



BIL Grants for Energy Efficiency Programs

Presentation to Michigan's
EWR Collaborative

October 18th 2022





BIL Grants for EE Programs

01

Overview

Slide 3

02

Key EE Opportunities

Slide 4

03

**EE Specific Grant
Summary**

Slide 5

04

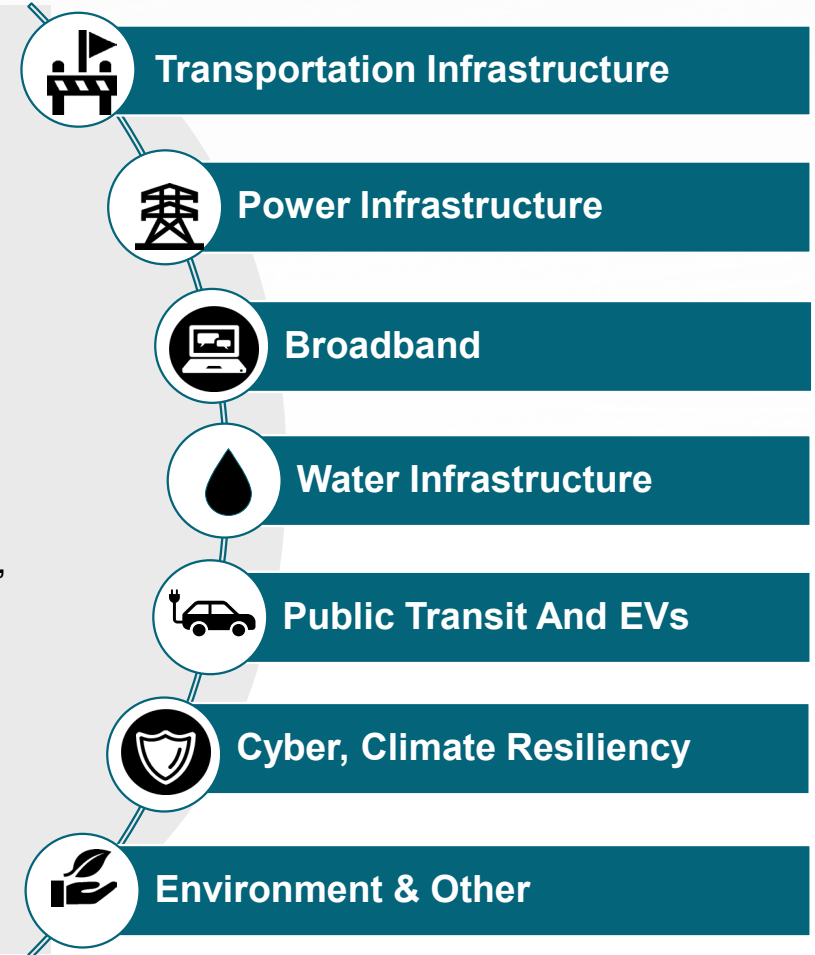
Key Takeaways

Slides 8

Bipartisan Infrastructure Law: Overview

BIL includes new programs to help States achieve climate and clean energy goals

Key Priorities



\$1.2 Trillion

Integrates existing \$650B Infrastructure
legislative authorizations with
\$550B in new program spending

\$4.5 billion in funds allocated for Energy Efficiency programs

Opportunities for Utilities Include

Smart Grid Investment Matching Grant Program

Increasing infrastructure resiliency against the impacts of climate change, cyber-attacks,
and extreme weather events

Building a network for electric vehicles

Growing access to reliable, high-speed internet and broadband

Demonstrating Carbon Capture & Direct Air Capture

Key Energy Efficiency (EE) Opportunities

BIL allocates \$4.5 billion in funds for existing and new EE programs

- Overall, there are three EE related BIL grants which allocate **~\$200M** for distribution to Michigan state/local government agencies and public education groups for:
 - Weatherization of homes for low-income households
 - Energy efficiency and renewable energy improvements at public school facilities
 - Expand clean energy
- **Weatherization** represents the largest EE opportunity where **~\$183M is allocated to Michigan**. The existing Weatherization Assistance Programs (WAP) in Michigan will be used to disburse funds to Community Action Agencies (CAAs).
 - CAA's may need to combine federal and non-federal funds (including LIHEAP and utility incentive) to maximize cost savings and benefits for income-qualified customers.
 - DOE has provided clarification on managing multiple funding streams for example through Weatherization Program Notice [\(WPN\) 22-9](https://www.energy.gov/sites/default/files/2022-06/wpn-22-9.pdf)¹ and posted useful DOE [Training Webinars](https://www.energy.gov/eere/wap/wap-management-training-resources)². DOE will continue to share additional guidance on these grants.

1. <https://www.energy.gov/sites/default/files/2022-06/wpn-22-9.pdf>

2. <https://www.energy.gov/eere/wap/wap-management-training-resources>

EE Specific Grant Summary

Grant	Existing vs New	Size & Type	Eligible Uses	Michigan Funds	Recipients	Partners	Application Status
Weatherization Assistance	Existing	\$3.5B Formula (some competitive)	<ul style="list-style-type: none"> Installation of weatherization measures Replacement of appliances 	\$183M	<ul style="list-style-type: none"> States Tribes 	<ul style="list-style-type: none"> Community Action Agencies (CAA) Non-profits Local Governments 	<ul style="list-style-type: none"> Application closed; funding amounts set for states
Energy Efficiency & Conservation Block Grant (EECBG)	Existing	\$550M Formula ¹	<ul style="list-style-type: none"> Develop and implement energy efficiency and conservation programs Implement energy efficiency technologies Install renewable energy technology and programs for financing EVs² 	\$1.9M minimum allocated to state (<i>additional funding through local govt TBD¹</i>)	<ul style="list-style-type: none"> States Local Governments Tribes 	<ul style="list-style-type: none"> TBD² 	<ul style="list-style-type: none"> Application expected to open in quarter 4 of 2022
Energy Efficiency & Renewable Energy Improvements at Public School Facilities	New	\$500M Competitive	<ul style="list-style-type: none"> Energy efficiency Renewable energy Alternative vehicles and related infrastructure improvements 	TBD ¹	<ul style="list-style-type: none"> Local Education Agencies 	<ul style="list-style-type: none"> Non-profits For-profits Community Partners 	<ul style="list-style-type: none"> Application expected to open in quarter 4 of 2022

- <https://www.federalregister.gov/documents/2022/06/29/2022-13859/notice-of-availability-of-state-local-and-tribal-allocation-formulas-for-the-energy-efficiency-and-> Appendices A-C of this notice provide the mathematical formulas and data sources used by DOE when developing the local government, state, and Tribal allocation formulas.
- The funding opportunities, intended flow of funding, and partner entities for Public school and EECBG grants will be clarified when DOE publishes applications in Q4 of 2022.

Key Energy Efficiency Measures Covered by Grants

Grant	Energy Efficiency Measures	Eligibility	Grant Process
<u>Weatherization Assistance</u>	<ul style="list-style-type: none"> • Installation of attic insulation, caulking, and weather-stripping • Modifications for furnace efficiency • Installation of mechanical measures to heating & cooling systems • Replacement of furnaces, boilers, and air-conditioners 	Low income ¹	Grants dispersed to states;
<u>Energy Efficiency & Renewable Energy Improvements at Public School Facilities</u>	<ul style="list-style-type: none"> • Installation or replacement of: <ul style="list-style-type: none"> • Building envelope • HVAC • Lighting • Building controls • Ventilation 	Measures installed in Public Schools	Competitive grant application opening in Q4 of 2022
<u>Energy Efficiency & Conservation Block Grant (EECBG)</u>	<ul style="list-style-type: none"> • Residential and commercial building energy audits • Energy efficiency retrofits • Building codes and inspection services • Efficient traffic signals and street lighting 	TBD ²	Grants dispersed to state; applications to open in Q4 of 2022

1. Low income is defined in Michigan on a [scaling list](#). For a household of 4, maximum income level is \$55,500.
2. Eligible entities to be clarified in application.

Energy Efficiency and Conservation Block Grant: Eligible Uses

Strategy and Infrastructure Implementation

- Retain technical consultant services **to develop energy efficiency goals**, develop strategy, measure progress, publish annual reports, and any other services required for implementation of strategy
- Conduct **building energy audits**
- **Grants for energy efficiency retrofits**
- **Implement energy distribution technology** that increase energy efficiency, including distributed resources and district heating/cooling
- **Replace traffic signals and street lighting** with energy efficient lighting
- Purchase and **implement technologies to reduce, capture, and use methane** and other greenhouse gases generate by landfills
- Develop, implement, **and install onsite renewable energy technology** to government buildings

Program Implementation

- Establish **financial incentives** for energy efficiency improvements
- Develop and implement **energy efficiency and conservation programs** in grant jurisdiction, including design, operation, public education, measurement and verification, and identification of energy efficient technologies
- Develop and **implement transportation programs for energy conservation**, including energy efficient zoning guidelines, energy efficient infrastructure (bike lanes, pedestrian walkways), and other measures that promote energy efficiency and decrease energy consumption
- Develop and implement **building codes and inspection services** to promote energy efficiency
- Increased participation and efficiency in **material conservation programs**
- Develop and **implement programs for financing energy efficiency, renewable energy, and zero-emission transportation (and associated infrastructure)** capital investments, projects, and programs.

Key Takeaways

- BIL represents a once-in-a-generation investment in our nation's infrastructure and competitiveness.
 - Assigns **\$4.5 billion** in funds to energy efficiency programs through three grants which allocate **~\$200M** for distribution to Michigan state/local government agencies and public education groups.
 - Provides various funding opportunities dedicated to the unique challenges faced by customers, for example weatherization through EEA programs.
 - Presents significant opportunity for utilities, energy efficiency program implementers, State/local government agencies and other grant recipients to work together to maximize cost savings and benefits especially for income-qualified customers.

References

- Weatherization Assistance Grant

<https://www.energy.gov/eere/wap/articles/weatherization-program-notice-bil-22-1-and-22-2>

- Energy Efficiency & Renewable Energy Improvements at Public School Facilities

<https://www.energy.gov/bil/grants-energy-efficiency-and-renewable-energy-improvements-public-school-facilities>

- Energy Efficiency & Conservation Block Grant (EECBG)

<https://www.energy.gov/bil/energy-efficiency-and-conservation-block-grant-program>

Contacts

Sahil Popli

Associate Director

sahil.popli@guidehouse.com

(646) 227-4236

Bridie Carroll

Consultant

bcarroll@guidehouse.com

(312) 972-7033

Megan Dyer

Associate Director

medyer@guidehouse.com

(608) 225-9754

Nicole Fry

Director

nicole.reed.fry@guidehouse.com

(303) 728-2526



©2022 Guidehouse Inc. All rights reserved.

This content is for general information purposes only, and should not be used as a substitute for consultation with professional advisors.

