



July 18, 2023

MTERA Board Meeting

# **EPA Greenhouse Gas Reduction Fund: An Overview**

Quarles

# Agenda

1. Summary of Programs
2. Solar for All
3. Clean Community Investment Accelerator
4. Next Steps

# Summary of GGRF

- Funded at \$27 billion, the GGRF provides funding for states, tribes, municipalities, and other eligible entities to (1) finance, (2) provide technical assistance, and (3) build capacity to deploy low- or zero-emission technologies that will reduce greenhouse gas, carbon, and other pollutant emissions. GGRF funding is segregated into three programs:
  1. \$7 billion in competitive grants to states, tribes, municipalities, and other eligible entities to provide financial and technical assistance for zero-emission technologies, including roof-top solar, in low-income or disadvantaged communities.
  2. \$12 billion to be made available to eligible entities to leverage private investment through loan or equity investments in greenhouse gas reduction technologies.
  3. \$8 billion in competitive grants to eligible entities for low-income, disadvantaged communities.
- "eligible entities" are defined as non-profit entities that: (a) provide capital or leverage private capital to deploy low- or zero-emission technologies and projects; (b) are not depository institutions; (c) are funded by public or charitable dollars; and (d) can invest in projects alone or with other investors – i.e., Native CDFIs.
- Funding can be used for two types of "investment" – direct and indirect. Direct investments are financial support made directly to a greenhouse gas reduction technology project. An indirect investment is financial or technical assistance made to other entities that will invest in such projects.

# Solar for All – Tribes, Intertribal Consortium, Eligible Entities

The Solar for All competition will provide \$7 billion for up to 60 grants to States, Tribes, municipalities, and nonprofit organizations to expand the number of low-income and disadvantaged communities that are primed for residential and community solar investment – enabling millions of families to access affordable, resilient, and clean solar energy. Some key features:

- Tribes, inter-tribal consortium, and other eligible entities are eligible to apply for the competition. These entities can also serve as the lead for a coalition of entities (including governmental entities, non-profits, and higher education institutions).
  - Tribes means federally recognized tribes;
  - intertribal consortium means a group of tribes that have agreed to join the consortium (does not have to be a formal organization);
  - eligible entities must have "tribal leadership"
- Coalition must have a lead applicant that meets the above eligibility to apply. Coalition partners do not need to meet the eligibility definition but must be eligible "subrecipients." Cannot be consultants or for-profit entities.
- Three types of award options: State and Territory Programs, Tribal Programs, and Multi-state programs. EPA will award up to 5 grants for programs that will serve American Indian or Alaska Native communities. Tribes are eligible to apply for all three options.

# Solar for All – Projects and Funding Uses

- Grant awards - \$25 million minimum, \$400 million maximum – will generally be based on total number of households covered by program.
- Funding can be used for:
  - Financial assistance - subgrants, rebates, incentives, subsidies, or loans (at least 65% of grant).
  - Project deployment technical assistance – workforce training, customer outreach/education, project deployment assistance (siting, permitting, interconnection support), utility coordination
  - Project Admin – admin, reporting, auditing, compliance, program design
- Eligible projects are limited to residential rooftop solar or community solar that benefits low-income residents. Funds can also be used for other enhancements related to solar projects, such as roof structure improvements, wiring and electrical box upgrades, and energy efficiency projects.
- Projects must provide meaningful benefits to low-income/disadvantaged/tribal residents
- Must deploy the funding, expend all the funds within five years starting in July 2024.

# Solar For All – Application Information

- Program Narrative
  - Impact assessment – market environment, outputs and outcome targets
  - Meaningful benefits plan – cost savings, resiliency, ownership models, jobs
  - Market strategy – barriers and efforts to overcome
  - Financial assistance strategy – types of projects and financial support
  - Technical assistance strategy – types of projects and technical support
  - Access and involvement plan – community engagement
  - Program planning timeline and work plan
- Admin Narrative
- Programmatic capability and past performance
- Attachments

# Clean Communities Investment Accelerator

\$6 billion to “fund between two and seven “hub” nonprofit organizations who possess the plans and capabilities to rapidly build the clean energy financing capacity of specific networks of public, quasi-public, and non-profit community lenders – including Native and non-Native CDFIs), credit unions, green banks, housing finance agencies, and minority depository institutions – to ensure that households, small businesses, schools, and community institutions in low-income and disadvantaged communities have access to financing for cost-saving and pollution-reducing clean technology projects.” Some key features :

- Eligible applicants are Eligible Entities or coalitions. If the applicant is a coalition, the lead entity must be an Eligible Entity.
- The Applicant must submit a program plan, description of capabilities, technical assistance plan, capitalization plans, investment plans, community engagement, labor engagement. EPA will purportedly evaluate applicants on their plans to invest in financial institutions serving Tribal Nations.
- Grantees can provide capitalization funding up to \$10 million and technical assistance up to \$625,000 to community lenders. Funding must be expended within 6 years starting in July 2024.
- Community lenders are defined as public (which includes Tribes), quasi-public, not-for-profit, or non-profit lenders, which include Native CDFIs and credit unions.
- Community lenders will support deployment of eligible projects (listed below) by providing financial assistance to projects. Financial assistance is defined as “loans, equity investments, loan guarantees, credit enhancements, forgivable and partially forgivable loans, lines of credit, purchase of loans, and debt with equity features.”

# CCIA Priority Project Categories

- Distributed energy generation and storage projects, such as:
  - Rooftop or community solar
  - Microgrids
  - Distributed wind
  - Stand-alone storage
- Net Zero Emissions Buildings
  - Electrification/energy efficiency
  - School building space and water heating
  - Replacement of back-up diesel generators with storage
  - Community facility retrofits
- Zero Emission Transportation
  - Fleet electrification
  - EV charging stations
  - Clean mobility



# Next Steps

- Solar For All
  - Notice of Intent for Tribal Programs – August 28, 2023
    - Applicant Name
    - Applicant Eligibility
    - Number and Type of Applications (Award Option, Program Location, Estimated Funding Request)
  - Full Application – September 26, 2023
- CCIA
  - Full Application – October 12, 2023

**Thank you**