which is attached to this Notice as Attachment 5, whether the QECBs are issued by the public entity directly, an entity on behalf of the Allocation Designee, or another unrelated state or local governmental issuer.

4. Any public entity that receives a QECB allocation may authorize another eligible issuer to issue QECBs on behalf of the public entity (e.g. a county Industrial Development Authority or a county public building corporation). Similarly, a public entity may use another entity authorized by state law to issue bonds (for example, the Missouri Development Finance Board) pursuant to an arrangement where the proceeds of the bonds will be loaned to the entity and used to finance a specific project. As noted in paragraph 3 above, even if the public entity does not itself issue QECBs, it remains responsible for notifying the Department of the issuance of QECBs.

Additional information concerning QECBs can be found at www.ded.mo.gov

If you have any questions concerning this Notice please contact Kristy Manning at (573) 751-5235 or kristy.manning@ded.mo.gov.

Mike Downing
Director

C: Kristy Manning

Attachments:

1. Missouri Allocations
2. Overview of QECBs
3. IRS Notice 2009-29
4. QECB Application
5. Report of QECB Issuance
6. Notice of Waiver of QECB Allocation

Attachment 1

Missouri Allocations

TOTAL MISSOURI QECBS ALLOCATION: \$61,329,000
2008 MISSOURI POPULATION: 5,911,605
QECBS ALLOCATION PER CAPITA: \$10.374

Original Allocation Designee	2008 Population	QECBs Allocation
City of Kansas City	450,375	\$4,670,389
City of St. Louis	350,759	3,637,371
City of Springfield	154,777	1,605,037
City of Independence	110,704	1,148,000
Boone County	152,049	1,577,408
Clay County (residual)*	96,594	1,192,333
Greene County (residual)*	109,016	1,130,969
Jackson County (residual)*	313,514	3,656,810
Jasper County	115,049	1,193,557
Jefferson County	215,764	2,238,409
St. Charles County	343,207	3,560,546
St. Louis County	<u>993,512</u>	<u>10,307,031</u>
TOTALS	3,405,320	\$35,917,860
MISSOURI RESIDUAL ALLOCATION		\$25,411,140

* Residual population and allocation of the applicable county after subtracting from the county population any city within the county having a population in excess of 100,000.

Attachment 2

Overview of Qualified Energy Conservation Bonds

The American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009) (“ARRA”) created several new tax credit bond programs, and greatly expanded others, for use by State and local governments for certain enumerated purposes. Although tax credit bonds are taxable bonds, they provide a Federal tax credit to bond holders on quarterly credit allowance dates. The exact credit rate and maximum maturity date for QECBs are set by the Treasury as of the date on which there is a binding contract for sale of the QECBs. The tax credit works as a Federal subsidy that results in the issuer paying significantly lower interest costs than on a comparable tax-exempt bond. Accordingly, tax credit bonds are subject to numerous restrictions to ensure that bond proceeds are used for their intended purposes. This memorandum focuses on one type of tax credit bond program, Qualified Energy Conservation Bonds, that may be issued for specified energy conservation purposes.

ARRA imposes a national bond volume limitation (the “Volume Cap”) for Qualified Energy Conservation Bonds of \$3.2 Billion, which was allocated among the States and “large local governments” (defined as any county or city having a population of at least 100,000) within the States based on population (collectively, the “Original Allocation Designees”). Any amount allocated to a large local government may be reallocated back to the State or to another eligible issuer of QECBs (generally, political subdivisions and entities empowered to issue bonds on behalf of such entities). In all events, QECBs must be issued to finance qualified conservation purposes located within or attributable to both the jurisdiction of the issuer of the QECBs and the jurisdiction of the Original Allocation Designee. And although there is no deadline by which QECBs must be issued, the amount of QECBs that may be issued cannot exceed the amount allocated to a given issuer.

It is important to remember that Qualified Energy Conservation Bonds are created by Federal tax law, and thus all Missouri bond laws apply. Before determining whether Qualified Energy Conservation Bonds could benefit your community, you must first determine what type of Missouri bond could be issued. In general, if issued as governmental bonds for public purposes, Qualified Energy Conservation Bonds will likely be general obligation bonds, utility revenue bonds, leasehold revenue bonds, certificates of participation or special obligation bonds. Alternatively, if issued for privately owned or used projects, Qualified Energy Conservation Bonds will likely be Chapter 100 Bonds, industrial revenue bonds, industrial development bonds or another type of private activity bond.

ARRA provides that 100% of “Available Project Proceeds” (essentially, sale proceeds plus investment earnings less amounts in a reserve fund) of Qualified Energy Conservation Bonds must be spent to finance “qualified conservation purposes” within three years of the issue date. In addition, the issuer or borrower, as applicable, must enter into a binding commitment with a third party within six months of the issue date to spend at least 10% of the Available Project Proceeds, and not more than 2% of sale proceeds may be used to pay costs of issuing the bonds. Qualified conservation purposes are defined as:

- (1) capital expenditures for the purpose of (a) reducing energy consumption in publicly-owned buildings by at least 20%, (b) implementing green community programs (including the use of loans, grants, or other repayment mechanisms to implement such programs), (c) the production of electricity from renewable energy resources in rural areas, or (d) any of the following qualified facilities if meeting specific criteria set forth under the Code for electricity produced from certain renewable energy resources;
- (2) expenditures for research facilities and research grants to support research in the development of: (a) cellulosic ethanol or nonfossil fuels, (b) technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels, (c) increasing the efficiency of existing technologies for producing non-fossil fuels, (d) automobile battery technologies and other technologies to reduce fossil fuels consumption in transportation, or (e) technologies to reduce energy use in buildings;

- (3) expenditures for mass commuting facilities and related facilities that reduce the consumption of energy, including expenditures to reduce pollution from vehicles used for mass commuting;
- (4) demonstration projects designed to promote the commercialization of: (a) green building technology, (b) conversion of agricultural waste for use in the production of fuel or otherwise, (c) advanced battery manufacturing technologies, (d) technologies to reduce peak use of electricity, or technologies for the capture and sequestration of carbon dioxide emitted from combusting fossil fuels in order to produce electricity; or
- (5) public education campaigns to promote energy efficiency.

Additional restrictions apply to “private activity bonds” (defined below), including QECBs, that do not apply to governmental bonds. Principally, any allocation to a State or large local government must be reallocated in a manner that results in the use of not less than 70% of the allocation to the State or large local government to designate bonds that are not private activity bonds. Without any Treasury Regulations or other guidance from the IRS on this limitation, it appears as though this limitation applies to both the allocation to the State and any reallocation to a large local government. Solely for purposes of this limitation, a special rule for bonds to finance green community programs provides that bonds issued for the purpose of providing loans, grants or other repayment mechanisms for capital expenditures to implement green community programs are not treated as private activity bonds. Secondly, the term “qualified conservation purpose” includes only those expenditures that are considered a capital expenditure for Federal tax purposes. For example, QECBs may be issued to finance public education campaigns to promote energy efficiency, but, to the extent expenditures for this purpose are not capital expenditures, proceeds of a private activity QECB may not be used to finance costs of these public education campaigns.

A “private activity bond” is defined as any bond that meets either the private business tests of Code § 141(b) or the private loan financing test of Code § 141(c). In general, the private business tests are met if more than 10% of the proceeds of the issue are (1) used for any private business use, and (2) directly or indirectly (A) secured by any interest in property used for a private business use, or payments in respect of property used in a private business use, or (B) derived from payments in respect of property, or borrowed money used for a private business use. The private loan financing test is met if the proceeds of a QECB are used to make or finance loans to a private business in excess of the lesser of 5% of QECB proceeds or \$5,000.

Attachment 3
IRS Notice 2009-29

Part III - Administrative, Procedural, and Miscellaneous

Qualified Energy Conservation Bond Allocations for 2009

Notice 2009-29

SECTION 1. PURPOSE

This Notice sets forth the maximum face amount of qualified energy conservation bonds ("QECBs") that may be issued by each State and large local government under § 54D(e)(1) of the Internal Revenue Code. For this purpose, § 54A(e)(3) provides that the term "State" includes the District of Columbia and any possession of the United States. This Notice also provides certain interim guidance for QECBs.

SECTION 2. BACKGROUND

.01 INTRODUCTION

Section 301(a) of Tax Extenders and Alternative Minimum Tax Relief Act of 2008, Division C of Pub. L. 110-343. 122 Stat. 1365 (2008) ("Act") added new § 54D to provide program provisions for QECBs. The Act amended § 54A(d)(1) to provide that the term "qualified tax credit bond" means, in part, a qualified energy conservation bond that is part of an issue that meets the requirements of § 54A(d)(2), (3), (4), (5), and (6) regarding expenditures of bond proceeds, information reporting, arbitrage, maturity limitations, and prohibitions against financial conflicts of interest. The Act also amended § 54A(d)(2) to provide that,

for purposes of § 54A(d)(2)(C), the term “qualified purpose” for a QECB means a purpose specified in § 54D(a)(1) described below.

The Act added § 54D(d) to provide a national bond limitation (“national bond volume cap”) authorization for QECBs of \$800 million. Section 1112 of Title 1 of Division B of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009) (“2009 Act”) amended §54D(d) to increase the national bond volume cap authorization for QECBs from \$800 million to \$3.2 billion.

.02 QUALIFIED ENERGY CONSERVATION BONDS UNDER § 54D

Section 54D(a) defines a “qualified energy conservation bond” to mean any bond issued as part of an issue if –

- (1) 100 percent of the available project proceeds of such issue are to be used for one or more qualified conservation purposes,
- (2) the bond is issued by a State or local government, and
- (3) the issuer designates such bond for purposes of this section.

Section 54D(b) provides that the annual credit determined under § 54A(b) with respect to any qualified energy conservation bond shall be 70 percent of the amount so determined without regard to § 54D(b).

Section 54D(c) provides that the maximum face amount of bonds which may be designated under § 54D(a) by any issuer shall not exceed the portion of the volume cap allocated to such issuer under § 54D(e).

Section 54D(e)(1) provides that the \$3.2 billion in total national bond volume cap shall be allocated by the Department of the Treasury among the

States in proportion to the population of the States. Section 54D(e)(2)(A) provides that in the case of any State where there is a “large local government,” as defined § 54D(e)(2)(C), each large local government shall be allocated a portion of the State’s allocation that bears the same ratio to the State’s allocation (determined without regard to this subparagraph) as the population of the large local government bears to the population of the State. Section 54D(e)(2)(B) provides that the amount allocated under this subsection to a large local government may be reallocated by the large local government to the State where the large local government is located. Section 54D(e)(2)(C) provides that for purposes of § 54D, the term “large local government” means any municipality or county that has a population of 100,000 or more.

Under § 54D(e)(3), any allocation to a State or large local government shall be allocated in turn by the State or large local government to issuers within the State in a manner that results in the use of not less than 70 percent of the allocation to such State or large local government to designate bonds that are not private activity bonds.

Section 54D(f) defines the term “qualified conservation purpose” to mean any of the following:

- (A) Capital expenditures incurred for purposes of (i) reducing energy consumption in publicly-owned buildings by at least 20 percent, (ii) implementing green community programs (including the use of loans, grants, or other repayment mechanisms to implement such programs), (iii) rural development involving the production of electricity from

renewable energy resources, or (iv) any qualified facility (as determined under section 45(d) without regard to paragraphs (8) and (10) thereof and without regard to any placed in service date).

- (B) Expenditures with respect to research facilities, and research grants, to support research in (i) development of cellulosic ethanol or other nonfossil fuels, (ii) technologies for the capture and sequestration of carbon dioxide produced through the use of fossil fuels, (iii) increasing the efficiency of existing technologies for producing nonfossil fuels, (iv) automobile battery technologies and other technologies to reduce fossil fuel consumption in transportation, or (v) technologies to reduce energy use in buildings.
- (C) Mass commuting facilities and related facilities that reduce consumption of energy, including expenditures to reduce pollution from vehicles used for mass commuting.
- (D) Demonstration projects designed to promote the commercialization of (i) green building technology, (ii) conversion of agricultural waste for use in the production of fuel or otherwise, (iii) advanced battery manufacturing technologies, (iv) technologies to reduce peak use of electricity, or (v) technologies for the capture and sequestration of carbon dioxide emitted from combusting fossil fuels in order to produce electricity.
- (E) Public education campaigns to promote energy efficiency.

Section 54D(f)(2) provides that, in the case of any private activity bond, the term “qualified conservation purposes” shall not include any expenditure that is not a capital expenditure. New § 54D(e)(4) added by the 2009 Act provides a special rule for bonds to finance green community programs, stating that bonds issued for the purpose of providing loans, grants, or other repayment mechanisms for capital expenditures to implement green community programs are not treated as private activity bonds for purposes of § 54D(e)(3).

Section 54D(g)(1) provides that the population of any State or local government shall be determined for purposes of this section as provided in § 146(j) for 2008. Section 54D(g)(2) provides, in determining the population of any county for purposes of § 54D, for the exclusion of that portion of the county population taken into account in determining the population of any municipality that is a large local government.

Under § 54D(h), an Indian tribal government shall be treated as a large local government, except that (1) an Indian tribal government shall be treated as located within a State to the extent of so much of the population of such government as resides within the State, and (2) any bond issued by an Indian tribal government shall be treated as a qualified energy conservation bond only if issued as part of an issue the available project proceeds of which are used for purposes for which such Indian tribal government could issue bonds to which § 103(a) applies.

SECTION 3. INTERIM GUIDANCE AND RELIANCE

.01 GENERALLY

Pending the promulgation and effective date of future administrative or regulatory guidance, taxpayers may rely on the interim guidance provided in this Notice.

.02 CREDIT RATE

For QECBs issued under §§ 54A and 54D, the maximum maturity and the credit rate are determined as of the date that there is a binding, written contract for the sale or exchange of the bond. The applicable maximum maturity, the discount rate for determining the maturity, and QCEB credit rate are published for that date by the Bureau of Public Debt on its Internet site for State and Local Government Series securities at: <https://www.treasurydirect.gov>. For further information regarding the methodology and procedures that the Treasury Department uses to determine these credit rates, see Notice 2009-15, 2009-6 I.R.B. 449 (February 9, 2009).

.03 SINKING FUND YIELD

Section 54A(d)(4)(C) provides that an issue shall not be treated as failing to meet the requirements of § 148 by reason of any fund which is expected to be used to repay the issue if: (i) the fund is funded at a rate not more rapid than equal annual installments; (ii) the fund is funded in a manner reasonably expected to result in an amount not greater than an amount necessary to repay the issue; and (iii) the yield on such fund is not greater than the discount rate determined under § 54A(d)(5)(B) (the "permitted sinking fund yield").

The permitted sinking fund yield is determined under § 54A(d)(5)(B) by using a rate equal to 110 percent of the long-term adjusted, applicable federal

rate (“AFR”), compounded semiannually, for the month in which the bond is sold. The IRS publishes the long-term adjusted AFR, compounded semiannually, each month in a revenue ruling that is published in the Internal Revenue Bulletin. The Bureau of Public Debt publishes the permitted sinking fund yield for each month on its Internet site for State and Local Government Series securities at:

<https://www.treasurydirect.gov>.

.04 INFORMATION REPORTING

Section 54A(d)(3) requires issuers of QECBs to submit information reporting returns to the IRS similar to those required to be submitted under § 149(e) for tax-exempt State or local governmental bonds. These information reporting returns are required to be submitted at the same time and in the same manner as those under § 149(e) on such forms as shall be prescribed by the IRS for such purpose. Pending further guidance from the IRS regarding the applicable forms to be used for such information reporting for QECBs, in the case of an issue of QECBs, the issuer must submit to the IRS an information return on Form 8038, at the same time and in the same manner as required under § 149(e), with modifications as described below. Issuers of QECBs should complete Part II of Form 8038 by checking Line 20c (Other), writing “QECBs” in the space provided for the bond description, and entering the issue price of the QECBs in the Issue Price column on Line 20c. For purposes of this Notice, the term “issue” has the meaning used for tax-exempt bond purposes in § 1.150-1(c) of the Income Tax Regulations.

.05 ELIGIBLE ISSUERS

Eligible issuers of QECBs include States, political subdivisions as defined for purposes of § 103, and entities empowered to issue bonds on behalf of any such entity under rules similar to those for determining whether a bond issued on behalf of a State or political subdivision constitutes an obligation of that State or political subdivision for purposes of § 103 and § 1.103-1(b) of the regulations. Further, eligible issuers include otherwise-eligible issuers in conduit financing issues (as defined in § 1.150-1(b) of the regulations). An eligible issuer may issue QECBs based on a volume cap allocation received by the eligible issuer itself or by a conduit borrower or other ultimate beneficiary of the issue of QECBs. In all events, the eligible costs for qualified conservation purposes financed with the proceeds of an issue of QECBs under § 54D(f) must relate to qualified conservation purposes that are located within or attributable to both the jurisdiction of the issuer of the QECBs and the jurisdiction of the entity authorized to allocate volume cap to an issue of QECBs for the financing of those qualified conservation purposes. Entities authorized to allocate volume cap consist of States and large local governments that receive volume cap allocations under § 54D(e). Thus, for example, a large local government that has received a volume cap allocation under § 54D(e)(2) either may issue bonds and designate them as QECBs with respect to that volume cap itself or it may be a beneficiary of proceeds of an issue of bonds issued and designated as QECBs by another eligible issuer with respect to that volume cap, provided that, in either event, the proceeds of the issue are used to finance qualified conservation purposes located within or attributable to both the jurisdiction of the issuer of the QECBs

and the jurisdiction of the large local government authorized to allocate volume cap to the issue of QECBs for the financing of those qualified conservation purposes.

SECTION 4. NATIONAL BOND VOLUME CAP FOR QECBs

The national bond volume cap for QECBs is \$3.2 billion. Each State must allocate a portion of its allocation of the national bond volume cap to each large local government in the State in an amount that bears the same ratio to the State's allocation as the population of such large local government bears to the population of such State. For this purpose, § 54D(h), described above, is applicable.

The allocations set forth below were based on the most recent available state population information released by the by the United States Census Bureau before the beginning of 2009 (which consists of state population information as of July 1, 2008), which can be found at the following web site:

<http://www.census.gov/popest/states/tables/NST-EST2008-01.xls>.

In making the required reallocations of applicable portions of State allocations to large local governments, States must use population figures for large local governments within the States based on available data from the United States Census Bureau for the period that is closest in time to that used for the State and released by the Census before 2009 which consists of information as of July 1, 2007. City and county population figures are located generally at <http://www.census.gov/popest/>.

In making the required allocations to large local governments, a State shall make the required adjustments under § 54D(g)(2), described above.

Further, in making the required allocations to large local governments, in the case of a State that has local political subdivisions that are not referred to as counties or cities (e.g., townships, boroughs, or parishes), the determination of whether such political subdivisions are eligible to be treated as large local governments is based on whether, in substance, such political subdivisions are most closely analogous to counties or cities and whether they constitute uncontrolled general purpose governmental entities under §1.150-1(e)(3)(providing that an entity is not a controlled entity if the entity possesses substantial taxing, eminent domain, and police powers).

**Allocations to States of the National Bond Volume Cap for
Qualified Energy Conservation Bonds**

<u>State or Territory</u>	<u>QECB Allocation (in dollars)</u>
Alabama	48,364,000
Alaska	7,120,000
Arizona	67,436,000
Arkansas	29,623,000
California	381,329,000
Colorado	51,244,000
Connecticut	36,323,000
Delaware	9,058,000
District of Columbia	6,140,000
Florida	190,146,000
Georgia	100,484,000
Hawaii	13,364,000
Idaho	15,809,000
Illinois	133,846,000
Indiana	66,155,000
Iowa	31,150,000
Kansas	29,070,000
Kentucky	44,291,000
Louisiana	45,759,000
Maine	13,657,000
Maryland	58,445,000
Massachusetts	67,413,000
Michigan	103,780,000
Minnesota	54,159,000
Mississippi	30,486,000
Missouri	61,329,000
Montana	10,037,000
Nebraska	18,502,000
Nevada	26,975,000
New Hampshire	13,651,000
New Jersey	90,078,000
New Mexico	20,587,000
New York	202,200,000
North Carolina	95,677,000
North Dakota	6,655,000
Ohio	119,160,000
Oklahoma	37,787,000
Oregon	39,320,000
Pennsylvania	129,144,000

Rhode Island	10,901,000
South Carolina	46,475,000
South Dakota	8,343,000
Tennessee	64,476,000
Texas	252,378,000
Utah	28,389,000
Vermont	6,445,000
Virginia	80,600,000
Washington	67,944,000
West Virginia	18,824,000
Wisconsin	58,387,000
Wyoming	5,526,000
American Samoa	673,000
Guam	1,826,000
Northern Marianas	899,000
Puerto Rico	41,021,000
US Virgin Islands	1,140,000
Total Allocation	3,200,000,000

SECTION 5. EFFECTIVE DATE OF VOLUME CAP LIMITATIONS.

The limitations for QECBs in Section 4 are effective for QECBs issued pursuant to the national bond volume cap after October 3, 2008.

SECTION 6. DRAFTING INFORMATION

The principal authors of this Notice are Timothy L. Jones and David E. White of the Office of Associate Chief Counsel (Financial Institutions & Products). For further information regarding this Notice contact Timothy L. Jones or David E. White on (202) 622-3980 (not a toll-free call).

Notice 2012-44

Qualified Energy Conservation Bonds

PURPOSE

This Notice provides guidance concerning qualified energy conservation bonds under § 54D of the Internal Revenue Code (Qualified Energy Conservation Bonds). This Notice addresses questions regarding qualified conservation purposes eligible for financing with these bonds, particularly (1) how to measure reductions of energy consumption in publicly-owned buildings by at least 20 percent under § 54D(f)(1)(A)(i) and (2) what constitutes a “green community program” under § 54D(f)(1)(A)(ii).

BACKGROUND

Section 301(a) of Title III of Division B, the Energy Improvement and Extension Act of 2008, Pub. L. 110-343, 122 Stat. 1365 (2008) (the “2008 Energy Act”), added new § 54D, which contains program provisions specific to Qualified Energy Conservation Bonds effective for obligations issued after October 3, 2008.

Section 54D(a) provides that the term Qualified Energy Conservation Bond means any bond issued as part of an issue if: (1) 100 percent of the available project proceeds of such issue are to be used for one or more “qualified conservation purposes;” (2) the bond is issued by a State or local government; and (3) the issuer designates such bond for purposes of § 54D. Section 54D(f) defines the term “qualified conservation purpose” to include, among other purposes, capital expenditures incurred for purposes of (i) reducing energy consumption in publicly-owned buildings by at least 20 percent, or (ii) implementing green community programs (including the use of loans, grants, or other repayment mechanisms to implement such programs). Section 54D(d) originally authorized a national

bond volume cap of \$800 million for Qualified Energy Conservation Bonds, and § 54D(e) generally provides rules for how this volume cap is to be allocated among the States.

Section 1112 of Division B of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009) ("ARRA"), amended § 54D in several respects. ARRA increased the national bond volume cap for Qualified Energy Conservation Bonds from \$800 million to \$3.2 billion. ARRA also amended the provision on "green community programs" to what is in the statute today to clarify that these programs may include the use of loans, grants, or other repayment mechanisms to implement such programs. In addition, ARRA added § 54D(e)(4), which provides generally that bonds issued to provide loans, grants, or other repayment mechanisms for capital expenditures to implement green community programs are not treated as private activity bonds for purposes of the restriction under § 54D(e)(3) against using more than 30 percent of the bond volume cap for private activity bonds.

In Notice 2009-29, 2009-1 C.B. 849 (April 6, 2009), the Treasury Department and the IRS allocated the national bond volume cap for Qualified Energy Conservation Bonds to States, the District of Columbia, and possessions of the United States in proportion to population. Notice 2009-29 also provided interim guidance on certain general program requirements under § 54D.

Section 179D also provides tax benefits for reductions in energy consumption in government-owned buildings. Because of the difference in the rules and standards for determining the deduction for energy-efficient commercial buildings under § 179D as compared to the rules and standards for determining whether bonds are Qualified Energy Conservation Bonds under § 54D, this Notice, including the rules for measuring the reduction of energy consumption in publicly-owned buildings, does not apply for purposes of § 179D. For guidance on § 179D, see Notice 2006-52, 2006-1 C.B. 1175, Notice 2008-40, 2008-1 C.B. 725, and Notice 2012-26, 2012-17 I.R.B. 847.

LEGISLATIVE HISTORY

The legislative history of the 2008 Energy Act includes the House of Representatives version of the 2008 Energy Act in a bill entitled the “Renewable Energy and Job Creation Act of 2008,” H.R. 6049, 110th Cong. (2008) (H.R. 6049). The text of the House Bill is identical, in pertinent part, to the text of the statute that was enacted. House of Representatives Report No. 110-658 accompanied H.R. 6049 and indicates that the House intended the Qualified Energy Conservation Bond rules to be interpreted broadly to give State and local governments wide discretion on methods to conserve energy that may be financed with Qualified Energy Conservation Bonds. The House Report states the following reasons for enacting the Qualified Energy Conservation Bond provision:

Reasons for Change

The Committee believes that it is important to encourage energy conservation. The Committee believes that State and local governments often are in the best position to assess community needs and recognizes there are a number of approaches to energy conservation that State and local governments may wish to encourage. For example, the Committee recognizes that State and local governments may wish to encourage the development of combined heat and power systems, facilities that use thermal energy produced from renewable resources, smart electrical grids, the use of solar panels, mass transit, bicycle paths, or residential property that reduces peak-use of energy. In addition to these approaches, the Committee believes that State and local governments will develop numerous other approaches to energy conservation. Furthermore, the Committee recognizes that there is great potential for energy conservation in urban areas and the Committee believes that local officials should have the flexibility to develop their own approaches to energy conservation. Therefore, the Committee believes that it is appropriate to empower State and local governments by providing them with access to subsidized financing to help promote energy-efficient policies tailored to the needs of local communities.

H. R. Rep. No. 110-658, at 94 (2008).

The legislative history of ARRA gives further indication of the broad discretion Congress intended to give State and local governments issuing Qualified Energy Conservation Bonds. The Conference Report, H. R. Rep. No. 111-16 (2009), provides:

Conference Agreement

In general

The provision expands the present-law qualified energy conservation bond program. . . . Also, the provision clarifies that capital expenditures to implement green community programs includes grants, loans and other repayment mechanisms to implement such programs. For example, this expansion will enable States to issue these tax credit bonds to finance retrofits of existing private buildings through loans and/or grants to individual homeowners or businesses, or through other repayment mechanisms. Other repayment mechanisms can include periodic fees assessed on a government bill or utility bill that approximates the energy savings of energy efficiency or conservation retrofits. Retrofits can include heating, cooling, lighting, water-saving, storm water-reducing, or other efficiency measures.

H. R. Rep. No. 111-16, at 627 (2009).

QUESTIONS AND ANSWERS

Numerous questions have arisen relating to Qualified Energy Conservation Bonds, particularly how to measure whether there have been reductions of energy consumption in publicly-owned buildings by at least 20 percent under § 54D(f)(1)(A)(i) and what constitutes a “green community program” under § 54D(f)(1)(A)(ii). Set forth below are questions and answers regarding certain of these interpretative issues. Issuers may rely upon these answers until further guidance, if any, is provided.

CAPITAL EXPENDITURES FOR CERTAIN QUALIFIED CONSERVATION PURPOSES

Q.-1. What are “capital expenditures” for purposes of § 54D(f)(1)(A), which provides in relevant part that qualified energy conservation purposes include, among other purposes, capital expenditures incurred for purposes of (i) reducing energy consumption in

publicly-owned buildings by at least 20 percent, or (ii) implementing green community programs (including the use of loans, grants, or other repayment mechanisms to implement such programs)?

A-1. For purposes of the capital expenditures requirement in § 54D(f)(1)(A), the definition of a “capital expenditure” applicable to State and local governments for tax-exempt bond purposes in § 1.150-1(b) of the Income Tax Regulations applies. This definition provides that a “capital expenditure” means any cost of a type that is properly chargeable to capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under § 1.150-2(c)) under general Federal income tax principles. The determination of whether a particular expenditure is a capital expenditure is made when the expenditure is paid or incurred and future changes in law do not affect this determination.

20% REDUCTION IN ENERGY CONSUMPTION IN PUBLICLY-OWNED BUILDINGS

Q-2. What does the term “publicly-owned buildings” mean under § 54D(f)(1)(A)(i)?

A-2. The term “publicly-owned buildings” under § 54D(f)(1)(A)(i) means a building or buildings that are owned by a State or local government (as defined in § 1.103-1) or any instrumentality thereof for Federal tax purposes. If the “measurement unit” (as defined in Q&A 4 below) used to measure reductions in energy consumption is a unit other than a building or buildings, such as a building system component, the building or buildings encompassing the measurement unit must be a publicly-owned building or buildings.

Q-3. What standard applies to determine that available project proceeds are to be used to finance capital expenditures for the purpose of reducing energy consumption in publicly-owned buildings by at least 20 percent under § 54D(f)(1)(A)(i) (the “20 percent test”)?

A-3. In general, a reasonable expectations standard (as defined for tax-exempt bond purposes under § 1.148-1(b)) applies for purposes of determining reductions in energy consumption under the 20 percent test. In particular, an issuer may determine that its available project proceeds are to be used in a manner that meets the 20 percent test if, as of the issue date of the issue of Qualified Energy Conservation Bonds, the issuer has reasonable expectations (as defined in § 1.148-1(b)) that the capital expenditures to be financed with the bond proceeds will result in a 20 percent or greater reduction in energy consumption for the selected building, buildings, or building system component(s) comprising the measurement unit for the selected measurement time period, and using a common energy unit. See Q & A 4 (regarding measurement units), Q & A 5 (regarding measurement methods), Q & A 6 (regarding measurement time periods), Q & A 7 (regarding reliance on certifications of independent experts), Q & A 8 (regarding certain available tools for measuring energy reductions), and Q & A 9 (regarding common energy units) below.

Q-4. What is the unit for which the issuer measures reductions in energy consumption for purposes of satisfying the 20 percent test?

A-4. For purposes of the 20 percent test, the issuer may measure the reduction in energy consumption using one of the following measurement units: (i) a single publicly-owned building, (ii) multiple publicly-owned buildings; (iii) one or more building system components of one or more publicly-owned buildings, or (iv) a combination of (i) or (ii) and (iii) above (the "measurement unit"), provided that measurement unit includes the publicly-owned building or buildings, or building system component or components, with respect to which the capital expenditures financed with Qualified Energy Conservation Bond proceeds are incurred. For this purpose, a building system includes a system that serves one of the following functions: heating, ventilation, and air conditioning ("HVAC"); hot water

system; lighting; building envelope (e.g., windows, roof, walls, insulation); or electricity “plug load” (e.g., items plugged into electric outlets, such as computers and refrigerators).

Q-5. What methods may be used to measure energy savings attributable to capital expenditures with respect to a measurement unit for purposes of the 20 percent test?

A-5. A reasonable and consistently applied method must be used to measure energy savings attributable to capital expenditures with respect to a measurement unit for purposes of the 20 percent test.

Q-6. What time periods may an issuer use to measure reductions in energy consumption to meet the 20 percent test?

A-6. For purposes of the 20 percent test, the issuer may consider actual and expected energy consumption in the measurement unit during any reasonable and consistent time periods of not less than one year (the measurement time periods), with one such period ending immediately before, and one such period beginning immediately after, all capital expenditures to be financed by the Qualified Energy Conservation Bond proceeds in the measurement unit are to be incurred, using a consistent method of measuring energy use. For example, if the issuer selects measurement time periods of two years, the issuer must determine its energy consumption in the measurement unit during the two years immediately before the capital expenditures are to be incurred and compare it to the energy consumption in the measurement unit during the two years immediately after the capital expenditures are to be incurred (energy consumption during the construction period is not considered), using the same method for measuring energy consumption, to determine if it meets the 20 percent test.

Q-7. May an issuer rely on a certification of an independent expert to establish its reasonable expectations to meet the 20 percent test?

A-7. An issuer may rely on an independent expert to establish that it reasonably expects to meet the 20 percent test, if, no earlier than 60 days before the issue date of the

issue, an independent, licensed professional engineer or other independent expert certifies under penalty of perjury that the capital expenditures to be incurred with respect to the measurement unit are reasonably expected to result in the reduction of energy consumption by 20 percent or greater in the measurement unit during the measurement time period. An issuer may rely on this certification only if the actual capital expenditures from the bond proceeds are substantially the same as the expected capital expenditures of such proceeds on which the certification was based.

An example of an engineer's certification for this purpose is attached as Appendix A to this Notice.

Q-8. What tools are available to estimate the energy savings attributable to capital expenditures for purposes of establishing that the issuer had reasonable expectations as of the issue date of the issue that the capital expenditures will result in reduction of energy consumption in publicly-owned buildings by at least 20 percent?

A-8. An issuer or an independent expert on whom an issuer relies may obtain energy savings estimates through an ASHRAE level 3 audit or through building energy use simulation techniques and estimating software, including the DOE (Department of Energy) 2 based Quick Energy Simulation Tool (eQUEST) or other qualified computer software for calculating commercial building energy and power cost savings that meet federal tax incentive requirements as listed by Department of Energy's Building Technology Program at: http://apps1.eere.energy.gov/buildings/tools_directory/. Further, an issuer or independent expert may rely on other tools to estimate energy savings, using reasonable and consistently applied methods.

An issuer is not required to subsequently measure the energy savings, but is encouraged to employ energy management and monitoring practices, such as use of the ENERGY STAR Portfolio Manager software to establish energy baselines and track whole

building energy performance. See

http://www.energystar.gov/index.cfm?c=evaluate_performance.bus_portfoliomanager.

Q-9. How does the issuer determine the reduction of energy consumed in the chosen measurement unit if more than one energy source affects the measurement unit and the energy reduction is computed with respect to different types of energy sources, such as electricity and natural gas?

A-9. If more than one energy source affects the measurement unit and thus is taken into account in computing the reduction in energy consumption, the amount of the consumed energy from each source before and after incurring the capital expenditures must be converted into a common energy unit such as, for example, a MMBtu (one million British thermal Units). In this circumstance, for purposes of the 20 percent test, the percentage reduction in energy consumption is based on the percentage reduction for the aggregate of the energy sources, using the common energy unit.

GREEN COMMUNITY PROGRAM

Q-10. What is a “green community program” under § 54D(f)(1)(A)(ii) for which capital expenditures may be incurred as one of the qualified conservation purposes eligible for financing with Qualified Energy Conservation Bonds?

A-10. In general, the term “green community program” means a program that meets the following two requirements:

(1) Program Purpose. The purpose of a green community program is to promote one or more of the purposes of energy conservation, energy efficiency, or environmental conservation initiatives relating to energy consumption, broadly construed. Eligible program purposes include, among others, promotion of energy savings through retrofitting initiatives for heating, cooling, lighting, water-saving, storm-water reducing, or other efficiency measures; distributed generation initiatives; or transportation initiatives that

conserve energy and/or support alternative fuel infrastructure (which may include, for example, improvements to public bicycle paths or mass transit systems).

(2) General Public Use or Broad Public Availability. A green community program must: (i) involve property that is available for general public use (using standards similar to standards for distinguishing general public use from private business use under § 1.141-3(c)); or (ii) involve a loan (or other repayment mechanism) or grant program that is broadly available to members of the general public, including individuals or businesses. A green community program need not affect the entire geographical area or all the residents and businesses within the jurisdiction of the State or local governmental unit that implements the program, provided that the program broadly benefits the general public, residents, or businesses in the affected area of the State or local governmental unit. Examples of programs that are available for general public use include programs to make improvements to public infrastructure that enhances proximity and connectivity between community assets and public transit in order to reduce motor vehicle use and promote energy conservation. An example of a loan or grant program that is broadly available to the general public would be a program for residential housing or private building energy efficiency initiatives that provides grants or loans that are broadly available for homeowners or businesses.

Q-11. What is an example of a green community program?

A-11. The following example illustrates the implementation of a green community program with proceeds of Qualified Energy Conservation Bonds. City, a large local government, plans a program to finance capital expenditures to replace existing public street lights located throughout the City with more energy-efficient lights within a 3-year period. City recognizes the program as a green community program and designates the bonds to finance the program as Qualified Energy Conservation Bonds under § 54D(a)(3). Specifically, City plans to use the bond proceeds to replace existing high-pressure

luminaries with light emitting diode luminaries that consume substantially less electricity. City's independent experts estimate that the new streetlights will have a useful life of approximately 15 years. As of the issue date of the bonds, City expects that the program will result in substantial energy savings. City's program qualifies as a green community program that meets § 54D(f)(1)(A)(ii) for the following reasons:

1. The program furthers a qualified conservation purpose because it promotes energy conservation. The program calls for the replacement of existing street lights with more efficient street lights.
2. The program involves public streetlights that are available for general public use.
3. The proceeds of the bond will be used for capital expenditures within the meaning of § 1.150-1(b) to replace the street lights.

FURTHER INFORMATION

For further information regarding this notice, contact Zoran Stojanovic at (202) 622-3980 (not a toll-free call).

APPENDIX A

Qualified Energy Conservation Bonds Statement of Expected Savings and Signatures

Qualified Professional Engineer certifying reasonable expectation of 20% or greater savings using based on an ASHRAE Level 3 audit or through use of DOE-approved software tool.

Name: _____

Address: _____

Phone: _____

I certify that the expected percentage of energy savings from the capital expenditures financed with Qualified Energy Conservation Bonds for the measurement unit and measurement time specified by the issuer is at least 20 percent.

Address of the building(s) (and description of component(s), if applicable) to which the certification applies:

Qualified Professional Engineer must initial and complete one or more of the following statements:

____ (1) I conducted an ASHRAE level 3 energy audit to estimate the expected savings from planned improvements that will be financed through the qualified energy conservation bond.

____ (2) I used a qualified computer software for calculating commercial building energy and power cost savings that meet federal tax incentive requirements as listed by Department of Energy's Building Technology Program to estimate the expected savings from planned improvements that will be financed through the qualified energy conservation bond. The name and version of the software is: _____

Penalty of perjury statement to be signed by the Qualified Professional Engineer that performs field inspections and generates certification form using qualified computer software.

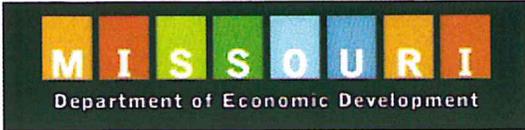
Under penalties of perjury, I declare that I have examined this certification, including supporting documents, and to the best of my knowledge and belief, the facts presented in support of this certification are true, correct, and complete.

Professional Engineer License # and State: _____

Signature of Professional Engineer: _____

Date Signed: _____

**Attachment 4
QECB Application**



APPLICATION FOR QUALIFIED ENERGY CONSERVATION BONDS

All bond issuers must complete and submit this application to the Director of the Department of Economic Development and receive approval prior to issuing Qualified Energy Conservation Bonds.					
Bond Issuer					
NAME OF ISSUER		NAME OF ISSUER'S REPRESENTATIVE		TITLE	
STREET ADDRESS		PO BOX	CITY	STATE	ZIP CODE
TELEPHONE	FAX NUMBER		E-MAIL ADDRESS		
COUNTY					
LOCAL GOVERNMENT JURSDICTION					
CHIEF ELECTED OFFICER			TITLE		
HAS SAID OFFICER APPROVED THE PROPOSED FINANCING? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> NOT REQUIRED			HAS A PUBLIC HEARING BEEN HELD CONCERNING THE PROPOSED FINANCING? <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> TO BE HELD <input checked="" type="checkbox"/> NOT REQUIRED		
BOND COUNSEL FOR ISSUER		FIRM NAME			
STREET ADDRESS		PO BOX	CITY	STATE	ZIP CODE
TELEPHONE	FAX NUMBER		E-MAIL ADDRESS		
Description of Project					
LIST THE PRINCIPAL BENEFICIARY(S) OF THE PROJECT TO BE FINANCED WITH THE PROCEEDS OF BONDS (Include parent company and d/b/a where applicable)					
NAME and LOCATION OF PROJECT (PROJECT NAME, STREET, P.O. BOX, CITY, STATE, ZIP CODE)					
AMOUNT OF ALLOCATION REQUESTED (Least amount necessary)					
DATE INDUCEMENT RESOLUTION OR OTHER COMMITMENT TO ISSUE WAS ADOPTED					
DESCRIBE THE BUSINESS ACTIVITY AT THE FACILITY, IF APPLICABLE					
DESCRIBE THE PROJECT WITH SPECIFIC DETAILS, INCLUDING THE APPLICABLE "QUALIFIED CONSERVATION PURPOSE"					
DESCRIBE THE SPECIFIC BENEFIT OF A QUALIFIED ENERGY CONSERVATION BOND TO THE PROJECT					
WILL THE BONDS BE ISSUED TO PROVIDE LOANS, GRANTS OR SIMILAR REPAYMENT MECHANISMS FOR CAPITAL EXPENDITURES TO IMPLEMENT GREEN COMMUNITY PROGRAMS? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO					
IS THIS PROJECT PART OF AN APPROVED COMMUNITY PLAN? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO					
IF YES, WHICH PLAN _____ APPROVAL DATE _____					

Investment				
	TOTAL INVESTMENT	PRIVATE INVESTMENT	LEVERAGED PUBLIC INVESTMENT	
			SOURCE	AMOUNT
LAND & SITE PREPARATION				
BUILDING				
EQUIPMENT				
OTHER				
TOTAL INVESTMENT				
Jobs & Wages				
	WITHIN 1 YEAR	CUMULATIVE OVER 5 YEARS	AVERAGE WAGE OF NEW JOBS	
Estimate the number of permanent new jobs for this project:			NUMBER OF RETAINED JOBS	AVERAGE WAGE OF RETAINED JOBS
Provide the number of retained jobs for this project:			NUMBER OF CONSTRUCTION JOBS	
Provide the number of relevant construction jobs for this project:				
Closing Information				
ANTICIPATED DATE OF CLOSING (NEEDS TO BE AS ACCURATE AS POSSIBLE)				
DESCRIBE ACTIVITIES THAT HAVE OCCURRED TO SUPPORT BOND CLOSING ON THE ABOVE DATE				
Attestation				
<i>I CERTIFY THAT THE ABOVE INFORMATION IS ACCURATE TO THE BEST OF MY KNOWLEDGE AND THAT I AM AUTHORIZED TO SUBMIT THIS APPLICATION ON BEHALF OF THE BOND ISSUER.</i>				
SIGNATURE OF ISSUER'S REPRESENTATIVE			DATE	
Submit to:	Missouri Department of Economic Development Missouri Division of Energy 301 West High Street, Ste. 720 PO Box 1766 Jefferson City, MO 65102 Phone: (573) 751-2254 Fax: (573) 526-7553			

**Attachment 5
Report of QECB Issuance**

**State of Missouri
Notice of Intent to Issue
Qualified Energy Conservation Bond**

Date _____
City or County _____
Street Address _____
Telephone _____ Fax _____
Name of Chief Elected Official _____
Name of Authorized Representative (if applicable) _____

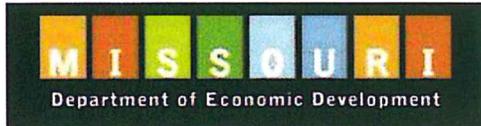
Amount of Original Allocation of **Qualified Energy Conservation Bonds**: \$ _____
Amount of Qualified Energy Conservation Bonds to be Issued: \$ _____
Estimated Date of Bond Closing: _____
Issuing Entity, if Other than City or County: _____
Amount of Qualified Energy Conservation Bonds Waived (use Waiver Form): \$ _____
Remaining Amount of Qualified Energy Conservation Bonds: \$ _____

(Please attach separate page description of project(s) using QECB. Include a description of activities, beneficiaries and numbers of jobs created or retained.)

I hereby certify that the city/county of _____, as duly authorized by its governing body, intends to issue Qualified Energy Conservation Bonds, as specified above.

Signature _____ Date _____
Chief Elected Official or Authorized Representative

Submit original form to:
Missouri Department of Economic Development
Missouri Division of Energy
301 West High Street, Ste. 720
P.O. Box 1766
Jefferson City, MO 65102
Phone: (573) 751-2254
Fax: (573) 526-7553



REPORT OF QUALIFIED ENERGY CONSERVATION BOND ISSUANCE

Issuance of Qualified Energy Conservation Bonds should be reported to the Department of Economic Development using this form. Complete one Report for each bond issue. Please type or print.

Part A – Bond Issuer

Name of Issuer			Issuer's Federal Identification Number	
Issuer's Street Address	County	City or Town		Zip
Issuer's Mailing Address (if different)	PO Box	City or Town		Zip
Name of Issuer's Spokesperson	Title	Telephone	E-mail	
Name of Bond Counsel for Issuer	Firm Name	Telephone	E-mail	
Address	PO Box	City or Town	State	Zip

Part B – Description of Project of Financing

Project Name			
Project's Street Address		City or Town	Zip
Principal Beneficiary Name			
Principal Beneficiary Street Address		City or Town	State Zip

Part C – Bonds, Terms and Conditions

Name of Bonds	CUSIP number of bond with latest maturity if assigned	Interest Rate(s)
Term of Bond Issue (Principal Amortization Period)	Date Bonds Issued	Expiration Date (Including Extension)
Type of Bond Issued		Disposition of Bond Proceeds
<input type="checkbox"/> Qualified Energy Conservation Bonds Type of bond issued _____		Land
		New Building Construction
		Capital Improvements
		Machinery & Equipment
		Issuance Expenses
		Other _____
		Total amount of bond issuance

Attestation of Issuer

I certify that the above information is accurate to the best of my knowledge and that I am authorized to submit this report on behalf of the bond issuer.

Signature of Issuer's Spokesperson	Date
------------------------------------	------

Printed Name of Issuer's Spokesperson	Title
---------------------------------------	-------

Signature of County/City Allocatee

Signature of County/City Representative	Date
---	------

Printed Name of County/City Representative	Title
--	-------

Send to:

Missouri Department of Economic Development	Phone: (573) 751-2254
Missouri Division of Energy	Fax: (573) 526-7553
301 West High Street, Ste. 720	
PO Box 1766	
Jefferson City, MO 65102	

**Attachment 6
Waiver of QECB Allocation**

**State of Missouri
Qualified Energy Conservation Bond
Notice of Waiver of Allocation**

Date _____
City or County _____
Street Address _____
Telephone _____ Fax _____
Name of Chief Elected Official _____
Name of Authorized Representative (if applicable) _____

Amount of Original Allocation of **Qualified Energy Conservation Bonds**: \$ _____
Amount of Qualified Energy Conservation Bonds Waived: \$ _____
Amount of Qualified Energy Conservation Bonds Issued to Date: \$ _____
Amount of Qualified Energy Conservation Bonds Previously Waived: \$ _____
Remaining Amount of Qualified Energy Conservation Bond Allocation: \$ _____

I hereby certify that the city/county of _____, as duly authorized by its governing body, has waived all or a portion of its Qualified Energy Conservation Bond allocation, as specified above.

Signature _____ Date _____
Chief Elected Official or Authorized Representative

Submit original form to: Missouri Department of Economic Development
Missouri Division of Energy
301 West High Street, Ste. 720
P.O. Box 1766
Jefferson City, MO 65102