

Deployment to Scale: Partnering with State/Local Government to Deliver Clean Energy

Rose M. Dady, Midwest Regional Specialist
Office of Congressional and Intergovernmental Affairs







- •The Biden-Harris
 Administration knows there
 is **no greater challenge** facing
 our nation and our planet than
 climate change.
- •We are working to advance these goals and drive the U.S. to a 100% clean energy economy and net-zero emissions by 2050.



State/Local Climate Leadership Matters.

Gov. Evers Releases Wisconsin's First Clean Energy

Plan

Wisconsin Gov. Tony Evers has released the state's first clean energy plan, a proposal that he says will climate change by investing in clean energy technologies and possibly create up to 40,000 jobs.

POLITICS

Nearly half of Gov. Evers' capital budget proposal puts money toward improving aging buildings on UW System campuses

BY ANTHONY DABRUZZI | MADISON PUBLISHED 5:21 PM ET MAR. 02, 2023 Gov. Evers: Announces historic proposed long-term investments in state's infrastructure



Governor's historic capital budget investments saves taxpayers nearly \$1 billion, supports estimated nearly \$7 billion in economic activity and 45,000 jobs



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Improving Access to Efficiency and Clean Energy For States, Communities, & Tribes

Policy and Program Development

State Energy Program



40109 | \$500M FY22: \$63M **Formula**

New plan elements: transmission, distribution, transportation electrification, demand response

EE Conservation Block Grants



40552 | \$550M

Formula

Competitive

~\$325M local govts ~**\$134M** states ~\$9.5M tribes

~\$9.5M small local govts and tribes

Local Government Energy Program



FY22: \$10M Competitive

Delivery System Improvements

Workforce Training



Competitive 40503 Energy Auditor Training \$40M

40512 Building Training & Assessment Centers \$10M

ANNUAL

40513 Career Skills Training \$10M

40551 Weatherization Training \$125M

50123 Contractor Training Grants \$200M

Financial Leverage



Formula

40502 SEP Energy Efficiency Revolving Loan Fund Capitalization \$250M

40% by SEP formula

60% to top 15 energy consuming or top 15 carbon emitting states per capita

Codes Support (EERE BTO)



Competitive

40511 Cost Effective Codes Implementation for Efficiency and Resilience \$225M

50131 Zero Energy Building Code Adoption \$1B

Building & Infrastructure Upgrades EE, Renewables, Electrification

Weatherization Assistance Program (Low Income)



Formula 40551 | \$3.5B FY 22: \$334M

Home Energy Rebates



Formula 50121 | \$4.5B (whole home) 50122 | \$4.3B (electrification

Additional Competitive Programs



Non-Profits 40542 | \$50M

BIL SERC 2% = \$70M FY 22 SERC = \$6.7M

Energy Futures Grants FY22: \$20M

Public Schools 40541 | \$500M

E&l cap = \$25MFY22 E&I = \$20M Non-profits eligible

FUNDING CAN BE USED TO SUPPORT:

Planning and **Programs**

40108 State Energy Security Plans (SEP) Policy and program technical assistance Retrofit programs sustained beyond BIL Clean energy planning

Financial Leverage Performance contracting Loan loss reserve. Credit enhancements,

Deeper **Retrofits &** Clean Energy

Electric conversion EVs **ENERGY STAR** DER Measure expansion

Investments in Buildings Efficiency

- 40511 Building Codes Implementation for Efficiency and Resilience Program: \$225 Million in competitive funding.
 - Establishes new program for awarding grants to eligible entities to enable sustained cost-effective implementation of updated building energy codes. (under review)
- Energy Efficiency Revolving Loan Fund Capitalization Grant Program:
 \$250 Million in formula funding to states.
 - Provides capitalization grants to States to establish a revolving loan fund under which the State shall provide loans and grants for energy efficiency audits, upgrades, and retrofits to increase energy efficiency and improve the comfort of buildings.
 - Wisconsin's Allocation is \$1,881,930



Program Highlights

- Saves households money on energy.
- ✓ Dedicates a portion of funds for low- and moderate-income households.
- ✓ Improves homes for better comfort.
- Reduces indoor and outdoor air pollution.
- ✓ Reduces reliance on fossil fuels.

IRA Home Energy Rebate Programs

- The Inflation Reduction Act includes \$8.8 Million in home energy rebates for home energy efficiency and electrification projects.
- Formula grants to states and Indian tribes to implement residential single-family and multi-family energy efficiency and electrification.
- DOE estimates that the historic home energy efficiency and electrification consumer rebates authorized will save households up to \$1 billion annually.
- Later in 2023, DOE will make funds available to State Energy Offices and Indian Tribes, as defined by the law.



Investments in Electric Vehicles DOE/DOT Joint Office Manages \$7.5 Billion in BIL funding for deployment of

national network of EV chargers.

Key functions include:

- Deployment of equitable zero-emission transportation infrastructure
- NEVI guidance and state plans
- Technical assistance concierge
- Supporting data and tools
- Funding opportunities
- In September 2022, DOE approved EV Infrastructure Deployment Plans for all 50 states + D.C. and PR (including Wisconsin!)
- •FY2023 NEVI Formula Funding for Wisconsin: \$16,753,057



IRA EV Tax Rebates

- Clean Vehicle Tax Credit: \$7,500 for purchased of new clean vehicle; beginning on point of sale vehicles in 2024.
- Used Clean Vehicle Tax Credit: \$4,000 for purchase of used EVs; effective now
- Commercial Clean Vehicle Tax Credit: \$7,500 \$40,000 for clean, commercial medium/heavy duty vehicles
- EV Charging/Alternative Fuels Tax Credit: up to \$100,000 per item for commercial alternative fuel refueling installations and up to \$1,000 for residential installations.



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EECBG Program Formula Grants Are Now

Eligible state, local, and Tribal governments can now apply for \$430M in funding from the Energy Efficiency and Conservation Block Grant (EECBG) Program!

Eligible entities can use flexible EECBG Program funding for projects and programs that







Cut Carbon Emissions

Improve Energy Efficiency

Reduce Energy Use



States can apply for EECBG Program formula funding through July 2023.

Local governments and Tribes can apply through January 2024.



EECBG Program Eligibility & Funding Distribution

Total Appropriation: \$550M

98% of grant funds

Formula Grants: \$431.2M 2,708 eligible entities

68% of grant funds

1,878 Local Govts. \$299.2M

28% of grant funds

56 States & Territories \$123.2M

States must pass through 60% to <u>ineligible</u> local governments

2% of grant funds

774 Indian Tribes \$8.8M

Competitive Grants: \$8.8M Formula ineligible entities

2% of grant funds

Local and Tribal Governments & Teams for formula eligible grants

(due to population size)

*Distribution does not reflect \$110M set aside for DOE to deliver an effective and efficient program and to provide technical assistance to eligible entities before distributing remaining funds to eligible entities.



EECBG Program: Who is Eligible?

Formula Grants

Tribes:

 Indian Tribes, per section 4 of the Indian Self-Determination and Education Assistance Act

Local Governments:

- Cities >35,000 people OR in the top 10 highest populated cities in the state
- Counties >200,000 people or in the top 10 highest populated counties in the state

States & Territories:

• 50 States, DC, Puerto Rico, American Samoa, Guam, U.S Virgin Islands, and Northern Marian Islands

Competitive Grants

Tribes:

State-recognized Indian tribes

Local Governments:

- Cities NOT eligible for formula grants
- Counties NOT eligible for formula grants

States & Territories: Not eligible

+Teams of the local and Tribal governments

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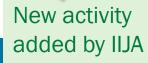


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Flexible Funding Allows Govts. to Choose From Diverse Activities

- ✓ Eligible activities range from strategy development to clean energy deployment
- ✓ Funds can be used community-wide; not just for government buildings and facilities
- ✓ Governments can fund clean energy *projects* or launch clean energy *programs*
 - 1. Strategy Development
 - 2. Technical Consultant Services
 - 3. Building Energy Audits
 - 4. Financial Incentive Programs
 - 5. Energy Efficiency Retrofits
 - 6. Energy Efficiency and Conservation Programs for Buildings and Facilities
 - 7. Development and Implementation of Transportation Programs
 - 8. Building Codes and Inspections

- 9. Energy Distribution Tech. for Energy Efficiency
- 10. Material Conservation Programs
- 11. Reduction and Capture of Methane and Greenhouse Gases
- 12. Traffic Signals and Street Lighting
- 13. Renewable Energy Technologies on Government Buildings
- 14. Programs for Financing, Purchasing, and Installing Energy Efficiency, Renewable Energy, and Zero-Emission Transportation (and associated infrastructure) Measures





Tribes Can Choose Between Formula Grants and Vouchers



Tribal governments submit an EECBG Program
Formula Application and receive their funds as a
grant to utilize on an eligible activity of their choice



In lieu of a grant, Tribal governments can opt-in to a voucher, which covers either:

- 1. A suite of technical assistance services AND/OR
- 2. Equipment purchase and installation rebates

This could be particularly beneficial for entities with limited staff resources or small award amounts, as there is a lighter administrative / reporting burden



Tribal Communities Funding Opportunities

Office of Indian Energy - funding to support clean energy technology deployment on Tribal lands.

- DOE Announces \$50 Million for Tribal Clean Energy Projects | Department of Energy
- Applications are due May 16

40101(d) resilience formula grant

- \$5,110,901 Wisconsin Allocation. <u>Allocations</u> for states, territories, and Tribes
- Link to all program information Section 40101(d) Formula Grants to States & Indian Tribes | netl.doe.gov
- Grant applications are due March 31, 2023.

Home Energy Rebate Consultation

Office of State & Community Energy Programs invitation to participate in a consultation on the Inflation Reduction Act section 50102, High Efficiency Home Rebate Program, on March 29, 2023 at 2:00pm eastern standard time

- Invitation and framing paper are in the attached email.

<u>Tribal Energy Loan Guarantee Program</u>

- Tribal Energy Loan Guarantee Program | Department of Energy
- DOE's tribal energy financing is available to eligible Indian Tribes that are able to demonstrate being eligible for the special programs and services provided by the United States to Indians because of their status as Indians. In addition, a Tribal Energy Development Organization that is wholly or substantially owned by a federally recognized tribe is eligible.



IAC Program Expansion

IAC Program Expansion - \$150M over FY '22-'26

5 Regional Centers of Excellence @ Existing IHE IACs	New IAC Clearinghouse of training & education, resources, grants, and technical assistance offerings	Federal 50% cost share for apprenticeship & internship programs
Expand IACs to Community Colleges, Trade Schools, Union Training Programs	Increased coordination with USG, State, Tribal, and local entities, energy service providers and private sector	

IAC Implementation Grants - \$400M over FY'22-'26

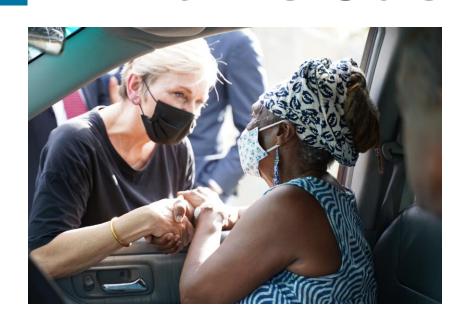
Grants of \leq \$300K each to small and medium-sized manufacturers (SMMs) to implement recommendations made in IAC assessments, CHP TAPs, or assessments deemed equivalent by the Secretary. Priority for projects based on IAC assessments, and for projects with greater potential for (i) energy efficiency gains or (ii) greenhouse gas emissions reductions.



Investments in Environmental Justice/Clean Energy Transition



What is Justice40?



40% of the overall benefits of certain Federal investments—including investments in clean energy and energy efficiency; clean transit; affordable and sustainable housing; training and workforce development; the remediation and reduction of legacy pollution; and the development of clean water infrastructure—must flow to disadvantaged communities. Those that have been traditionally underinvested.

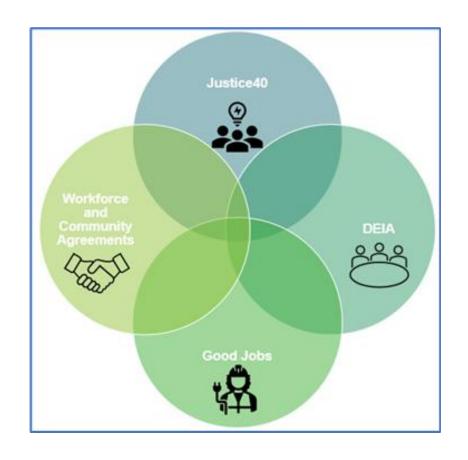
DOE Justice 40 Priorities

- 1.Decrease energy burden in disadvantaged communities (DACs).
- 2.Decrease environmental exposure and burdens for DACs.
- 3.Increase parity in clean energy technology (e.g., solar, storage) access and adoption in DACs.
- 4.Increase access to low-cost capital in DACs.
- 5.Increase clean energy enterprise creation (MBE/DBE) in DACs.
- Increase the clean energy job pipeline and job training for individuals from DACs.
- 7.Increase energy resiliency in DACs.
- 8.Increase energy democracy in DACs.



Community Benefits Plans

- All projects funded will require a Community Benefits Plan (CBP).
- CBPs are based on a set of four core policy priorities:
- Investing in America's workforce;
- Engaging communities and labor;
- Advancing diversity, equity, inclusion, and accessibility;
- Implementing Justice 40.
- CBPs will be part of the contractual obligation of the funding recipients and will be publicly posted on DOE's website to support accountability.





How Communities in Transition Thrive

Built-in infrastructure and components can be repurposed for new industry:

- Transportation: access to roads, rail, ports and waterways
- Transmission: Pre-existing direct grid connection at the power plant
- Water: existing access and water rights
- Permits

Options for Evolution:

- Nuclear (SMRs and Microreactors)
- Hydrogen
- Battery Energy Storage System (BESS)
- Solar and Wind
- Thermal Energy Storage (TES)
- Carbon storage
- And more...



ENGIE North America and Holyoke Gas & Electric: The largest energy storage system (with solar) in Massachusetts, located at the site of the old Mt. Tom power plant.



ERA authorized by Bipartisan Infrastructure Law

ENERGY IMPROVEMENTS IN RURAL OR REMOTE AREAS (ERA)

\$1,000,000,000 for fiscal years 2022 through 2026

Purpose:

Provide financial assistance to improve, in rural or remote areas of the United States, the resilience, safety, reliability, and availability of energy and environmental protection from adverse impacts of energy generation.



Eligible uses of funds:

- A. Overall cost-effectiveness of energy generation, transmission, or distribution systems;
- B. Siting or upgrading transmission and distribution lines;
- C. Reducing greenhouse gas emissions from energy generation by rural or remote areas;
- D. Providing or modernizing electric generation facilities;
- E. Developing microgrids; and
- F. Increasing energy efficiency.



ERA released \$300M FOA with two topic areas

Released: March 1st 2023 Concept papers due: April 14th 2023 Applications due: June 28th 2023

Community-Scale Demonstrations

- Projects that advance resilience and provide other benefits to one or more rural or remote communities
- \$5-10M Federal Share
- Expect to award 4 to 8 projects

Large-Scale Demonstrations

- Area of interest 1:
 Similar project type implemented at multiple locations (i.e., aggregation)
- Area of interest 2:
 Single-site project that enable replication of a solution and/or benefit multiple rural or remote communities
- \$10-100M Federal Share
- Expect to award 3 to 20 projects

OCED is planning to announce a simplified approach, distinct from this FOA, for those applicants with qualifying projects seeking less than \$5 million in federal funding



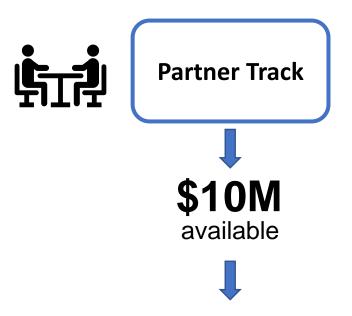
ERA released Energizing Rural Communities Prize

- \$15M Energizing Rural Communities Prize challenges individuals and organizations to develop partnership plans or innovative financing strategies to help rural or remote communities improve their energy systems and advance clean energy demonstration projects.
- Eligible recipients:
 - Industry professionals
 - Tribal and local governments
 - Entrepreneurs
 - Community organizations
 - Financial institutions
 - University faculty and student groups
 - Others

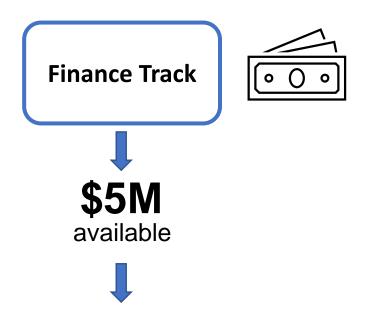




ERA Energizing Rural Communities Prize has two tracks



Connect rural or remote communities to government funding, technical assistance, or a network of partners that can help implement clean energy demonstration projects.



Innovative mechanisms to access capital or develop community ownership models to help finance clean energy demonstration projects in rural or remote areas.



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CEML Provision Overview

This program will demonstrate the **technical and economic viability** of carrying out clean energy projects on **current and former mine land**.

- \$500M, available through 2026
- Up to five (5) clean energy projects, with at least two (2) projects being solar
- Emphasis on economic development and environmental justice, lasting beyond chosen projects
- Projects must be geographically diverse



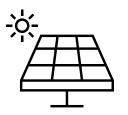


ergy.gov

CEML Definitions

"Clean Energy Project" has one or more of these technologies:

- A. Solar
- B. Micro-grids
- C. Geothermal
- D. Direct air capture
- E. Fossil-fueled electricity with CCUS
- F. Energy storage, including pumpedstorage hydropower and compressed air
- G. Advanced nuclear







"Mine Land" is defined as:

- Land subject to SMCRA or Mining Law of 1872
 - Active, inactive, and abandoned mine land
 - Coal on Public and Private land
 - Hard Rock on Public and Private (if tied to Mining law of 1872) land



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Energy Infrastructure Reinvestment A new Inflation Reduction Act (IRA) program that leverages existing energy infrastructure

Eligibility

EIR guarantees loans to energy infrastructure reinvestment projects that:

1. Retool, repower, repurpose, or replace energy infrastructure that has ceased operations *

or

Enable operating energy infrastructure to avoid, reduce, utilize, or sequester air pollutants or anthropogenic emissions of greenhouse gases.

Environmental remediation costs can be eligible for EIR financing as part of a large reinvestment project.

* NOTE: IRAappropriates \$5 billion through Sep 30, 2026 to carry out EIR, with a total cap on loans of up to \$250 billion.



No innovation requirement

^{*} Projects replacing energy infrastructure with fossil electricity generation require controls or technologies to avoid, reduce, utilize, or sequester air pollutants and anthropogenic emissions of greenhouse gases.

Energy Infrastructure Reinvestment

1706 EIR financing can support an equitable energy transition

Customer and community benefits

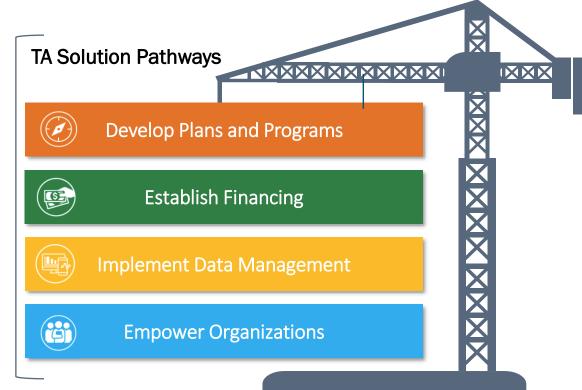
- **Community benefits:** EIR applicants must demonstrate how they will engage with and how their project will benefit communities where the investment is taking place.
- **Financial benefits.** Electric utilities that apply for an EIR loan guarantee must provide assurances that financial benefits received from the guarantee will be passed on to the customers of, or associated communities served by, that utility.
- Stackable tax credits. LPO's loan guarantees can be combined with tax credits available
 for renewables, storage, offshore wind, and nuclear. Repurposing fossil infrastructure with
 cleaner generation enables a 10% bump to the tax credit for location in an energy
 community.



Technical Assistance & Partnerships (TAP)







across P&TA-led Initiatives; current active unique partners = 138 (as of 8/2022) Cumulative Outcomes Since 2011



\$1.3B cost savings





energy.gov

Districts

Current Major Initiatives

Better Buildings Challenge & Better Climate Challenge (public sector) • Energy Savings Performance Contracting (ESPC) Campaign (forthcoming) • Sustainable Corrections Infrastructure Partnership (SCIP) Accelerator• Sustainable Wastewater of the Future (SWIFt) Initiative

Key Tools



Low-Income Energy Affordability Data (LEAD) Tool



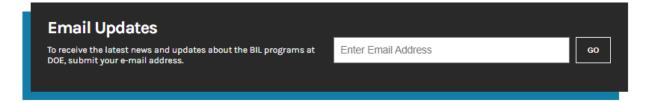
State and Local Planning for Energy (SLOPE) Platform

Outreach & Resources

State and Local Spotlight: Weekly newsletter with open opportunities
State and Local Solution Center: Over 400 tools, resources, and best practices

Additional Resources

Visit **energy.gov/bil** for announcements and sign up for Bipartisan Infrastructure Law email updates.



OCED Exchange (RFIs, NOIs, and FOAs)
https://oced-exchange.energy.gov/Default.aspx

Find **funding opportunities** and access detailed **program information**.



DOE Bipartisan Infrastructure Law Program & Funding Opportunity Announcements

BIL PROVISION NAME	TYPE OF ANNOUNCEMENT	STATUS	ANNOUNCEMENT DATE	RESPONSE DUE DATE
Energy Storage Demonstration and Pilot Grants; and Long-Duration Energy Storage Demonstration Initiative and Joint Program	Request for Information	Open	5/12/2022	6/16/2022
Transmission Facilitation Program	Request for Information and Notice of Intent	Open	5/10/2022	TBD: 30 Days after publication date in the Federal Register
Battery Material Processing Grants; and Battery Manufacturing and Recycling Grants	Funding Opportunity Announcement	Open	5/2/2022	Letter of Intent Deadline: 5/27/2022 and Full Application Submission Deadline 7/1/2022
Electric Drive Vehicle Battery Recycling and Second-Life Applications Program	Funding Opportunity Announcement	Open	5/2/2022	Concept Paper Submission Deadline: 5/31/2022 and Full Application Submission Deadline 7/19/2022

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Let's partner!

Rose Dady (Midwest Regional Specialist): Rose.Dady@hq.doe.gov

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