









Federal Funding Success Stories for Local and Tribal Government

October 13, 2022









IIJA Funding Tracker for MI Local Govt. & Tribes 🌣 🙆 🔗

Technical Assistance:

Email kate@katemadigan.com

Webinar Recordings and Resources:

https://bit.ly/fedfundingassist



https://climateprogramportal.org/register/

*Invite Code: EFGamma22

bit.ly/IIJATracker

Presenters

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Tribal Liaison, Office of Congressional and External Affairs

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Keweenaw Bay Indian Community and Midwest Tribal Energy Resources Association

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Sustainability and Innovations Director
City of Ann Arbor

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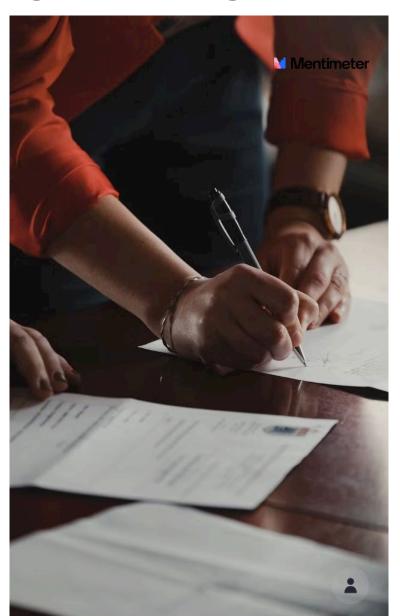
Justice 40 Accelerator project,
City of Highland Park

Survey on Federal Funding Challenges

Go to:

bit.ly/fedfundingsurvey

- 1. What are the largest barriers to applying for federal grants?
- 2. What are the biggest challenges to managing federal grants?
- 3. What assistance would be helpful to you and your community?





Questions?









Tribal Relevant Programs in IRA

U.S. Department of Energy Office of Policy









Overview

- IRA invests a historic \$369 billion in addressing climate change, with a number of new or expanded Tribal specific programs created at DOI and DOE
- Clean energy tax credits now directly available to Tribal governments and nonprofits
- Other relevant programs and provisions supporting reinvestment in energy and environmental justice communities. Some programs expire in 2024 or 2026.
- Most tax credit bonuses and DOE loans can stack, providing a significant opportunity for Tribal energy projects

Tribal Specific Programs

| IRA § | Program | Agency | Funding (\$ million) | Notes |
|-------|---|--------|-------------------------|--|
| 50145 | Tribal Energy Loan Guarantee Program | DOE | \$75.0 | Loan authority raised to \$20 billion. Loan guarantee may now cover 100% of debt. |
| 80001 | Tribal Climate Resilience | BIA | \$220.0 | No cost-sharing or matching requirements |
| 80002 | Native Hawaiian Climate Resilience | BIA | \$23.5 | No cost-sharing or matching requirements |
| 80003 | Tribal Electrification Program | BIA | \$145.5 | No cost-sharing or matching requirements. For electrifying homes with zero-emissions systems and associated repairs. |
| 80004 | Emergency Drought Relief for Tribes | BOR | \$12.5 | No cost-sharing or matching requirements. |
| 50122 | High-Efficiency Electric Home Rebate Program | DOE | \$225 | Funds for Tribal governments to provide rebates for low- income home electrification projects. \$225m specifically allocated for Tribes. FY 2031 expiration. |

Additional Tribal Relevant Provisions

| IRA § | Program | Agency | Funding (\$ Billion) | Notes |
|-----------------|---|--------|-------------------------|---|
| 50144 | Energy Infrastructure Reinvestment Financing | DOE | \$5.0 | \$250 billion in loan authority for repurposing, retooling, repowering, or replacing retired energy infrastructure. FY 2026 expiration. |
| 60103 | Greenhouse Gas Reduction Fund | EPA | \$27.0 | Tribal governments eligible to apply. FY 2024 expiration. |
| 60114 | Climate Pollution Reduction Grants | EPA | \$5.0 | Tribal governments eligible to apply. FY 2026 expiration. |
| 60201 | Environmental and Climate Justice Block Grants | EPA | \$3.0 | Tribal governments in partnership with non-profits eligible to apply. FY 2026 expiration. FY 2026 expiration. |
| 13801 | Direct Payment of Tax Credits | IRS | - | Tribal governments and Alaska Native Corporations eligible for direct payment of clean energy tax credits |
| 13101 | Energy Community Tax Credit Bonus | IRS | - | 10% or 10 percentage point boost in clean electricity tax credits for projects located in "energy communities" |
| 13102, 13702 | Bonus investment tax credit in low-income communities | IRS | - | Projects less than 5 MW eligible for 10% increase in investment tax credit if located on Indian land. |

Individuals also eligible for the Energy Efficient Home Improvement Credit (25C), Residential Clean Energy Credit (25D), and the Clean Vehicle Credit (30D)



Tribal Energy Loan Guarantee Program (TELGP)

- Increases the available loan authority of the TELGP from \$2B to \$20B, available through 2028.
- Loan guarantee may now cover 100% of debt.
- In addition to continuing to allow for partial loan guarantees, makes permanent the ability for borrowers to apply for direct loans through TELGP via the U.S. Treasury Federal Financing Bank (FFB).
- Provides \$75 million to carry out the program
- Administered by DOE through the Loan Programs Office



Tribal & Native Hawaiian Climate Resilience

Tribal Climate Resilience Program

- \$220 million for Tribal climate resilience and adaption programs
- Available until September 2031
- No cost sharing and matching requirements
- Administered through the Bureau of Indian Affairs

Native Hawaiian Climate Resilience

- \$23 million for climate resilience, adaptation, and technical assistance to Native Hawaiian communities
- Available until September 2031
- No cost sharing and matching requirements
- Administered through the Office of Native Hawaiian Relations

Tribal Electrification Program

- Will provide \$145.5 million to help tribal communities transition to clean, zero-emission, electric energy systems. Funds can be used for
 - The provision of electricity to <u>unelectrified</u> Tribal homes through zero-emissions energy system
 - To transition <u>electrified</u> Tribal homes to zero emissions energy system
 - Associated home repairs and retrofitting necessary to install the zero emissions energy systems authorized
 - No cost sharing and matching requirements
 - Available until 2031
 - Administered through the Bureau of Indian Affairs



Emergency Drought Relief for Tribes

- \$12.5 million for near-term drought relief actions to mitigate drought impacts for Tribal communities impacted by the Operation of a Bureau of Reclamation water project
- No cost sharing and matching requirements
- Available until 2026
- Administrated through the Bureau of Reclamation



High-Efficiency Electric Home Rebate Program

- Covers up to 100% of home electrification project costs for low-income households, and up to 50% for moderate-income households (up to \$14,00)
- Covers equipment and installation costs, via point-of-sale rebate
- \$225 million reserved for Tribes. Funds are distributed to Tribal governments for administration via an application process.

Qualified Projects

Heat pump HVAC systems

Heat pump hot water systems

Electric stoves and cooktops

Electric heat pump clothes dryer

Upgrading circuit panels

Insulation

Air sealing and ventilation

Wiring

Energy Infrastructure Reinvestment Program (EIR)

- New DOE Loan Programs Office (LPO) program supporting investment in replacement of existing or retired fossil energy assets.
- No innovation criteria required.
- Eligible uses:
 - Retooling, repowering, repurposing, or replacing already retired energy infrastructure; or
 - New projects that avoid, reduce, use, or sequester emissions from operating energy infrastructure.



https://www.energy.gov/lpo/articles/deploydeploydeploy-2-energy-infrastructure-reinvestment-eir-program

Energy Infrastructure Reinvestment Program (EIR) – Potential Examples

Already Retired

- Replacing fossil electricity generation with established cleaner sources
- Replacing fossil electricity generation with emerging clean firm power sources
- Repowering or replacing older renewable assets with more efficient / state-of-the-art
- Retooling fossil-based energy infrastructure for manufacturing
- Replacing fossil-based industrial processes with decarbonized industrial processes
- Repurposing oil pipelines for clean hydrogen or CO₂ transport
- Site remediation

Currently Operating

- Retrofitting existing fossil assets with carbon capture and sequestration equipment
- Refinancing, upgrading, uprating existing nuclear facilities
- Fuel switching at operating power plants
- Transmission upgrades
- Refinery upgrades
- Site remediation

https://www.energy.gov/lpo/articles/deploydeploydeploy-2-energy-infrastructure-reinvestment-eir-program



Greenhouse Gas Reduction Fund

- New EPA program to make competitive awards to fund green banks around the country.
- Prioritization on supporting projects that benefit and reduce air pollution and GHG emissions in disadvantaged communities.
- Funds must leave EPA by the end of FY 2024.
- Tribal governments or non-profit green banks providing financial assistance to tribal projects are eligible.

| Category | Budget (\$B) | Eligible Entities |
|---|-----------------|---|
| Deploying Zero- Emission Technologies | \$7 | Tribal governments, States, municipalities, other non-profits |
| Low-Income and Disadvantage Communities | \$8 | Non-profit green banks |
| General Assistance | \$12 | Non-profit green banks |

Climate Pollution Reduction Grants

- \$5 billion new EPA program to support GHG emission reduction plan development and implementation
 - Planning Grants: \$250 million in grants to support development of GHG emissions reduction plans
 - **Performance Awards**: \$4.75 billion in competitively awarded grants to carry out plans, based on performance in implementing plan
- Eligible awardees include Tribes, States, municipalities, air pollution control agencies, or a combination of the above



Environmental and Climate Justice Block Grants

- \$3 billion new EPA program to support community-led projects to address disproportionate environmental and public health harms related to pollution and climate change
- Tribal governments partnered with a community-based nonprofits eligible

Eligible Activities

Community-led projects that help reduce GHG and other air pollution:

- Pollution monitoring, preventing, and remediation
- Investments in low- and zero-emissions technologies and infrastructure
- Workforce development

Mitigating climate and health risks from urban heat islands, extreme heat, wood heater emissions, and wildfires

Climate resiliency and adaptation

Reducing indoor toxics and indoor air pollution

Facilitating engagement of disadvantaged communities in State and Federal advisory groups, workshops, rulemakings, and other public processes

Direct Payment of Tax Credits

Tribal Governments, Alaska Native Corporations, and any other non-profit organization, can now receive the following tax credits as a direct payment from the Treasury:

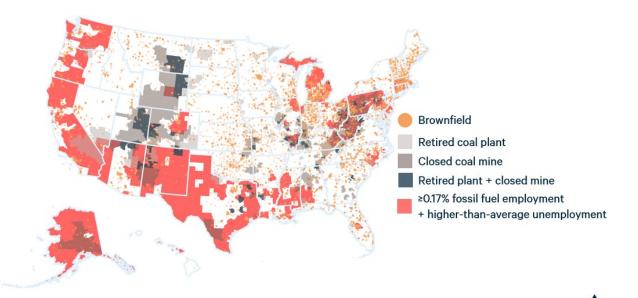
| Tax Code § | Credit | Summary Description |
|------------|--|--|
| 30C* | Alternative Fuel Refueling Property Credit | 30% of investment cost, including EV chargers |
| 45/45Y*+ | Clean Electricity Production Credit | \$26/MWh for 10 years, with bonuses possible |
| 48/48E*+ | Clean Electricity Investment Credit | 30% of investment cost, with bonuses possible |
| 45Q* | Carbon Oxide Sequestration Credit | Up to \$85/metric ton sequestered for 12 years |
| 45V* | Clean Hydrogen Production Credit | Up to \$3/kg of hydrogen for 10 years |
| 45W | Commercial Clean Vehicles | Up to \$7,500 for a light duty clean vehicle, or up to \$40,000 for a medium or heavy-duty clean vehicle |
| 45X | Manufacturing Production Credit | Credits for production of solar, wind, and battery components or critical minerals |
| 45Z* | Clean Fuel Production Credit | Credits for production of low carbon fuels |
| 48C* | Advanced Energy Project Credit | 30% investment credit for facilities manufacturing clean energy products |

^{*}prevailing wage and apprenticeship requirements must be met for max credit, otherwise 5x lower in value *over time, projects must meet domestic content criteria in order to be eligible for direct pay.



Energy Community Tax Credit Bonus

- Bonus credit available for clean electricity projects located in communities that have previously hosted fossil energy infrastructure, including retired coal plants and coal mines.
- Bonus is a 10% increase in the production credit or a 10 percentage points increase for the investment credit.
- This bonus credit can stack with other bonus credits for domestic content and environmental justice.



Preliminary external assessment of potential energy communities. IRS will have final determination of identifying qualifying energy communities.



Allocated Environmental Justice Bonus

- Additional investment tax credit bonus for clean electricity projects benefiting environmental justice communities.
- These bonuses cannot stack with each other but can stack with the energy community and domestic content bonuses.
- Limited to 1.8 GW/year total, and to projects 5 MW or smaller.

| Category | Bonus Credit |
|---|----------------------|
| Located in low-income community | 10 percentage points |
| Located on Indian land | 10 percentage points |
| Located on a low-income residential building (includes buildings supported by tribally designated housing entity) | 20 percentage points |
| Projects that provide over 50% of total financial benefits to low-income households | 20 percentage points |

Example Direct Pay and Bonus Stacking

For example, a 5 MW solar project, owned by a Tribal government, meeting the requirements for the relevant bonuses, could earn up to a 70% investment credit, as a payment from the Treasury.

DOE loans from TELGP or the new EIR program can stack with relevant tax credits

| Category | Credit Value |
|--|-----------------|
| Base investment tax credit value | 6% |
| If prevailing wage and apprenticeship requirements met | 30% |
| If domestic content criteria met | +10% |
| If located in energy community | +10% |
| If benefiting low-income population | +20% |
| Total Credit | 70% |

Success at Securing Federal Funding for the Keweenaw Bay Indian Community

By Sarah Smith



Committee for Real Estate Alternative & Renewable Energy (CARE) Composition Community Public Works Community CEO's Office

Projects

Alternative & Renewable Energy Strategic Plan

Assessing the Feasibility of Renewable Energy Development and Energy Efficiency Deployment on Tribal Lands-DOE \$207,680 with match of \$15,000

Keweenaw Bay Indian Community - 2010 Wind Project | Department of Energy

Weatherization Training Project–DOE \$137,640 https://www.energy.gov/indianenergy/keweenaw-bay-indian-community-2010-energy-efficiency-project#status

Projects

Solar

- Food Distribution on Indian Reservation-20 kW-USDA
- Pre-Primary Building-HUD ICDBG
- Residential Treatment Facility ~60 kW& Health System ~90 kW-I.H.S. Facility funding

KBIC earns award for use of solar energy | News, Sports, Jobs - The Mining Gazette



Partnerships & Current Work

MICARES-Michigan Community & Anishinaabe Renewable Energy Sovereignty Project-National Science Foundation (NSF) grant #1934346. https://micares.net

MTERA-Midwest Tribal Energy Resources Association https://www.mtera.org/

"Addressing Regulatory Challenges to Tribal Solar Deployment Guidebook" draft.

Miigwech!

Contact:

Sarah Smith

Member of KBIC Committee for Alternative & Renewable Energy

Proxy member for MTERA

Learning Tribal Citizen

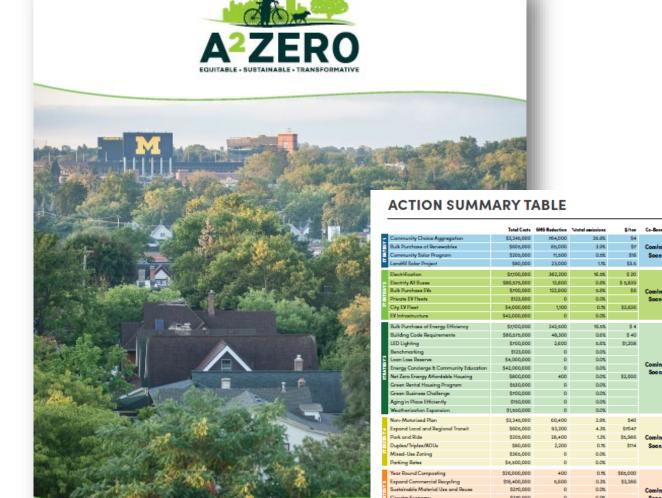
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Vehicle Electrification Funding







ANN ARBOR'S LIVING CARBON NEUTRALITY PLAI MARCH 2020

A²ZERO

Goal, Plan, Framework, Actions

Together, creating and implementing a just transition to carbon neutrality by the year **2030**.



Finding the Dollars

- Federal Funding
 - Diesel Emissions Reduction Act
 - 1 Electric Refuse Truck to replace
 1 Diesel Vehicle (punch a hole in that engine!)
 - Regional grant organized by American Lund Association

- State and Utility Funding
 - Fuel Transformation Grant State (fast chargers)
 - Charging Forward utility program (chargers)
 - Fuel Transformation Grant State (EV refuse truck)





Project Challenges

- One for One replacement challenging with new(ish) technology
- Supply chain issues
- Charging infrastructure needs (supplies and grid capacity)
- Needs far exceed funding
- Time and capacity





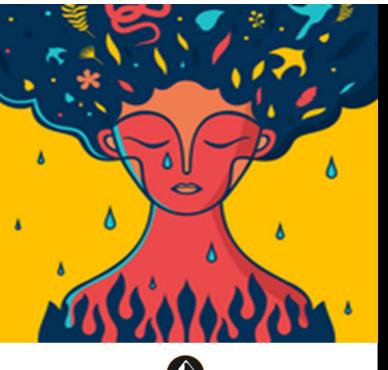
Future Opportunities

- More charging infrastructure
- Federal and state support for electrification
- Collaborative proposal writing
- Strategic regional planning and coordination on which grants to pursue, when
- Success leads to success



















Pathways To Power

Organizing for root remedies in Highland Park

We'll answer today:

What is the LEAP program?

What made Highland Park's success possible?

Who is the team leading the process?

What does the team hope to achieve?

What else is needed?

What is the LEAP program?



Communities LEAP

A 12-18 month partnership (competitive application) with the Dept. of Energy offering **technical assistance** to assist frontline communities to develop a citywide clean energy plan to:

- reduce local air pollution
- increase energy resilience
- lower utility costs and energy burdens
- create good-paying jobs
- Find funding for future projects

(Local Energy Action Program)

Important Details about LEAP



- Application must include commitment from community stakeholders
- A backbone organization is needed
- 24-36 communities selected
- \$500K in technical assistance (not funding)

(Local Energy Action Program)

5 Pathways to Power



Highland Park qualified for 5 out of 7 pathways:

- 1. Clean energy infrastructure planning
- 2. Energy efficient & electrification of buildings & homes
- 3. Microgrids & energy storage
- 4. New Or Enhance Manufacturing
- 5. Transportation & mobility electrification

What made Highland Park's success possible?

History Of Community Energy Action



Solar Streetlight Installations

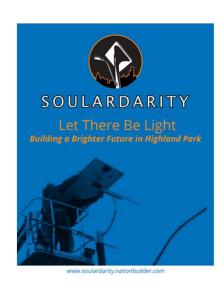


Sustainable Public Space Development

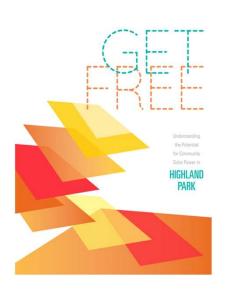


Organizing For Policy Change

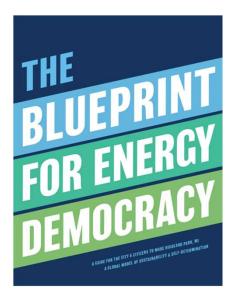
Community-Led Research



Citywide Solar Street light Feasibility



Model for community-scale solar projects



Holistic Policy &
Projects Framework for
Energy Democracy





100% Local Clean Energy Technical Feasibility Analysis

Community Coalition Building



The Highland Park Community Crisis Coalition's mission is to deliver social, economic, and ecological justice to Highland Parkers through moments of crisis and beyond. We have formed initially to provide immediate needs and economic relief to Highland Parkers impacted by the COVID-19 crisis. We aim to become a long term source of community resilience for Highland Parkers that moves from #Crisis2Justice.



Established 150 bed farm and aquaponics management of food production for Say Clinic fresh food prescription program. Offered weekday and weekend market to serve fresh food to hundreds of residents.



Met the emergency need for ongoing, reliable clean water access by collecting and distributing 100K bottles of water for residents.



Created and distributed 100K hard copy community newsletters, called the Parker Village News, across 6 strategic locations to improve community communications about needed services and cultural events.



Purchased, packaged, and distributed almost 3 dozen resiliency kits to in-need families and residents during the pandemic.



Provided \$15,000 of utility payment support and information related to utility and rental assistance to help Highland Parkers stay safely in their homes.



Outreach for vaccination and COVID testing opportunities to Highland Parkers during the pandemic. Offered ongoing in person and virtual mental health and wellness trainings and workshops,

Community-City Collaboration

JUST
RECOVERY &
RESILIENCY
PLAN

Delivering social, economic, and ecological justice to Highland Parkers during moments of crises and beyond.

HPC3
HIGHLAND PARK COMMUNITY CRISIS COALITION

OUR VISION: 6 X 6 X ALL



- >>> 6 resiliency hubs in various neighborhoods
- Housing, Assets, & Utility Security
 Medical Services
 Food & Clean Water Security
 Jobs, Economy, Education & Investment
 Transportation & Mobility
 Communications & Connectivity
- All of us working together to protect each other

Wide and Deep Network of Support























Thanks to all of that...



DOE Will Assist 23
Communities With
Locally Tailored
Pathways to Clean
Energy

MARCH 29, 2022

Who is the team leading this process?

The Multi-Stakeholder Team



Shimekia Nichols & Rafael Mojica Soulardarity

Juan Shannon Parker Village

Shu Harris Avalon Village

Domon Garrett City of Highland Park

What does the team hope to achieve?

Scope Summary

Bucket 1: Solar Streetlights & City Code

Bucket 2: Grid Analysis* & Actionable Projects

Bucket 3: Community Choice Project

BONUS BUCKET: Electric Transit Analysis!

*For background on grid issues: http://wethepeoplemi.org/dte - scroll to the bottom for grid equity brief

Bottom Line Outcome:

Technical assistance is great - but it must lead to dollars for implementation.

Pathways To Power is a step towards Justice 40 investments to right historical wrongs and make Highland Park a model of sustainability and equity.

How are we leveraging?

Community Geothermal Grant (\$710K) for design and analysis of district geothermal - submitted!

MPSC Low-Carbon Facilities Grant (up to \$50M) - exploring a planning grant for home improvements and energy generation via water treatment

What is needed more broadly?

- Grant-writing support
- General technical assistance (EJ TA Center from EPA)
- Core funding for cities and community organizations
- Shared advocacy for procedural justice
- Shared advocacy for strong definition of "benefits"

Contacts

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