January 13, 2022

UNATE & ENERGY COLLABOR

U.S. Department of Energy Docket ID No. DE-FOA-0002883 Email: EECBG_RFI_Competitive@hq.doe.gov

RE: California Climate and Energy Collaborative (CCEC) Comments on the Bi-Partisan Infrastructure Law (BIL) Request for Information on Energy Efficiency Conservation Block Grant (EECBG) Competitive Program [Docket Number: DE-FOA-0002883]

Dear DOE Leadership and Staff,

The California Climate and Energy Collaborative (CCEC) welcomes the opportunity to provide comments in response to the U.S. Department of Energy's (DOE) December 14, 2022 Energy Efficiency Conservation Block Grant (EECBG) Competitive Program Request for Information (RFI).

<u>CCEC</u> is a program of CivicWell (formerly known as the Local Government Commission) that supports California local governments and their partners in their efforts to save energy, reduce greenhouse gas emissions, and accelerate climate action by building knowledge and networks amongst practitioners. We are increasingly developing ways to foster better two-way communication between State, federal, and local agencies to better reach mutual energy and climate goals, and welcome greater collaboration with the DOE.

CCEC and its network recognize that the DOE is a global leader in energy and climate action and applaud DOE's work in developing the second iteration of the EECBG program for US communities. We agree that local governments are leaders in addressing climate change adn appreciate this opportunity to continue building on our successes. We recognize that the investments made by this program can meaningfully elevate priorities related to sustainable energy, climate change, equity, and environmental justice for small and underserved jurisdictions in California that did not receive an EECBG formula allocation.

In California, communities are facing record-breaking wildfires, heat waves, floods, drought, and repeated electricity outages and seek to build upon their decades of

leadership in clean energy and emission reductions. Local, regional and State agencies in California have been providing their constituents with energy efficiency and other emission reduction strategies and are well positioned to expand and improve these services. For example, 2009 American Recovery and Reinvestment Act EECBG investments helped several local governments offer energy upgrade programs to regions in California, including a variety of residential and commercial financing products, incentives, technical assistance, and job creation and workforce development support. Over 10 years later, those programs have expanded and grown with the help of funds administered by the California Public Utilities Commission earmarked for energy efficiency. As a result, locally-led <u>Regional Energy Networks</u> are serving communities statewide, alongside other State and local and regional energy program administrators.

In September, we hosted our Annual Statewide Climate & Energy Forum on the topic of Accelerating Climate Action & Advancing Justice for nearly 400 local climate and energy practitioners, as well as several State leaders, where communities across the state presented their innovative approaches to advancing local and regional climate and energy initiatives in an inclusive, conscientious way without leaving anyone behind. Our network shares DOE's desire to foster effective, on-the-ground implementation of equitable emission reduction solutions in coordination with regions and communities throughout California. We believe that cities, counties, special districts, regional municipal organizations, and local energy-focused consortiums like <u>Regional Energy Networks</u> (RENs), regional climate collaborative, and Community Choice Aggregation (CCA) programs - and their community partners - are in a key and irreplaceable position to continue pushing California towards a 100 percent clean energy and climate-stable future. However, local agencies lack the necessary internal resources and capacity to match the enormity and urgency of the growing need for clean energy and climate solutions, as well as to meet the targets and goals established by State or federal agencies. We appreciate that this new funding opportunity can help California communities unlock vast untapped potential to lower emissions at the local level.

On January 10, 2023, we conducted an input session related to this EECBG Competitive RFI through our monthly Local Energy Resources Network (LERN) meetings¹. The following comments and recommendations respond to the

¹ The January 10 LERN meeting recording and materials can be found here: https://eecoordinator.info/library/?_sft_post_tag=lern-resources

questions posed by the DOE in the RFI. In sum, these comments reflect the needs and priorities that our extensive network of thousands of California local government staff, officials, and supporting organizations have shared with us.

Our network was generally discouraged by the small dollar amount and number of competitive awards available nationally. Members of our network also expressed concerns that small or rural jurisdictions with fewer resources will have to compete for dollars, while larger jurisdictions receive a formula allocation. CCEC understands that these elements are a function of the original enabling statute and not up for debate in this RFI, but would like to raise the issue for future iterations of the EECBG program, particularly given the federal government's increased emphasis on equity. Members of our network were also discouraged by the prioritization of small States, but are pleased to hear that California applications will be welcome. Our network appreciates the emphasis on allowing local consortia to apply. They welcome more clarification about what kinds of local government entities can be the prime and sub applicants. Given that local consortia already exist in CA to provide energy efficiency programs serving both small and large jurisdictions, we recommend that local consortia not be deemed ineligible if their general membership or service territory includes jurisdictions funded with a formula allocation, so long as dollars are directed at jurisdictions that did not receive a formula allocation.

Our network suggests that the following external partners/stakeholders are critical to the success of their community's energy goals:

- Local government departments including sustainability, building, emergency management, resilience, and regional agencies such as municipal planning organizations.
- Nonprofits and CBOs that already serve EEJ or disadvantaged communities for Justice40 alignment
- Community Choice Aggregation (CCA) Programs
- Regional Energy Networks (REN)
- Other program implementers such as private energy service providers
- Landlords
- Utilities
- Contractors and workforce development organizations

The CCEC network suggests that DOE can best facilitate the formation and sustainability of consortia to participate in the DOE grant programs by focusing on the following actions:

- Allow funding to support:
 - capacity building for developing social impact networks that include local governments, nonprofits, and community-based organizations
 - consortia coordinators
 - organizations ready to provide local technical assistance for energy efficiency and electrification
 - contractors that work on efficiency/electrification and related health and safety upgrades
 - retro-fit ready activities to be included for low-income customers.
 Examples include roof replacement, asbestos and termite remediation, interconnection costs, and associated electrical work needed to make buildings EE and DER retrofit ready.
- Develop templates with language for consortium agreements

Members of our network are most interested in technical assistance or resources for the following programmatic areas:

- Building electrification
- Resilience
- Climate action planning
- Electric vehicles
- Projects/programs that integrate resilience, electric vehicles, renewable energy, and building electrification initiatives at the local and regional level
- Workforce standards for contractor to ensure that there are high road jobs but also enough grants/incentives to off-set higher costs

The types of technical assistance our network thinks would be most effective in helping our communities and partner maximize the impact of our work include:

- Assistance with planning and designing a new program
- Engineering and design support
- Support on competitive grant application for small communities that don't have access to formula allocations
- Multi-lingual constituent-focused technical assistance and resources for underserved communities

Our network suggests making TA available to all jurisdictions, not just in lieu of formula grants.

CCEC network members in the past have suggested the following best practices in program design to reduce administrative burdens on applicants, grantees, and/or subrecipients:

- Offer stipends to support application process for eligible applicants in disadvantaged communities
- Upfront payments in place of project reimbursements
- Reimbursement process allows for applicants to recoup 100% of their fully burdened costs
- Allow flexibility in the implementation scopes to allow for reasonable adjustments to the scope
- Avoid limitations/caps on direct cash infusion and specific expense categories

Other recommended practices include:

- Recurring and predictable dollar amounts
- Include core staffing and administrative costs as allowable costs.
- Avoid overly complicated applications or participation with too many technical, financial, and legal constraints or requirements (disallowed costs, overly prescriptive eligible activities, match, waiver of sovereign immunity, difficult invoicing or reporting processes).

To help potential recipients take advantage of this program, CCEC suggests DOE provide grant writing assistance and guidance before and during open solicitations. DOE could consider a model similar to CA Strategic Growth Council's Transformative Climate Communities grant, where interested applicants can complete a short survey to request <u>technical assistance</u> (TA) with the application. The TA can provide early feedback about the viability of a project idea. We appreciate and encourage the use of eligible project templates and blue prints.

With the right guidelines, DOE's EECBG could empower the community leadership and organizational expertise already in place, including those representing underrepresented voices, by directing dollars towards regional technical assistance and service providers where possible, which already have the proximity, technical expertise, local knowledge, and relationships to best serve local needs.

In conclusion, California local governments and other community-serving organizations can serve as the DOE's best partners in achieving the emissions and equity goals outlined in the RFI and alleviating burdens and barriers impeding

greater progress at the local level. Thank you for the opportunity to respond to the RFI and relay comments from our statewide network. We greatly appreciate your time in considering our comments and recommendations and welcome further discussion. We look forward to distributing information and resources resulting from the EECBG to our extensive network of California local governments and their partners. Please do not hesitate to reach out to Angie Hacker at <u>ahacker@civicwell.org</u> if you have any questions.

Respectfully submitted by Angie Hacker, CCEC's Statewide Best Practices Coordinator, on behalf of the California Climate and Energy Collaborative (CCEC).