September 18, 2023

Attorney Work Product

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| To: | Tribal Energy Clients |
| From: | Pilar M. Thomas |
| Re: | Status Update on Federal Energy Programs |
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This client alert provides up to date information about various federal energy, infrastructure, and other programs that may be relevant to your energy development projects and opportunities. The information includes: upcoming agency consultations or requests for comments, current funding opportunities, and a summary and status of Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA) implementation for energy programs. Should you have any questions about any specific program, please feel free to contact me.

**Recent Government Actions, Consultation and Request for Comments**

As we indicated in our separate client alert, DOE and DOI both announced their respective tribal home electrification programs.

* The DOI program will award up to $72 million for home electrification projects, including providing electricity to unelectrified homes or converting homes to electric energy using zero-emission technologies. Tribes must submit a pre-application by Sept. 18, and if selected, then a full application by Dec. 22.
* DOE announced its proposed allocation formula for the $225 million tribal home electrification program. DOE proposes to use the Indian Housing Block Grant formula to determine allocation amounts, with a minimum $150,000 allocation per tribe. Every tribe has received an allocation, which can be found here: <https://www.energy.gov/sites/default/files/2023-08/DOE-Intended-Allocations-for-the-Tribal-Electrification-and-Appliance-Rebates-Program-8.16.2023.pdf>.

DOE announced up to $300 million in grants for states, tribes and local governments for transmission siting and permitting processes ($100 million) and to support economic development projects ($200 million). Concept papers are due October 31, 2023 and full applications will be due April 5, 2024. More information about the funding opportunity is here: <https://www.energy.gov/gdo/transmission-siting-and-economic-development-grants-program>.

On July 26, the Bureau of Indian Affairs (BIA) [announced tribal listening sessions](https://www.bia.gov/sites/default/files/media_document/ia00013459_signed_7-26-2023.pdf) in August and September related to their Renewable Energy Accelerated Deployment Initiative (READI). The listening sessions are intended to gather information from tribal leaders, and staff, about renewable energy resource needs and priorities. More information about the READI program can be found here: <https://www.bia.gov/readi>

EPA announced updates to its $7 billion Solar for All funding opportunity. A component of the Greenhouse Gas Reduction Fund, authorized under the IRA, the Solar for All funding will provide financial assistance and technical assistance to low-income and disadvantaged communities to deploy residential rooftop solar, community solar, energy storage and other residential building enhancements to support solar projects. EPA will award up to 5 grants to tribes, intertribal consortia, or other eligible entities that work with tribal communities. EPA is strongly encouraging consortium and coalition applications. The minimum grant is $25 million and the maximum is $400 million, and will be based on the population to be served. **Tribes and Intertribal Consortia full applications are now due October 12**. EPA also published a list of tribes and intertribal organizations that filed a Notice of Intent, which can be found here: <https://www.epa.gov/greenhouse-gas-reduction-fund/solar-all-notices-intent-tribal-governments>. More information about the program can be found here: <https://www.epa.gov/greenhouse-gas-reduction-fund/solar-all>

Treasury issued its proposed rule for the IRA tax credits that depend on meeting prevailing market wage and apprenticeship requirements. Treasury will be conducting tribal consultation on Monday, September 25, 2023, 1pm-4pm EDT. Treasury is accepting written or electronic comments received by October 27, 2023, 11:59 p.m. Alaska Time. Submit written comments at tribal.consult@treasury.gov. The Dear Tribal Leader Letter is here: <https://home.treasury.gov/system/files/136/PWA-Dear-Tribal-Leader-letter-8_29_23.pdf>. And, you can register for the consultation session here: <https://ustreasury.zoomgov.com/meeting/register/vJItduqvrzMuGA2yfa3vE37Qu750Y0jHLaA#/registration.>

**Current Funding Opportunities**

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| **Agency / Amount** | **Program & Description** | **Key Dates** | **Project Type** |
| DOI Tribal Home Electrification | Grant funds will be awarded through 638 contracts to: (i) provide electricity to homes lacking electricity; (ii)transition to zero-emissions energy systems; and/or (iii) complete home repairs and retrofitting necessaryto install and prepare for zero-emissions energy systems. | Pre-application due Sept. 18If selected, full application due Dec. 22 | Residential electrification, energy efficiency, rooftop solar and storage |
| USDA REAP | $1 billion available for loan and grant program for renewable energy and energy efficiency projects for agricultural and rural enterprises; grant program for energy efficiency audits and development supportTribal utilities and enterprises are eligible if meet SBA size standards50% cost match required for grant75% loan guarantee75% of project costs if both grant and loan | Applications due quarterly, starting June 30 | Rooftop solar; distributed wind; energy storageEnterprise buildings; maybe housing |
| USDA RUS PACE | $1 billion RUS loan program for renewable energy projects, including wind, solar, hydropower, geothermal, biomass, renewable energy storage projects.Loans are partially forgivableTribes are eligible to apply, and may qualify for up to 60% loan forgiveness. Up to $300 million is committed to tribal loans.$1 million minimum loan amount; $100 million maximum loan amount | Letter of Intent must be filed between July 15 and Sept. 29 | Rooftop/facility, community and commercial scaleAll buildings (housing, government, enterprise) |
| HUD ONAP ICDBG | Competitive grant program that supports community development efforts in tribal communities. Supports various types of projects, including rehabilitation (energy efficiency/electrification), climate change resiliency and carbon reduction efforts | Applications now due Oct 5 | Residential energy efficiency, carbon reduction |
| EPA Greenhouse Gas Reduction Fund | $7 billion available to states, tribes, municipalities or eligible entities for Solar for All program. Up to 5 awards for tribes, inter-tribal consortium, eligible entities or tribal coalitions for residential rooftop, community solar, storage projects only in tribal communities.Minimum $25 million; maximum $400 million | Applications due October 12List of interested tribal/inter-tribal can be found here: <https://www.epa.gov/greenhouse-gas-reduction-fund/solar-all-notices-intent-tribal-governments> | Residential solar only – rooftop, community scale, storage, and other residential enhancements |

**Summary and Status of Energy Programs in BIL and IRA – By Sector (Housing, Government, Enterprise, Transportation, Infrastructure)**

**Housing**

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| Agency / Program | Description | Amount | Status ofImplementation |
| DOE - Home energy and electrification rebate program (IRA) | Grants to Tribes and States for appliance upgrades, energy efficiency, electric wiring; limited to LMI (max 150% of AMI); rebate amounts by type of upgrade; maximum $14,000 per homeState "whole home" rebate programs - $2000 - $4000 per home; $400,000 for multi-family. | States - $9 billionTribes - $225 million | DOE announced tribal allocation formula and allocation amountsState program open |
| DOE - Energy Efficiency and Conservation Block Grant (EECBG) (BIL) | Additional program authorities to include:financing energy efficiency, renewable energy, and zero-emission transportation (and associated infrastructure), capital investments, projects, and programs, which may include loan programs and performance contracting programs, for leveraging of additional public and private sector funds, and programs that allow rebates, grants, or other incentives for the purchase and installation ofenergy efficiency, renewable energy, and zero-emission transportation (and associated infrastructure) measures | $550 millionStatutory 2% set aside for tribes ($8.8 million) | Program closed in July 2023 |
| DOE Rural and Remote (BIL) | Federal financial assistance to rural or remote areas (cities, towns, unincorporated area less than 10,000) for the purpose of (A) overall cost-effectiveness of energy generation, transmission, or distribution systems; siting or upgrading transmission and distribution lines; reducing greenhouse gas emissions from energy generation by rural or remote areas; providing or modernizing electric generation facilities; developing microgrids; and increasing energy efficiency. | $1 billionSplit between community-scale and large-scale projects$50 million focused on community-driven projects, between 10 – 100 grants for $500k - $5 million | First round of funding completed |
| DOI - Electrification program (IRA) | Grants through PL 638 contracts to: (i) provide electricity to homes lacking electricity; (ii)transition to zero-emissions energy systems; and/or (iii) complete home repairs and retrofitting necessaryto install and prepare for zero-emissions energy systems. | $145 million | DOI announced $72 million funding opportunity; Pre-application due Sept. 18; selected tribes can submit a full application by Dec. 22  |
| EPA - GHG Emission Reduction Fund | Authorizes EPA to invest - through non-profit, state and local financial institutions - in projects the reduce greenhouse gas emissions, include clean energy projectStates, tribes, municipalities, and non-profits are eligible for $7 billion in competitive grants to fund projects | $27 billion =$14 B for National Clean Investment Fund$6 B for Clean Communities Investment Accelerator$7 B for Solar for All | $7 billion Solar for All funding announcedMultiple tribes and inter-tribal orgs filed notices of intentApplications due Oct. 12 |
| EPA - Environmental and Climate Justice Block Grant | Funds projects in disadvantaged communities to address environmental and public health harms; for pollution monitoring and reduction technologies; mitigation of climate andhealth risks from extreme heat; climate resilience and adaptation; reducing indoor toxics and pollution | $ 2.8 billion | Expect to open program in mid-summer |
| HUD ONAP ICDBG | Competitive grant program that supports community development efforts in tribal communities. Supports various types of projects, including rehabilitation (energy efficiency/electrification), climate change resiliency and carbon reduction efforts. | $75 million for FY 2023Min. $500k – max $2/$5 million | Applications now due October 5, 2023 |
| Treasury - Tax Credits | Investment Tax CreditsElective PayResidential Tax CreditsElectric Vehicle Tax CreditsEV Charging Station Tax Credits | Tax Credits can range from 6% - 70% for tribal housing projects  | Treasury has issued rules for:* Low Income Bonus Credit
* Prevailing market wage
* Energy Communities
* Domestic Content
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**Government / Community Buildings**

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| Agency / Program | Description | Amount | Status ofImplementation |
| DOE Rural and Remote (BIL) | Federal financial assistance to rural or remote areas (cities, towns, unincorporated area less than 10,000) for the purpose of (A) overall cost-effectiveness of energy generation, transmission, or distribution systems; siting or upgrading transmission and distribution lines; reducing greenhouse gas emissions from energy generation by rural or remote areas; providing or modernizing electric generation facilities; developing microgrids; and increasing energy efficiency. | $1 billionSplit between community-scale and large-scale projects$50 million focused on community-driven projects, between 10 – 100 grants for $500k - $5 million | First round of funding completed |
| DOE - Transmission Siting Permitting Support | Grants to State and Tribes to support regulatory and administrative permitting processes for transmission lines. | $745 million | DOE announced $300 million funding opportunity; concept papers due Oct. 31; full applications due Apr. 5, 2024 |
| DOE- Energy Efficiency-Building Codes | Secretary shall award grants on a competitive basis to eligible entities to enable sustained cost-effective implementation of updated building energy codesGrant used to implement updates in energy codes for new residential and commercial buildings (including multifamily buildings); and additions and alterations to existing residential and commercial buildings (including multifamily buildings) | $ 225 million | First round of funding completed |
| DOI - Climate resilience fund (IRA) | Grants for climate resilience and adaptation programs | $220 million | Conducted tribal consultation in January. |
| EPA - GHG Emission Reduction Fund | Authorizes EPA to invest - through non-profit, state and local financial institutions - in projects the reduce greenhouse gas emissions, include clean energy projectStates, tribes, municipalities, and non-profits are eligible for $7 billion in competitive grants to fund projects | $27 billion =$14 B for National Clean Investment Fund$6 B for Clean Communities Investment Accelerator | NOFO openApplications due Oct. 12  |
| EPA - Environmental and Climate Justice Block Grant | Funds projects in disadvantaged communities to address environmental and public health harms; for pollution monitoring and reduction technologies; mitigation of climate andhealth risks from extreme heat; climate resilience and adaptation; reducing indoor toxics and pollution | $ 2.8 billion | Expect to open program in mid-summer |
| EPA - Climate Pollution Reduction Grants | Funding to implement grants for programs, policies and measures to achieve or facilitate GHG emission reductions | $4.75 billion$25 million set aside for tribal planning - up to $500,000 per tribe; $1 million for tribal consortium |  |
| USDA - RUS Loan Forgiveness | The Energy Efficiency and Conservation Loan Program (EECLP) - provides loans to finance energy efficiency and conservation projects for commercial, industrial, and residential consumers. With the EECLP, eligible utilities, including existing Rural Utilities Service borrowers, can borrow money tied to Treasury rates of interest and re-lend the money to develop new and diverse energy service products within their service territories.  | $1 billionTribes eligible, can receive up to 60% loan forgiveness | Letter of Intent due between July 15 and Sept 29 |
| DOE - Energy Efficient Schools (BIL) | Grant program for K-12 schools for energy efficiency, renewable energy, alternative fuel/EV infrastructure, indoor air; Eligible Uses: Energy efficiency (envelope, HVAC, lighting, controls, etc.), ventilation, renewable energy, alternative vehicles, and alternative fuel vehicle infrastructure improvements | $500 million | Second round of funding expected in Spring 2024 |
| HUD ONAP ICDBG | Competitive grant program that supports community development efforts in tribal communities. Supports various types of projects, including rehabilitation (energy efficiency/electrification), climate change resiliency and carbon reduction efforts. | $75 million for FY 2023Min. $500k – max $2/$5 million | Applications were due September 5, 2023 |
| Treasury - Tax Credits | Investment Tax CreditsProduction Tax CreditsCommercial EV Tax CreditsEV Charging Station Tax CreditsElective Pay | Tax credits can range from 6% - 60% | Treasury has issued final rules for:* prevailing wage requirements and safe harbor
* Low Income Bonus Credits
* energy communities
* domestic content
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**Enterprise**

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| Agency / Program | Description | Amount | Status ofImplementation |
| DOE Rural and Remote (BIL) | Federal financial assistance to rural or remote areas (cities, towns, unincorporated area less than 10,000) for the purpose of (A) overall cost-effectiveness of energy generation, transmission, or distribution systems; siting or upgrading transmission and distribution lines; reducing greenhouse gas emissions from energy generation by rural or remote areas; providing or modernizing electric generation facilities; developing microgrids; and increasing energy efficiency. | $1 billionSplit between community-scale and large-scale projects$50 million focused on community-driven projects, between 10 – 100 grants for $500k - $5 million | First round of funding completed |
| DOE - Energy Efficient Transformer Rebates (BIL) | To provide rebates to industrial or manufacturing facility owners, commercial building owners, multifamily building owners, utilities, or energy service companies for the replacement of a qualified energy inefficient transformer with a qualified energy efficient transformer. | $10 millionPrioritize disadvantaged communitiesMax $25,000 per year | Issued final guidance on Dec. 28Application period now open |
| EPA - GHG Emission Reduction Fund | Authorizes EPA to invest - through non-profit, state and local financial institutions - in projects the reduce greenhouse gas emissions, include clean energy projectStates, tribes, municipalities, and non-profits are eligible for $7 billion in competitive grants to fund projects | $27 billion =$14 B for National Clean Investment Fund$6 B for Clean Communities Investment Accelerator | NOFO openApplications due Oct. 12 |
| USDA - REAP | Loan and grant program for renewable energy and energy efficiency projects for agricultural and rural enterprises50% cost match required for grant | $2 billion | Applications due quarterly, starting July 15 through Sept. 30, 2024 |
| USDA – PACE RUS Loan Forgiveness | $1 billion RUS loan program for renewable energy projects, including wind, solar, hydropower, geothermal, biomass, renewable energy storage projects. Energy must be used to serve rural areas. Loans are partially forgivable.Tribes or tribal enterprises are eligible to apply, and may qualify for up to 60% loan forgiveness. Up to $300 million is committed to tribal loans.$1 million minimum loan amount; $100 million maximum loan amount | $1 billionTribes eligible, can receive up to 60% loan forgiveness | Letter of Intent due Sept 29. |

**Transportation**

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| Agency / Program | Description | Amount | Status ofImplementation |
| EPA - GHG Emission Reduction Fund | Authorizes EPA to invest - through non-profit, state and local financial institutions - in projects the reduce greenhouse gas emissions, include clean energy projectStates, tribes, municipalities, and non-profits are eligible for $7 billion in competitive grants to fund projects | $27 billion =$14 B for National Clean Investment Fund$6 B for Clean Communities Investment Accelerator | Applications due Oct. 12 |
| DOT - EV Charging Station infrastructure (BIL) | Charging station grant program: establish a grant program to strategically deploy publicly accessible electric vehicle charging infrastructure, hydrogen fueling infrastructure, propane fueling infrastructure, and natural gas fueling infrastructure along designated alternative fuel corridors or in certain other locations that will be accessible to all drivers of electric vehicles, hydrogen vehicles, propane vehicles, and natural gas vehicles | $ 5 billion to states$1.25 billion to underserved communities and tribe$1.25 billion for alternative fuel corridorsMax grant $15 million20% cost share | States submitted plans; DOE/DOT has approved all state plansFirst round of funding for communities is complete. |
| Treasury – IRA Tax Credits | Commercial EV Tax CreditsEV Charging Station Tax CreditsElective Pay | 30% tax credit or $7500 - $40,000 for vehicles30% tax credit or $100,000 per charging station | IRS has issued guidance for commercial vehicle tax credit and proposed rules for Elective Pay |

**Infrastructure**

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| Agency / Program | Description | Amount | Status ofImplementation |
| DOE - Grid Resiliency (BIL) | Grant program to:Supplement existing hardening efforts of the eligible entity planned for any given year; andreduce the risk of any power lines owned or operated by the eligible entity causing a wildfire; or increase the ability of the eligible entity to reduce the likelihood and consequences of disruptive events.Grants to Tribes, based on the statutory formula, which can then grant to eligible entities; 15% match requirement; 5% admin/TA costs | $ 5 billion50% to eligible entities50% to states/tribesDOE has issued allocations for every tribe for Year 1 and Year 2. | Applications period closed August 31, 2023 |
| DOE Transmission Line Siting, Permitting and Econ Dev Projects | Funding to support state, local and tribal governments in siting, permitting and economic development projects associated with transmission line development and deployment | $300 million$100 million for siting, permitting$200 million for economic development projects | NOFO open  |
| DOE - Transmission Lines (BIL) | Transmission Facilitation Program - ‘‘eligible project’’ means a project (including any related facility—to construct a new or replace an existing eligible electric power transmission line; to increase the transmission capacity of an existing eligible electric power transmission line; or to connect an isolated microgrid to an existing transmission, transportation, or telecommunications infrastructure corridor located in Alaska, Hawaii, or a territory of the United States.Loan program - can be forgivable | $2.5 billion | DOE conducting national transmission planning sessions;  |
| DOE Rural and Remote (BIL) | Federal financial assistance to rural or remote areas (cities, towns, unincorporated area less than 10,000) for the purpose of (A) overall cost-effectiveness of energy generation, transmission, or distribution systems; siting or upgrading transmission and distribution lines; reducing greenhouse gas emissions from energy generation by rural or remote areas; providing or modernizing electric generation facilities; developing microgrids; and increasing energy efficiency. | $1 billionSplit between community-scale and large-scale projects$50 million focused on community-driven projects, between 10 – 100 grants for $500k - $5 million |  |
| DOE - Clean Hydrogen Manufacturing and Recycling (BIL) | Secretary shall award multiyear grants to, and enter into contracts, cooperative agreements, or any other agreements authorized under this Act or other Federal law with, eligible entities for research, development, and demonstration projects to advance new clean hydrogen production, processing, delivery, storage, and use equipment manufacturing technologies and techniques.Shall give priority to clean hydrogen equipment manufacturing projects that—operate in partnership with tribal energy development organizations, Indian Tribes, Tribal organizations, Native Hawaiian community-based organizations, or territories or freely associated States | $1 billion |  |