



**Dave Heineman**  
Governor

# STATE OF NEBRASKA

OFFICE OF THE GOVERNOR  
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July 16, 2012

**RECEIVED**  
JUL 17 2012  
STATE ENERGY OFFICE

Ginger Willson  
Director  
Nebraska Energy Office  
1111 O Street, Suite 223  
Lincoln, NE 68509-5085

Re: Allocation of Federal Bond Volume Cap for Energy Conservation Bonds (QECBs)

Dear Ginger:

As you are aware, federal law (specifically, Section 301(a) of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008 (the "Act")) authorized a program ("Qualified Energy Conservation Bonds" or "QECBs") for the financing of qualified energy conservation projects to be carried out by state, local and tribal governments. The proceeds of QECBs must be used for one or more "qualified conservation purposes" as defined in the Act.

IRS Notice 2009-29 (the "Notice") sets forth the amount of national bond limitation allocated for projects in the State of Nebraska (\$18,502,000). Pursuant to Section 54D of the Internal Revenue Code of 1986 (the "Code") and as described in the Notice, each "large local government and Indian tribal governments" in Nebraska are allocated a portion of the state's allocation in an amount that bears the same ratio to the state's allocation as the population of the large local government or Indian tribal government bears to the population of the state. Governmental units constituting "large local governments" for purposes of Section 54D of the Code are Lincoln, Omaha and Sarpy County.

Pursuant to the authority vested in me under Nebraska law and in accordance with Section 54D(e) of the Code and the Notice, the \$18,502,000 of national bond volume cap for QECBs is hereby allocated as follows<sup>1</sup>:

Lincoln	\$2,580,564
Omaha	\$4,403,737
Sarpy County	\$1,522,502

<sup>1</sup> Attachment A hereto sets forth the methodology and sources used in calculating the amount of QECB volume cap to be allocated to each large local government, the Indian tribal governments and the remainder of the state. Amounts have been rounded down to the nearest dollar.

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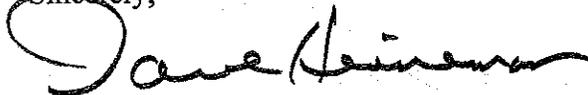
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Indian Tribal Governments	\$309,322
Remainder of the State	\$9,685,873

In order to efficiently use this federal resource for the benefit of the citizens of Nebraska, I ask that you notify each of Lincoln, Omaha and Sarpy County of the amount of their respective allocation of QECB volume cap and inquire as to whether or not they plan to use that allocation. Section 54D(e)(2)(B) of the Code provides that the amount allocated to a large local government may be reallocated by such large local government to the state. Due to the limited amount of national bond volume cap allocated for use in Nebraska, if a large local government does not intend to provide for the issuance of QECBs, you are asked to request that such government reallocate that portion of the allocation which they do not intend to use for purposes in their respective jurisdiction back to the state of Nebraska through the execution of a waiver.

The Nebraska Office of Energy is hereby directed to be the allocating agency for the \$9,685,873 of QECB volume allocated to the state and any QECB volume cap returned to the state by a large local government.

Sincerely,



Dave Heineman  
Governor