



Introduction to the Office of State and Community Energy Programs

U.S. Department of Energy

Dr. Henry McKoy, Director

"Implementing the Inflation Reduction Act and Infrastructure Investment and Jobs Act" Briefing Series Environmental and Energy Study Institute Rayburn House Office Building, Washington DC March 9, 2023



The Office of State and Community Energy Programs (SCEP) is part of a concerted effort at the U.S. Department of Energy to expand the capabilities of states, local, and tribal communities to bring to life high-impact, self sustaining clean energy transformations.

About the Office of the Under Secretary for Infrastructure

- New office created February 2022
- Received approximately 90% of the BIL/IIJA and IRA funding
- Responsible for coordinating all DOE infrastructure implementation activities
- The Office of State and Community Energy
 Programs (SCEP) is part of this organization



Mission

Catalyzing the nation's equitable transition to a clean, secure, affordable, and resilient energy system



Lowering energy bills for households and businesses



Creating good jobs and boosting energy supply chains and domestic manufacturing



Advancing world-class, next-generation clean energy technology demonstrations



Making the energy system more secure, reliable, and resilient

The Office of the Under Secretary for Infrastructure

Power Marketing Administrations

S3: Under Secretary for Infrastructure

Grid Deployment Office (GDO)

- · Transmission and distribution grid programs
- Grid resilience formula grants
- Hydro-electric upgrades
- · Civilian nuclear credit

Manufacturing and **Energy Supply** Chains (MESC)

- Battery manufacturing & recycling
- Critical minerals processing
- DPA manufacturing
- Industrial sector decarbonization
- Industrial Assessment Centers
- Clean energy manufacturing in energy communities

State and Community **Energy Programs** (SCEP)

- Weatherization **Assistance Program**
- State Energy Program
- Energy Efficiency & Conservation Block **Grant Program**
- Whole home and electrification rebates
- Building energy code updates
- Workforce training programs
- Clean energy for schools & nonprofits

Office of Clean Energy Demonstrations (OCED)

- Regional clean hydrogen hubs
- Long-duration energy storage demonstrations
- Carbon management (capture, transport, geological storage)
- Direct-air capture
- Mine lands clean energy demonstration
- Rural/remote energy improvement
- Industrial decarbonization demonstrations
- Advanced nuclear reactor demonstrations

Loan Programs Office (LPO)

- Tribal energy loans/guarantees (\$20 billion)
- 1706 Energy Community Infrastructure Reinvestment
- Large-scale clean energy & manufacturing projects
- infrastructure loans

Cybersecurity, **Energy Security, Emergency** Response (CESER)

- Cybersecurity rural/municipal utility grants
- Base energy security & emergency response programs

Indian Energy Policies and Programs (IE)

Implementation

grants

- Federal Energy Management Program (FEMP)
- Federal building & Technical assistance fleet decarbonization

CO2 transportation

U. S. DEPARTMENT OF ENERGY OFFICE OF STATE AND COMMUNITY ENERGY PROGRAMS SCEP's Mission and Strategic Priorities are carried out through a place-based approach.

SCEP's Strategic Priorities

Whole Greater Than Sum of its Parts

SCEP extends the capacity and capabilities of states, tribes, local governments, schools, and community-serving organizations to implement high-impact, self-sustaining clean energy projects that center the needs of low-income and disadvantaged communities.

SCEP does this through the management and oversight of \$16 billion in formula grants, competitive grant awards, consumer rebate grants, and technical assistance.



Prioritize
Justice40
Initiative



Deploy clean energy technologies



Catalyze local economic development



Create jobs and increase hiring



Avoid pollution through place-based strategies



Reduce energy costs

Intentional Foresight

- Whole community approach Energy programs are an asset to our country and critical to a clean, sustainable, and equitable energy future.
- **Connecting cross-sector collaboration** Encouraging partnership and cooperatives in deployment.
- Thoughtful approach to engaging communities Meeting communities where they are,
 using creative funding mechanisms like prizes and vouchers.
- Reducing administrative burden of applying Working to simplify application process, providing blueprints for communities.
- Building blocks for success Communicating early and often, addressing demand, providing technical assistance, sharing success stories, connecting sectors, showcasing best practices.

What are key SCEP programs from IIJA and IRA?

- Weatherization Assistance Program
- State Energy Program
- Home Energy Rebates Program
- Energy Efficiency and Conservation Block Grant
- Energy Efficiency Revolving Loan Fund Capitalization
 Grant Program
- Building Training and Assessment Centers
- Career Skills Training
- Grants for Energy Efficiency at Public Schools
- Energy Efficiency Materials Pilot Program

BIL Provisions (Approx. \$6 Billion)





Inflation Reduction Act Provisions (\$10 billion)





\$4.3B

Home Efficiency Rebates

To award grants to <u>State Energy Offices</u> to develop and implement a "HOMES" rebate program that provides rebates to homeowners and aggregators for certain whole-house energy-saving retrofits made for LMI households.



\$200M

Training for Residential Energy Contractors (TREC)

To award grants to States under the State Energy Program to train and educate contractors involved in the installation of home energy efficiency and electrification improvements.



Home Electrification and Appliance Rebate (HEAR)

To award grants to State Energy Offices and Indian tribes for qualified electrification project rebates in low- or moderateincome households.

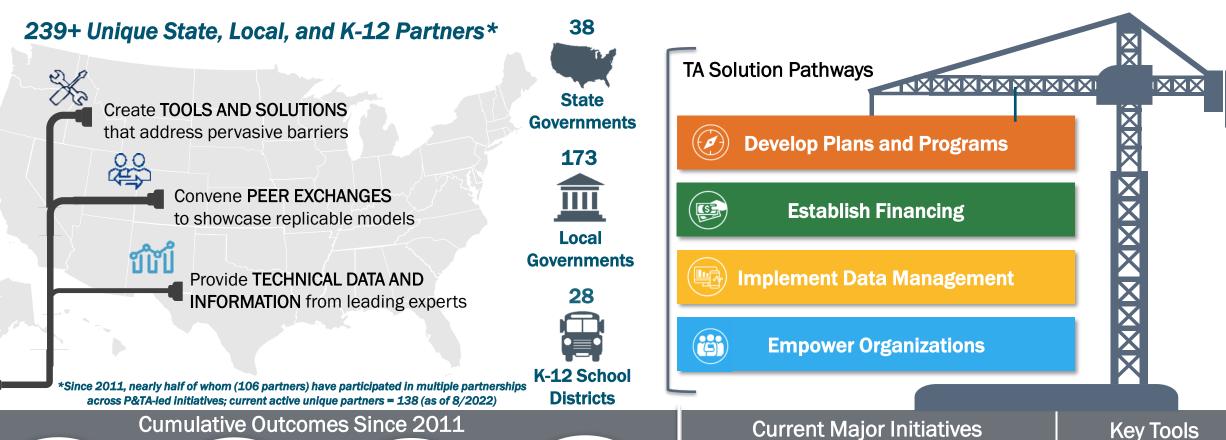


\$1B

Adoption Assistance for Building Energy Codes and Appliance Standards

To award grants to states & local governments to adopt the latest building codes or the zero energy provisions or other stretch codes for residential and commercial buildings and implement a plan to achieve full compliance with these code(s).

Technical Assistance & Partnerships (TAP)



賽 **39B kWh** in savings







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

LEAD

Low-Income Energy **Affordability Data** (LEAD) Tool



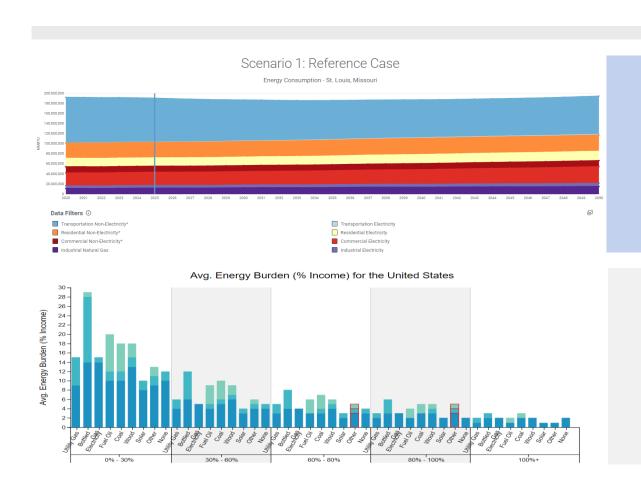
State and Local Planning for Energy (SLOPE) Platform

Outreach & Resources

State and Local Spotlight: Monthly newsletter to 33,000+ subscribers State and Local Solution Center: Over 400 tools, resources, and best practices

Spotlight on Popular Tools

Two Powerful Tools to Support State and Local Governments' Planning Needs



State and Local Planning for Energy (**SLOPE**) **Platform**

SLOPE integrates over 50 leading data sources to enable users to explore untapped energy savings opportunities and identify the most cost-effective strategies to meet their clean energy and climate goals.

Low-Income Energy Affordability Data (LEAD) Tool

A web-based interactive tool that enables stakeholders to visualize energy burden and housing characteristics across the U.S. Provides customizable data, maps, and charts available at the national, state, city, and census tract level for all 50 states plus Puerto Rico and Washington, D.C.

Funding Mechanisms Launched to Date





Weatherization Assistance Program Issued Administrative and Legal Requirements Document (ALRD) for **\$3.16 billion** formula 3/30/22

Energy Efficiency and Conservation Block Grant (EECBG) Program

Released **\$431.2 million** formula grant ALRD: 1/18/23 Competitive RFI released 12/14/22 Energy Efficient Materials Pilot Program, Nonprofits

Request for Information (RFI) 11/8/22

State Energy Program Issued ALRD for **\$425** million formula grant, 08/22/22

Issued ALRD to enable states to provide up to \$200,000 toward State Energy Security Plans (SESP) 3/28/22

Home Efficiency and Electrification Rebates RFI currently out for comment, closes 3/3/23 Tribal consultation process in progress

Renew America's Schools Grant

RFI 4/4/22 NOI 10/26/22 FOA 11/29/22

Energy Efficiency Revolving Loan Fund Capitalization Grant Program

Issued ALRD for **\$242 million** 11/15/22

Workforce Development Programs

RFI closed 1/26/23 and received 75 responses

Communities Local Energy Action Program (LEAP)

24 inaugural communities selected to participate in LEAP pilot

What are the benefits of IIJA and IRA programs to communities?

- Historic investment in clean energy infrastructure in communities and eligible residential homes.
- Precipitate the creation of jobs and workforce development programs to bring more workers into the labor force.
- Holistic approach to community investment focused on mutually respected relationships, not transactional.
- Helping to create more wealth in historically disadvantaged communities.
- Creating a system that outlasts our time here.

Home Energy Rebate Provisions



Home Energy Rebates
SEC. 50121 & 50122

Amount: \$8.8 billion

Through: September 30, 2031

Recipient: State Energy Offices and tribes

Goal: Develop, implement, and subsidize residential energy efficiency and electrification projects in U.S. households.

Funding available to:

- Provide rebates to households, contractors, and others.
- Determine eligibility of households for rebates based on income.
- Work with trusted contractors and retailers to streamline rebate processing for households.
- Verify quality installation and document home upgrades.
- Help households bundle funds and financing to further reduce upfront costs.
- Note: Funding guidance and admin funds coming soon.



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Energy Efficiency & Conservation Block Grant (EECBG) Program

\$550M

To states, local governments, and tribes.

Formula and competitive grant program for state, local, and tribal governments to implement strategies to reduce fossil fuel emissions, reduce total energy use, and improve energy efficiency

Grant Eligibility

Formula Grants (\$431.2M)

- 50 states, 5 territories, and the District of Columbia.
- 2,708 local governments & 774 Indian tribes.

Competitive Grants (\$8.8M)

 All other local governments & state-recognized tribes, will open in winter/spring of 2023

Key Grant Requirements

- States must subgrant at least 60% of their funds to ineligible local governments in their state.
- All applicants must submit an Energy Efficiency and Conservation Strategy (EECS).
- Local governments and tribes can opt into **vouchers** for technical assistance and/or equipment rebates.

Eligible Activity Areas

- Flexible funding allows govts. to choose from diverse activities. Ex: Building audits & retrofits, EVs & EV infrastructure, community solar campaigns, renewable energy on government buildings, workforce development.
- Local governments and tribes may apply in teams

Technical Assistance

 Assistance to grantees includes strategy development, Field Fellows, topic-based TA oriented around Blueprints (evidence-based strategies)

Application Deadlines

- Pre-Award Information Sheet due April 28, 2023
- State applications due July 31, 2023
- Local and tribal government applications due Jan. 31, 2024

Schools & Nonprofits Program

Renew America's Schools Grant

- New competitive grant program for energy improvements at public school facilities
- \$500 million (\$100 million per FY 2022-26), until expended
- Individual awards may vary between \$500,000 and \$15 million

Energy Efficiency Materials Pilot (Nonprofits)

- New competitive grant program for energy improvements at 501 (c)(3) for use in a building they own and operate
- \$50 million, in FY 2022, available until expended
- Each grant not to exceed \$200,000

	Schools Program	Nonprofits Program
Current Funding Opportunities	Schools FOA-0002756 currently open. Concept Papers were due 1/26/23, we received unprecedented demand (more details next slide). Full applications are due 4/21/23.	Currently in program design. Anticipated FOA to release in May 2023.
Future Announcements	First round of FOA awardees to be announced late June 2023.	NOI to be published in April 2023.
Point of Contact	Sarah Zaleski - Sarah.Zaleski@hq.doe.gov	
Staffing Plans	Currently have four FTEs and two fellows. Working to hire two additional FTEs and one Fellow.	
Additional Information	Energy CLASS Prize applications are due 2/28/23.	

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How is SCEP putting communities first and fulfilling the intent of Justice 40 Initiative?

President Biden's Justice40 Initiative plans to deliver 40% of the overall benefits of climate investments to disadvantaged communities and inform equitable research, development, and deployment within the DOE.

SCEP strives to advance this initiative through intentional practices to ensure states and local communities plan for and measure investments in disadvantaged communities.

SCEP Strives to Advance DOE's Justice 40 Policy Priorities

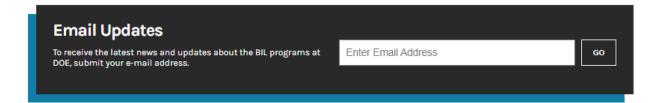
In disadvantaged communities (DACs), we support programs that:

- Decrease energy burden
- Decrease environmental exposure and burdens
- Increase parity in clean energy technology access and adoption
- Increase access to low-cost capital
- Increase clean energy enterprise creation (Minority/Disadvantaged Business Enterprise)
- Increase clean energy job pipeline and job training for individuals
- Increase energy resiliency
- Increase energy democracy.

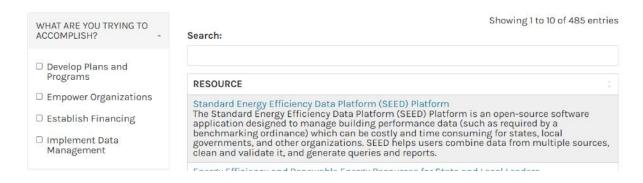
What's the best way to track IRA and IIJA implementation?

Stay Connected

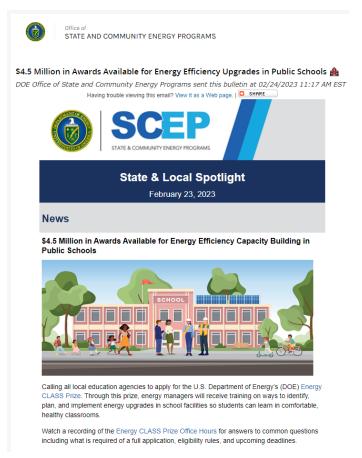
Visit **energy.gov/bil** for announcements and sign up for Bipartisan Infrastructure Law email updates.



Visit energy.gov/scep/slsc/all-state-local-solution-center-resources for state and local TA resources from SCEP, as well as the Spotlight newsletter.



Sign up to receive SCEP's monthly **State and Local Spotlight newsletter** for detailed information.



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Thank you!



