

Advancing Place-based Clean Energy Transitions

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**Smart Cities Council** 

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### **Overview**

- The 'Magic Moment'
- Intro to SCEP Office, programs, and opportunities
- IRA Home Energy Rebates
- DOE Office of Community Engagement



### **Biden-Harris Administration Priorities**

- The Administration knows there is **no greater challenge** facing our nation and our planet than climate change.
- We can turn the threat of climate change into an opportunity to:
  - Revitalize the U.S. energy and manufacturing sectors.
  - Create millions of high-quality, good paying jobs throughout the country.
  - Address historic environmental injustices and inequities.
- DOE is working to advance these goals and help the U.S. build a 100% clean energy economy and reach net-zero emissions no later than 2050.



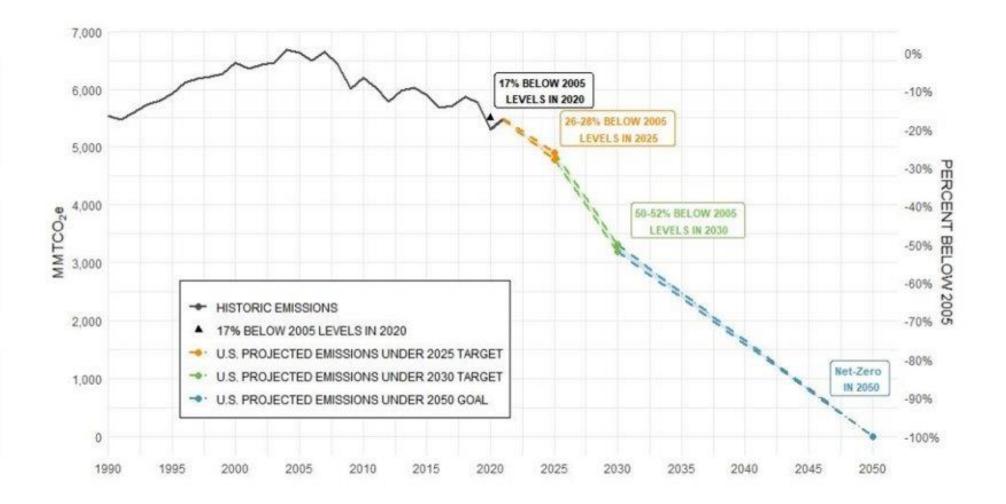


# DOE investments align with the Administration's near- and long-term climate and clean energy goals

**50-52%**GHG reductions by 2030

100% clean electricity by 2035

Net-Zero emissions by 2050



# Over \$500 billion invested in the clean energy transition

# Inflation Reduction Act

- · Lowers household energy bills
- · Pulls clean tech to market
- · Advances environmental justice

### Bipartisan Infrastructure Law

- Builds clean tech infrastructure & supply chains
- · Increases climate resilience
- · Invests in workers

### WE ARE HERE

# CHIPS and Science Act

 Drives equitable clean tech innovation, manufacturing, & regional economic growth

# Over \$460 billion in private-sector investment since October 2022

### March 30, 2023 **American-Made Batteries** New U.S. Battery Manufacturing and Supply Chain Investments Announced Under President Biden Over 150 new or **Enough to power** 60,000 new Montana Mexico Federal Investments Recycling & Upcycling Materials Separation & Processing Component Manufacturing ENERGY Private Sector Investments Based on publicly available information. Many facilities are conditional on financing, funding, site control, and other factors.

#### **American-Made Offshore Wind**

New US Offshore Wind Manufacturing Facility, Port, and Vessel Investments Announced Under President Biden







Investments in 11 manufacturing facilities and 13 ports



17 new vessels being built in 7 different states



Thousands of new jobs

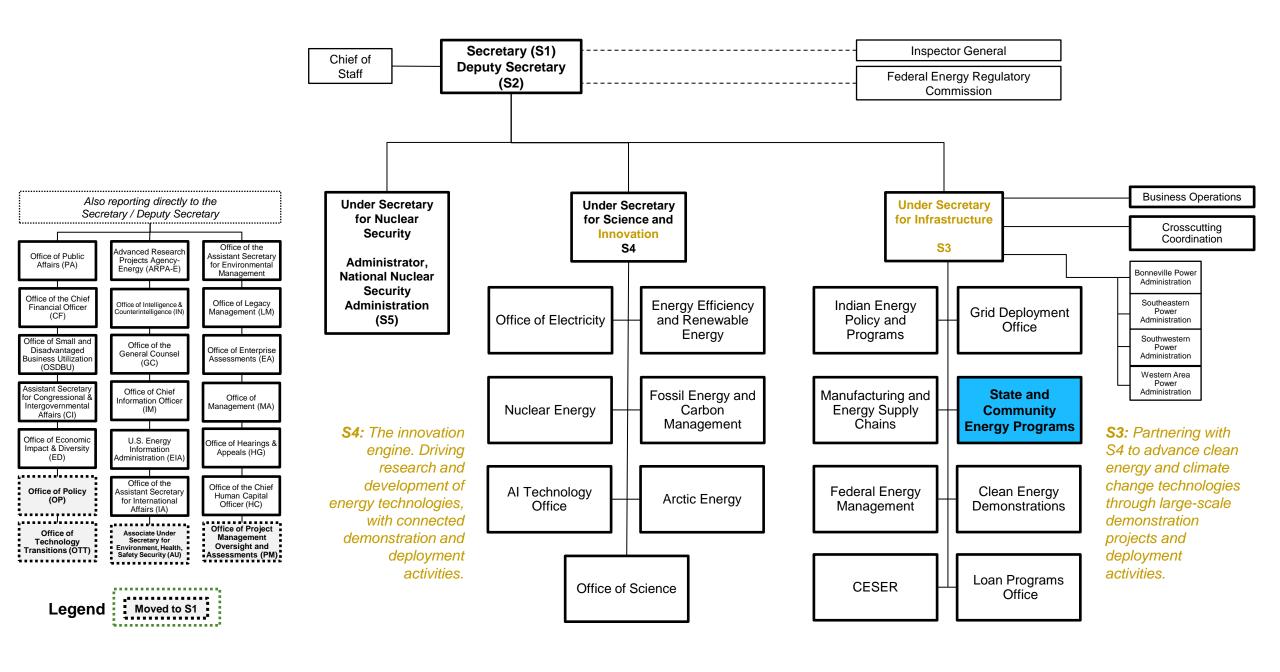






Based on publicly available information. Many facilities are conditional on financing, funding, site control, and other factors.

Not included in the map are facilities announced as explicitly conditional on winning a power-sales contract. Numbers within a single pin denote multiple investments or facilities at a single location.



SCEP's Mission is to partner with State, Local, and Tribal governments and community organizations to catalyze local economic development and job creation through equitable, clean energy solutions.

# **SCEP's Strategic Priorities**

#### Whole Greater than Sum of its Parts

SCEP does this through the management and oversight of \$16 billion in formula grants, competitive grant awards, consumer rebate grants, and technical assistance.



**Prioritize** Justice40 **Initiative** 



Deploy clean energy technologies



Catalyze local economic development



Create hiring



**Avoid pollution** jobs and increase through place-based strategies



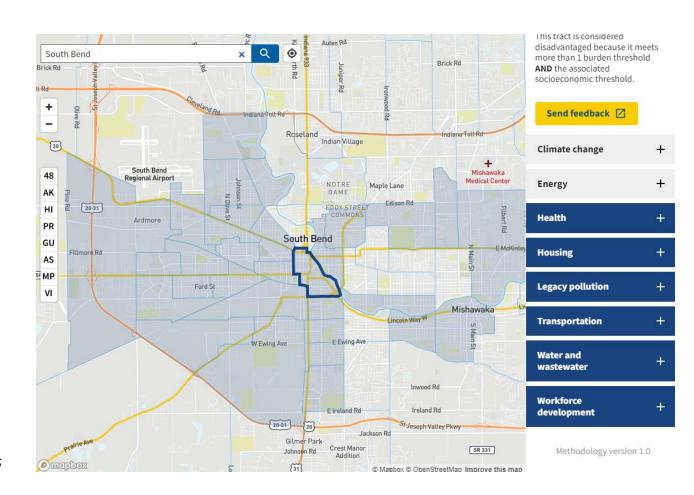
Reduce energy costs

### **Justice 40 & Climate and Economic Justice Screening Tools**

#### **Justice 40**

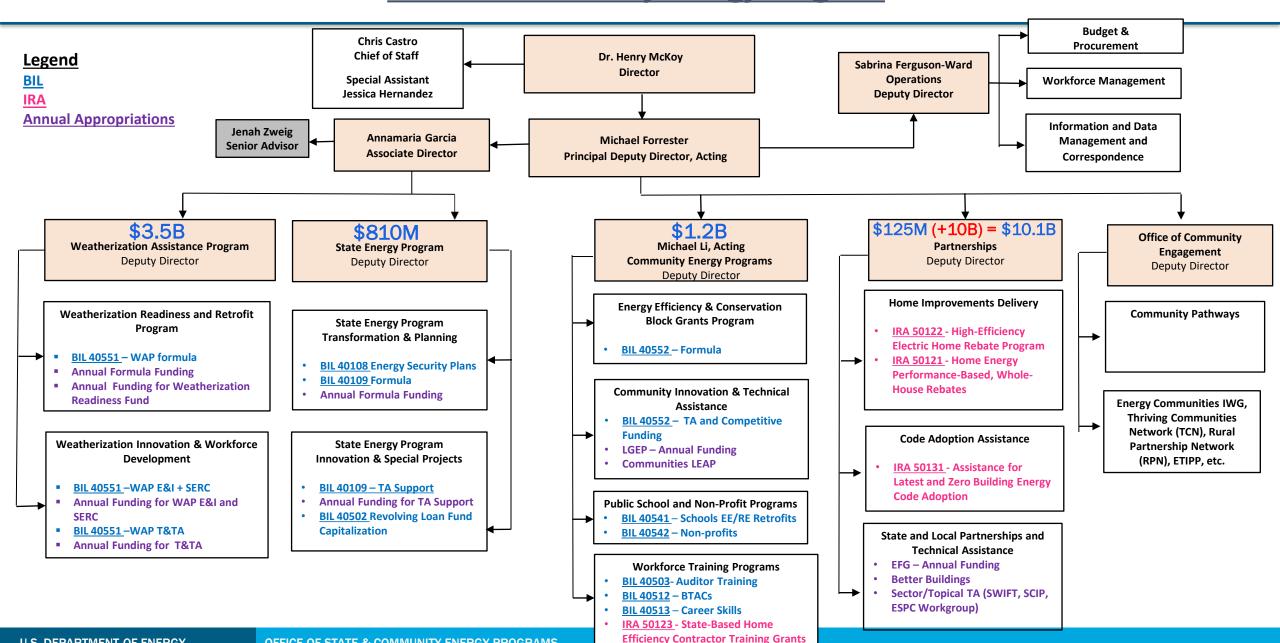
The Federal Government has made it a goal that 40 percent of the overall benefits of certain Federal investments flow to disadvantaged communities that are marginalized, underserved, and overburdened by pollution. President Biden made this historic commitment when he signed Executive Order 14008 within days of taking office.

Source: Climate & Economic Screening (CEJS) Tool identifies census tracts that are overburdened and underserved are highlighted as being disadvantaged on the map. Federally Recognized Tribes, including Alaska Native Villages, are also considered disadvantaged communities.



### **State & Community Energy Program**

 $\sim$ \$6B (+\$10B) = \$16B



## **BIL Provisions (Approx. \$6 Billion)**









**Energy Efficiency** Materials Pilot Program \$50M



**Grants for Public School Facilities** \$500M



Career Skills **Training** \$10M



Revolving Loan Fund Program \$250M



State Energy Program \$500M



**Energy Auditor Training Grant Program** \$40M



**EE & Conservation** \$550M



Weatherization Assistance Program \$3.2B

### **Energy Efficiency for Nonprofit Organizations**

New competitive grant program for energy improvements at nonprofit facilities.

Funding: \$50M, in FY 2022, available until expended

**Grant Cap:** Each grant not to exceed \$200,000

Qualifying Uses: energy-efficiency materials defined by provision as material (including a product, equipment, or system) the installation of which results in a reduction in use by a nonprofit organization of energy or fuel. Examples include lighting, heating and air conditioning, windows, roof systems, building automation systems, etc.

**Eligible Applicant**: Any 501(c)(3) for use in a building they own and operate



# **Prioritization** (specified by provision):

- 1. Energy savings achieved;
- 2.Cost effectiveness of the use of energyefficiency materials;
- 3.Effective plan for evaluation, measurement, and verification of energy savings; and
- 4. Financial need of the applicant.

## Renew America's Schools grant and Energy CLASS Prize

New competitive grant program for energy improvements at public school facilities

**Funding:** \$500M (\$100M FY22-26), available expended, through competitive grants

Qualifying Energy Improvements: Improvements, repairs, or renovations that reduce energy costs or lead to improved teacher and student health and achieve energy savings, installation of renewable energy, installation of alternative fueled vehicle (AFV) infrastructure, and purchases or leases of AFV.

**Eligible Entities**: Consortia of 1 local educational agency (LEA) and one or more schools, non-profits, for-profits, or community partners. LEA Definitions include School Board, Bureau of Indian Education Schools, Educational Service Agencies.



**Prioritization:** Schools with improvement funding needs, high free and reduced-price lunch percentage or rural locale, and leverage private sector funding through performance contracting.

**Interagency Collaboration**: EPA, Dept of Ed, USDA, DOD, DOT

## **Training and Workforce Development**

# **\$260M** in Workforce Funding across **SCEP**

- Training Residential Energy Contractors (TREC): \$200M
- Building Training Assessment Centers: \$10M
- Energy Auditor training: \$40M with award size up to \$2M
- Career Skills Training: \$10M



### **Inflation Reduction Act Provisions (\$10 billion)**





\$4.3B

Home Energy Performance-Based, Whole House Rebates To award grants to <u>State Energy Offices</u> to develop and implement a "HOMES" rebate program that provides rebates to homeowners and aggregators for certain whole-house energy-saving retrofits made for LMI households.



\$200M

Home Energy Efficiency Contractor Training Grants

To award grants to States under the State Energy Program to train and educate contractors involved in the installation of home energy efficiency and electrification improvements.



\$4.5B

#### **High Efficiency Electric Home Rebate Program**

To award grants to State Energy Offices and Indian tribes for qualified electrification project rebates in low- or moderateincome households.



\$1B

#### **Building Codes Adoption Grants**

To award grants to states & local governments to adopt the latest building codes or the zero energy provisions or other stretch codes for residential and commercial buildings and implement a plan to achieve full compliance with these code(s).

# **Quick Recap - IRA Rebate Programs Funding Overview**



**\$4.3** billion to States and Territories for *whole* home efficiency rebates

**\$4.5** billion to States, Territories and Tribes for efficient electric rebates

**Up to \$4.275** billion to States, Territories

Up to \$225 million to Indian Tribes

80% for Household **20%** for Rebates Admin

Up to \$1.7B

At least \$6.7B for rebates

Up to

At least \$174.6M **\$43.7M** for rebates

**Up to \$264 million** for DOE admin & TA

\$200 Million for Contractor **Training** 

To advance home efficiency and electrification contractor training

The law authorizes 3% of total funds for DOE program administration & technical assistance as well as up to 20% of State & Indian Tribe funds for program administration.

Available thru **September 30, 2031** 

# **Quick Recap: Home Efficiency Rebates**

- Rebates vary with the energy savings from the household improvements.
- A wide range of energysaving upgrades can be included.
- Low-income\* households can access up to \$8,000, while other households can access up to \$4,000.

# LOW-INCOME HOUSING\*

- Projects with <u>energy savings between 20% and 35%</u>:
  - √ 80% of costs up to \$4,000 per home or housing unit
- Projects with energy savings greater than 35%:
  - √ 80% of costs up to \$8,000 per home or housing unit

### MARKET RATE HOUSING

- Projects with energy savings between 20% and 35%:
  - ✓ 50% of costs up to \$2,000 per home or housing unit
  - √ \$200,000 cap for multifamily building
- Projects with <u>energy savings greater than 35%</u>:
  - ✓ 50% of costs up to \$4,000 per home or housing unit
  - √ \$400,000 cap for multifamily building

<sup>\*</sup> Low income is defined as single family households with incomes less than 80% area median income, as well as multifamily housing with more than 50% of households having incomes less than 80% area median income.

# **Quick Recap: Home Electrification & Appliance Rebates**

Rebates provide low- and moderate-income families ONLY up to \$14,000 total for products like electric heat pumps, electric stoves, and more.

- ✓ More than 70 percent of U.S. households are eligible for these rebates.
- ✓ Rebates cover up to 100% of costs for low-income households\*
- ✓ Rebates cover up to 50% of costs for moderate-income households\*
- ✓ Rebates cannot exceed the caps listed in the table.

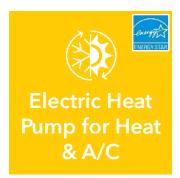
Rebate Type	Equipment/Service	Maximum Rebate \$ Amount
Appliance Upgrades	Heat Pump Water Heater	\$1,750
	Heat Pump for Space Heating or Cooling	\$8,000
	Electric Stove, Cooktop, Range, Oven, or	\$840
	Electric Heat Pump Clothes Dryer	\$840
Non-appliance Upgrades	Electric Load Service Center Upgrade	\$4,000
	Insulation, Air Sealing, and Ventilation	\$1,600
	Electric Wiring	\$2,500
Maximum total across all upgrades per home or unit		\$14,000

<sup>\*</sup>Low-income household defined as below 80% of area median income; moderate-income defined as between 80% and 150% of area median income.

# Potentially Eligible Equipment & Housing Types

IRA authorizes some type of Home Energy Rebate for the following technologies and housing types























& Potentially Other Energy-Saving Technology!





Single-Family Homes & Multifamily Buildings





New Construction & Existing Housing Units





Owner-Occupied & Rental Properties

### **What are Virtual Power Plants**

A VPP is a large-scale aggregation of DERs that are controllable to function the same as a natural gas peaker plant for central battery system. In a VPP, multiple non-co-located assets are scaled into a holistic demand-side and/or supply-side utility-grade resource

#### THE WAY ELECTRICITY IS GENERATED AND CONSUMED IN THE U.S. IS QUICKLY CHANGING







Increasing: deployment

of variable energy

resources, and

efficiency







Need to expand access, meet customer needs, and save money

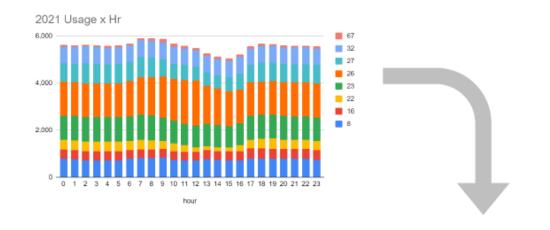
The opportunity for buildings/vehicles-to-grid: integrate efficiency/demand flexibility and other DERs to benefit owners, occupants and the grid.

#### VPPs Uniquely Support Administration Priorities.

- ✓ Catalyze Large-scale Deployment of Clean Energy Technologies – PV, storage, EV charging, demand flexibility.
- ✓ Reduction of GHG Groups of gridinteractive efficient buildings (GEBs) and Connected Communities can achieve more than the sum of individual buildings (residential and/or commercial).
- ✓ Energy Equity Expands clean energy financing options for lower-income / lowercredit families and communities, provides compensation to households and businesses for services rendered, reduces energy burdens, reduces ambient emissions

### **Real World VPPs**

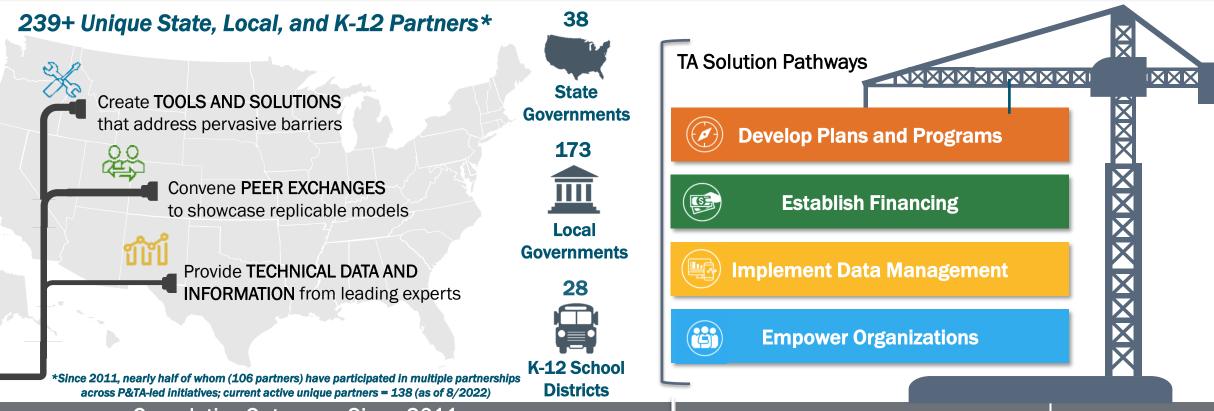
- Thermostats in <u>California</u> and now TX & NY
- Solar plus storage neighborhoods in <u>California</u>, <u>Utah</u>
- Utility VPPs <u>California</u> and <u>Vermont</u> with GMP
- Pearl X Flexifornia and Sunnova PG&E Adaptive Homes, Sunrun and Sunpower
- Swell VPPs in <u>Hawaii</u>, <u>California</u>, <u>NY</u>, etc.
- Vehicle to Grid (V2G) such as <u>Highland Electric /</u>
   Voltus Montgomery County school bus VPP, <u>Zum /</u>
   Autogrid school bus VPP, Ford F150 V2G VPP Pilot
   with Duke Energy, <u>Revel e-moped VPP</u> and <u>Nuvve</u>



Example of daily load-shifting from Polaris Energy Services and Valley Clean Energy in California.



# **Technical Assistance & Partnerships (TAP)**



#### Cumulative Outcomes Since 2011

39B kWh in savings

\$1.3B cost savings





#### Current Major Initiatives

Better Buildings Challenge & Better Climate Challenge (public sector) • Energy Savings Performance Contracting (ESPC) Campaign (forthcoming) • Sustainable Corrections Infrastructure Partnership (SCIP) Accelerator • Sustainable Wastewater of the Future (SWIFt) Initiative

### Key Tools



Low-Income Energy Affordability Data (LEAD) Tool



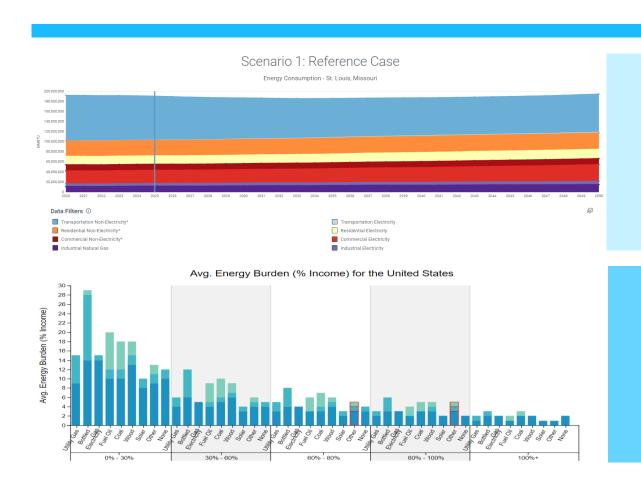
State and Local Planning for Energy (SLOPE) Platform

#### **Outreach & Resources**

State and Local Spotlight: Monthly newsletter to 33,000+ subscribers State and Local Solution Center: Over 400 tools, resources, and best practices

# **Spotlight on Popular Tools**

### Two Powerful Tools to Support State and Local Governments' Planning Needs



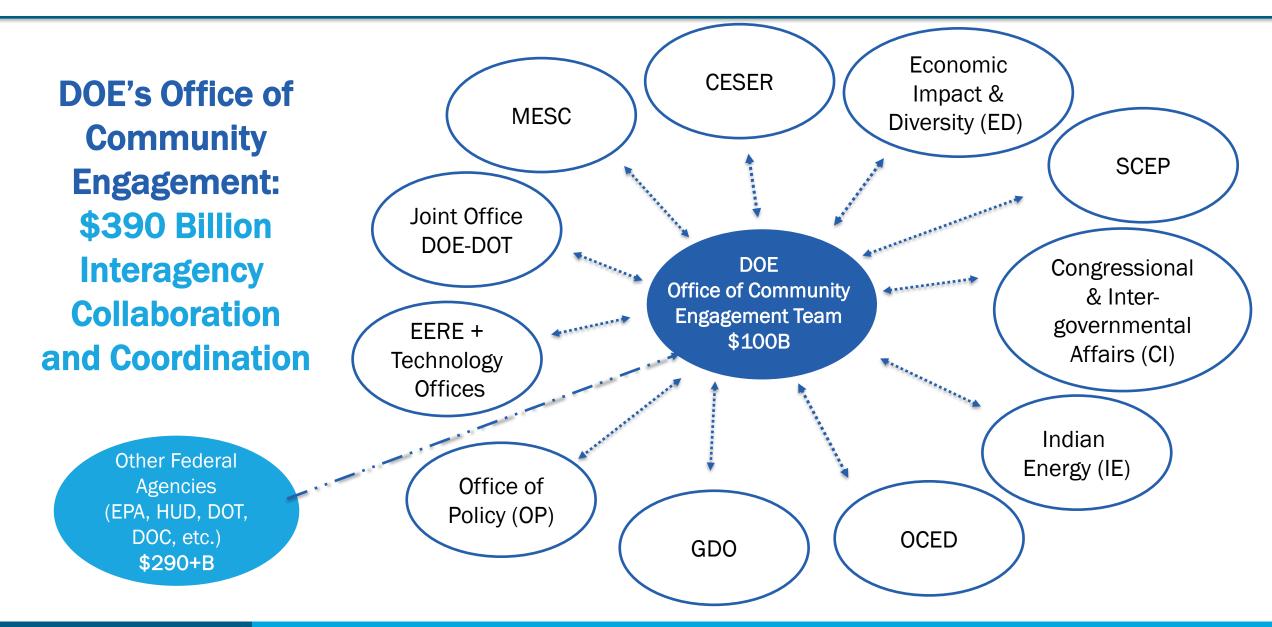
# **State and Local Planning for Energy** (**SLOPE**) **Platform**

SLOPE integrates over 50 leading data sources to enable users to explore untapped energy savings opportunities and identify the most cost-effective strategies to meet their clean energy and climate goals.

# Low-Income Energy Affordability Data (LEAD) Tool

A web-based interactive tool that enables stakeholders to visualize energy burden and housing characteristics across the U.S. Provides customizable data, maps, and charts available at the national, state, city, and census tract level for all 50 states plus Puerto Rico and Washington, D.C.

### DOE Community Engagement Hub-and-Spoke Model: Managed/staffed by SCEP...owned by ALL



# **Energy Communities IWG**

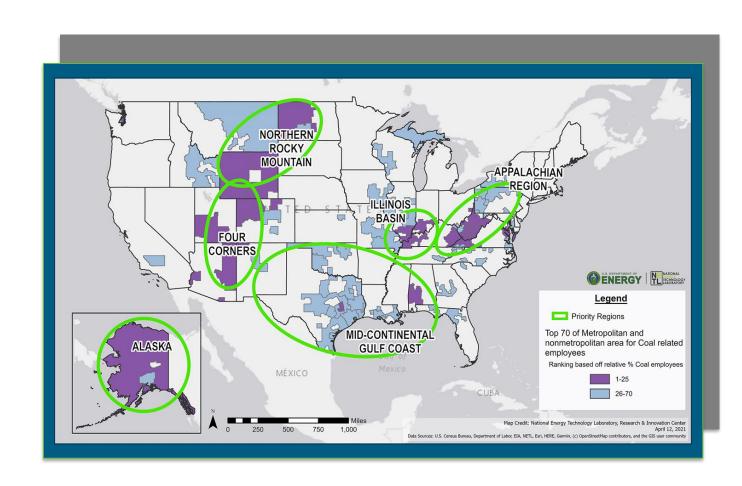
# The Interagency Working Group on Coal & Power Plant Communities

Initial Report (April 2021)

- Identified 25 priority Energy Communities
- 2. Coal communities identified as immediately challenged due to past and imminent closures
- 3. Planned expansion to oil & gas communities

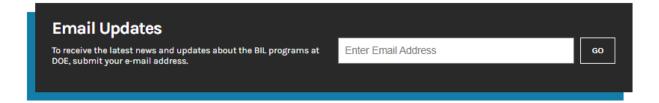
Established a "Clearinghouse" for funding and other opportunities: energycommunities.gov

"Rapid Response Teams" launched 2022

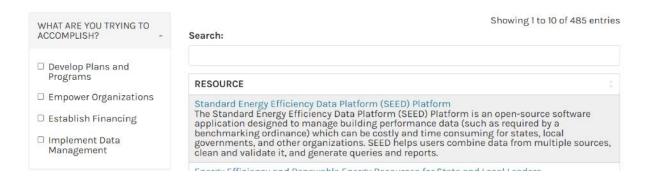


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Sign up to receive SCEP's monthly **State and Local Spotlight newsletter** for detailed information.

