



New Hampshire
Department of Energy

Stakeholder Session #2: Energy Efficiency Conservation Block Grant Straw Proposal

July 26, 2023

Infrastructure Investment and Jobs Act (IIJA)

- Signed into law in November 2021.
- Provides \$1.2 trillion for infrastructure-related projects.
- Provides some \$62 billion in federal funding to the US Department of Energy over the next five years to advance a clean energy economy and lower carbon emissions.
 - This additional funding expands several existing programs and creates many more.



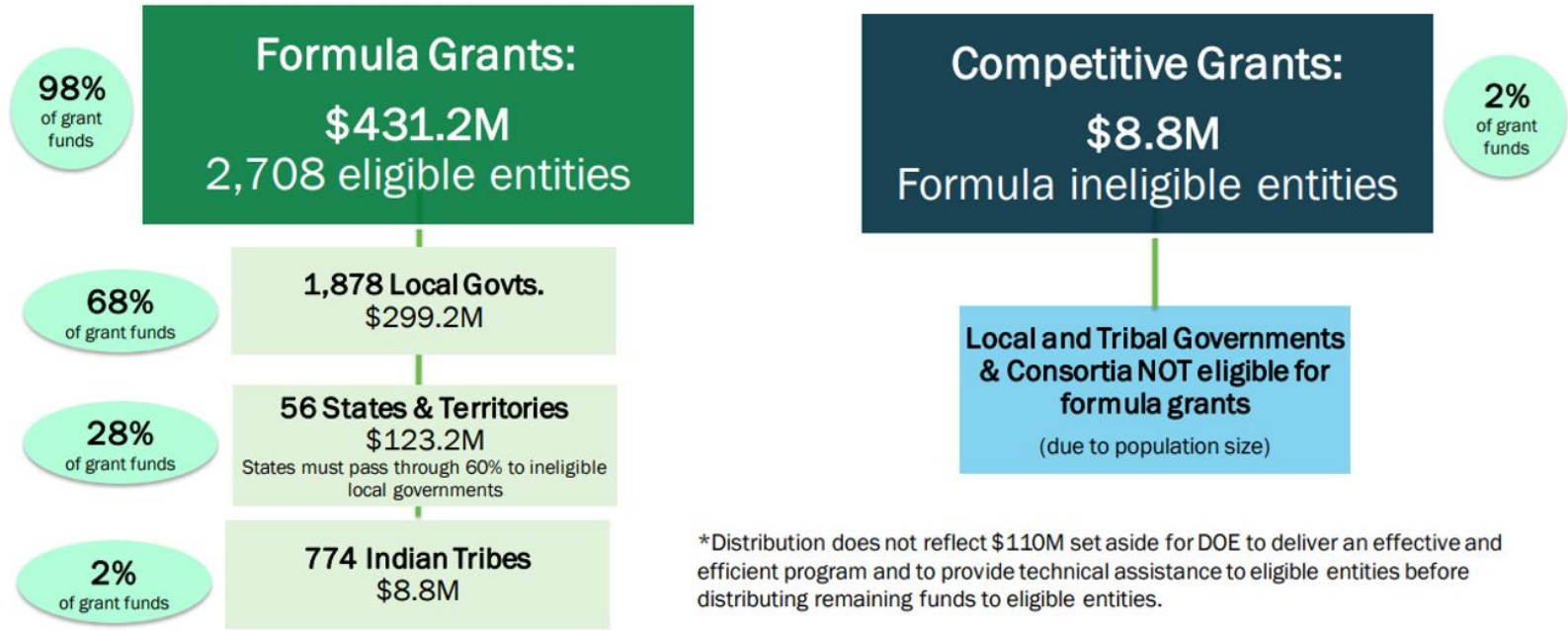
Energy Efficiency and Conservation Block Grant (EECBG) Program

- Program created under the American Recovery and Reinvestment Act (ARRA) during the Great Recession. The IIJA funds this program for the first time since ARRA.
- \$550 million in federal grants to States, units of local government, and Indian Tribes to reduce fossil fuel emissions, to reduce total energy use, and to improve energy efficiency.
- Over \$3.5 million made available to the State of NH and local governments.



EECBG Program Eligibility and Funding Distribution

Total Appropriation: \$550M



Eligible Uses of EECBG Program Funds

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)

*Funds can be used community-wide; not just for gov't facilities and buildings. Governments can fund clean energy projects **or** launch clean energy programs.*

State of New Hampshire Plan

NHDOE to receive \$1,641,260 from EECBG – must apply by July 31, 2023
\$1,477,134 available for Municipal Solar Grant Program after reserving admin costs

EECBG State Requirements:

- States MUST allocate no less than 60% of their grant to units of local government ineligible for direct EECBG Program formula grants no later than 180 days after the date on which USDOE approves the state's EECS.
- What does this mean? \$1,000,000 available in first iteration of Municipal Solar Grant Program. Contracts must be in place within 180 days.
- NH is working with USDOE to find flexibility in application approval to further develop the Municipal Solar Grant Program program and to give municipalities lead time to develop proposals.
- Remaining 40% to be released in an RFP later within NH's three-year award period.

NHDOE intends to subgrant all of its EECBG funding to municipal governments that are not eligible for direct EECBG formula grants.



New Hampshire
Department of Energy

NH's Plan to Subgrant EECBG Funding

Municipal Solar Grant Program: An Overview

NOTE: All is subject to change

Municipal Solar Grant Program Outline

Basic Program Eligibility (subject to change):

- A competitive grant opportunity open to all municipal governments for ground-mounted or rooftop solar arrays that do not exceed 60 kW DC. Municipal and county governments that are receiving their own EECBG formula grants are **not** eligible.
- Must be installed on a municipally-owned site, building, or piece of property behind the meter.
- Registered in SAM, not be debarred, and must not duplicate or supplant existing funding.
- Program has a strong equity bend and encourages full ownership of completed solar projects. Creates two grant tiers:
 - **Tier 1 Grant:** Covers 95% of program eligible costs IF the municipality is considered disadvantaged AND retains full ownership of system.
 - **Tier 2 Grant:** Covers 60% of program eligible costs IF EITHER the municipality is not considered disadvantaged OR the municipality does not retain full ownership of system.

Major Changes from Straw Proposal (subject to change):

- Remove the requirement that municipalities undertake a competitive process for solar developers.
- Larger grants for disadvantaged towns if the municipality fully owns its system.
- Award additional points to disadvantaged communities in proposal review.
- Utilize the NH CDFA's 2023 Core Data Index to identify disadvantaged municipalities.
- Incentivize full ownership of projects through grant distribution.
- Strictly limit project siting to municipally-owned properties or buildings.

Municipal Solar Grant Program Outline

Proposal components (subject to change):

- Transmittal letter – proposal’s contact person and person who is authorized to enter a contract with the State.
- Technical project proposal – site location, solar site survey, permit details, interconnection status, O&M plan, etc.
- Project ownership – system owner, metering arrangements, etc.
- Project financing – a clear description of project costs, grant amount requested, and the project’s financing plan.
- Qualifications and experience – who is the project team and what is their experience?
- A clear statement of any conflict of interest.

Scoring criteria (subject to change):

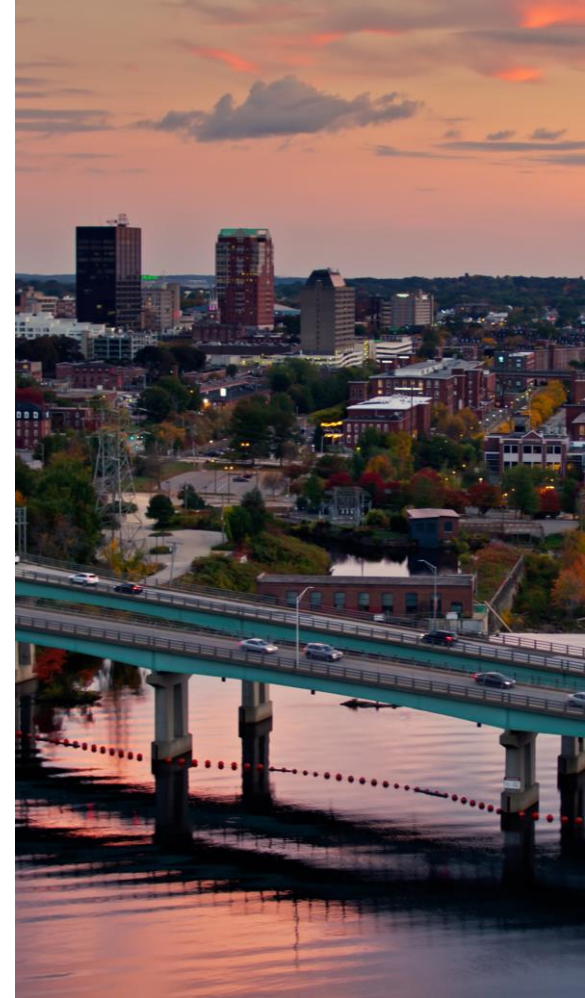
- Quality and clarity of the proposal.
- Adder points for disadvantaged communities – a nod to Justice40 Initiative.
- Technical project specifications – project siting, warranties and O&M plan.
- Project feasibility and readiness – permits, project timeline, solar site survey, community support, project team experience.
- Municipal energy cost savings from proposed project.
- Project development costs and financing plan.
- A vetting of the municipality’s management of federal funds – recent financial audit.

Who is ineligible?

County	Allocation	Municipality	Allocation
Belknap	\$77,160	Concord	\$76,720
Carroll	\$76,710	Derry	\$76,090
Cheshire	\$77,630	Dover	\$76,150
Coos	\$76,080	Hudson	\$75,840
Grafton	\$78,280	Londonderry	\$75,920
Hillsborough	\$80,440	Manchester	\$163,660
Merrimack	\$78,630	Merrimack	\$75,970
Rockingham	\$244,460	Nashua	\$144,610
Strafford	\$77,200	Rochester	\$76,080
Sullivan	\$76,450	Salem	\$76,090
TOTAL	\$943,040	TOTAL	\$917,130

Federal Requirements

- With federal dollars comes federal strings... Those funded under the Municipal Solar Grant Program must:
 - Comply with Build America, Buy America. More can be found [here](#).
 - Comply with Davis-Bacon, meaning all employees engaged in construction-related activities must be paid prevailing wages. More can be found [here](#).
 - Comply with the National Environmental Policy Act (NEPA) and NH's Historic Preservation Programmatic Agreement. More can be found [here](#).
 - Be actively registered in the federal System of Award Management (SAM) and not be debarred from dealing with federal funds. More can be found [here](#).
 - Comply with federal 2 CFR Part 200 as amended by 2 CFR Part 910 rules and the EECBG Statute located at 42 U.S.C. Chapter 152, Subchapter IV, Part C.
- Awardees can also expect financial monitoring from NHDOE staff and project monitoring by a technical monitor throughout the project to ensure compliance with contract provisions and program requirements.



Build America, Buy America (BABA)

- Build America, Buy America is a **NEW** domestic content procurement preference requirement. This is **NOT** the Buy American folks may recall from the ARRA days. The standards under BABA are higher and should be taken seriously.
- No federal funds may be used for an “infrastructure project” unless:
 - All iron and steel used in the project is produced in the United States—this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
 - All manufactured products used in the project are produced in the United States—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
 - All construction materials are manufactured in the United States—this means that all manufacturing processes for the construction material occurred in the United States.

NOTE:

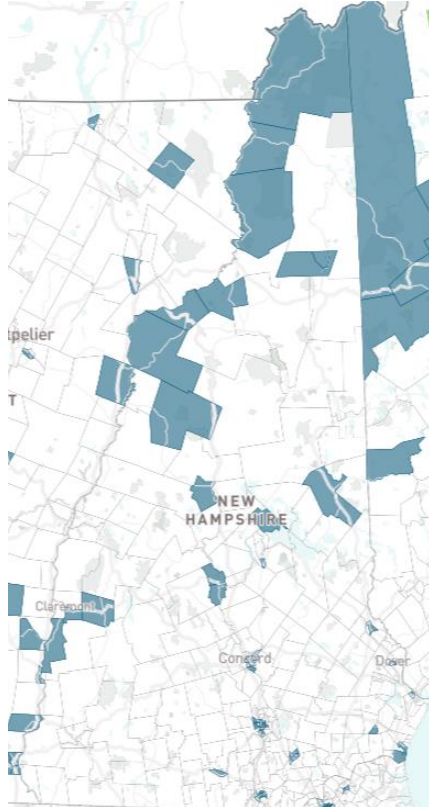
Grantees can seek a waiver from BABA requirements, but it requires recipients to demonstrate a good faith effort to procure BABA-compliant materials for their project. Waivers can take 90-120+ days to review.

Justice40 Initiative

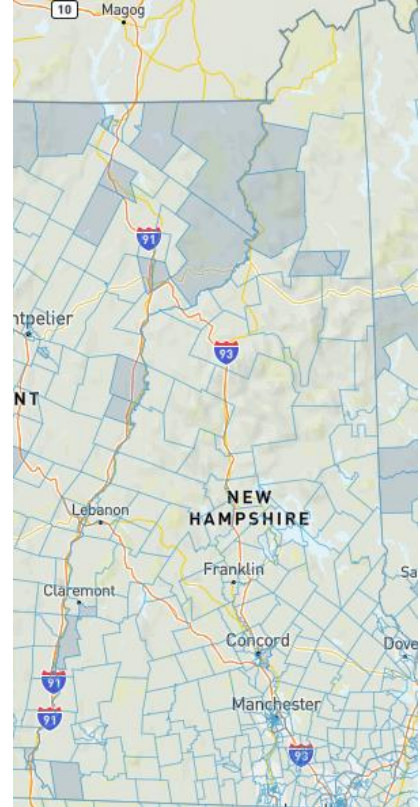
- In January 2021, the Biden Administration issued [Executive Order 14008, Tackling the Climate Crisis at Home and Abroad](#). This order established the [Justice40 Initiative](#), which directs that 40% of the overall benefits of certain Federal investments flow to disadvantaged communities.
- USDOE encourages the use of certain federal tools that identify disadvantaged communities based on census tracts:
 - [Energy Justice Dashboard](#) – identifies disadvantaged census tracts based on 36 indicators collected. These indicators fall within four primary categories: fossil fuel dependence, energy burden, environmental and climate hazards, and socio-economic vulnerabilities.
 - [Climate & Economic Justice Screening Tool](#) – identifies disadvantaged census tracts based on indicators around eight primary categories: climate change, energy, health, housing, legacy pollution, transportation, water and wastewater, and workforce development. These census tracts are typically overburdened and underserved.
- NHDOE will leverage these federal tools in part but will largely utilize the NH Community Development Finance Authority’s [Core Data Index](#) to identify disadvantaged municipalities. This tool measures the economic well-being and community need at the municipal level in NH and is used by the CDFA in their Community Development Block Grant Program.

What do federal maps look like?

Energy Justice
Dashboard



Climate and
Economic Justice
Screening Tool



Who is disadvantaged?

Under the Municipal Solar Grant Program, 52 municipalities have a 2023 Core Data Index Score of 45 or more and are considered disadvantaged, making them eligible for a Tier 1 grant. This tool considers the economic well-being and community need at the municipal level. Equity will be a consideration of the program per the Biden Administration's [Justice40 Initiative](#).

- **Belknap:** Laconia, Meredith, and Tilton.
- **Carroll:** Ossipee and Tamworth.
- **Cheshire:** Hinsdale and Winchester.
- **Coos:** Berlin, Clarksville, Colebrook, Columbia, Dalton, Dummer, Gorham, Jefferson, Lancaster, Milan, Northumberland, Pittsburg, Stark, Stewartstown, Stratford, and Whitefield.
- **Grafton:** Alexandria, Ashland, Bath, Benton, Bethlehem, Bristol, Dorchester, Ellsworth, Grafton, Groton, Haverhill, Landaff, Lincoln, Lisbon, Littleton, Rumney, Warren, and Wentworth.
- **Hillsborough:** Greenville and Hillsboro.
- **Merrimack:** Danbury and Franklin.
- **Rockingham:** None.
- **Strafford:** Somersworth.
- **Sullivan:** Acworth, Charlestown, Claremont, Goshen, Newport, and Unity.

Discussion Topic:

Grants and funding levels

- What feedback do stakeholders have on grant levels? Should the criteria to get a Tier 1 or Tier 2 grant be changed? Should the grant percentages change? If so, what specific changes would you make?
- Should the construct of the Tier 1 and Tier 2 grants be changed?
- Is the use of tiered grants too preferential to disadvantaged municipalities over other municipalities? Are there other ways to show preference to disadvantaged municipalities?
- Are there any specific changes stakeholders would like to see on the program's grant distribution? If so, what are they and how would you prefer to see them changed?

Discussion Topic:

Program scope and proposal process

- What is a reasonable amount of time for the RFP to be open? Federal requirements require a minimum of 60 days. NHDOE must also get contracts in place within 180 days per EECBG Program guidelines.
- Should the Municipal Solar Grant Program fund interconnection costs?
- Should applicants include any anticipated Build America, Buy America waiver in their proposal, or should that be something to discuss with awardees during the contracting phase? Having a waiver proposal up front can lessen the contracting
- Are there any specific changes stakeholders would like to see on the program's scope and proposal process? If so, what are they and how would you like to see them changed?
- Any other questions, ideas, or concerns on program scope and proposal process?

Discussion Topic:

Scoring criteria

- Is the NH CDFA's Core Data Index a good tool to identify disadvantaged municipalities? If not, are there other tools, metrics, or methods that NHDOE should consider to identify disadvantaged municipalities?
- Are there certain scoring criteria that should be weighed more or less heavily than others?
- Should there be a scoring element that awards points for projects that benefit a certain municipal building over another? If so, what buildings should NHDOE consider?
- Should there be some consideration of a project's proximity to electrical infrastructure to lessen distribution upgrades? Maybe some consideration on what direction the project is facing (west, south, etc.)?
- Is there a method to vet a project's energy and emissions savings objectively without penalizing smaller projects?
- Should applicants be awarded who undertake energy efficiency efforts alongside their solar project?
- Are there any other scoring criteria that NHDOE should consider when reviewing municipal solar projects? Do stakeholders have any specific changes? If so, what would you replace them with?

Next steps

- The US Department of Energy requires that states apply for their allocations by July 31, 2023. NHDOE continues to work with the USDOE to get flexibility on application approval and to give municipalities lead time and clarity on federal requirements.
- NHDOE expects to release a revised RFP in the future to give stakeholders a sense of program expectations to develop proposals.
- Future stakeholder sessions/informational sessions may be held before program opens.
- Once NH's application is approved, the Municipal Solar Grant Program will open shortly after. **REMEMBER: contracts must be approved within 180 days, so timelines will be short.**
- Interested in learning more about EECBG? See the EECBG Application Hub for more information [here](#).

NOTE:

Sign up for NHDOE's e-mail distribution list! [E-mail Paige Relf](#) at with your name, e-mail, and the name of any organization you are a part of.

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