

# YOUR GO-TO RESOURCES FOR SEP, INCLUDING FAQs

## MODULE SIX

2019



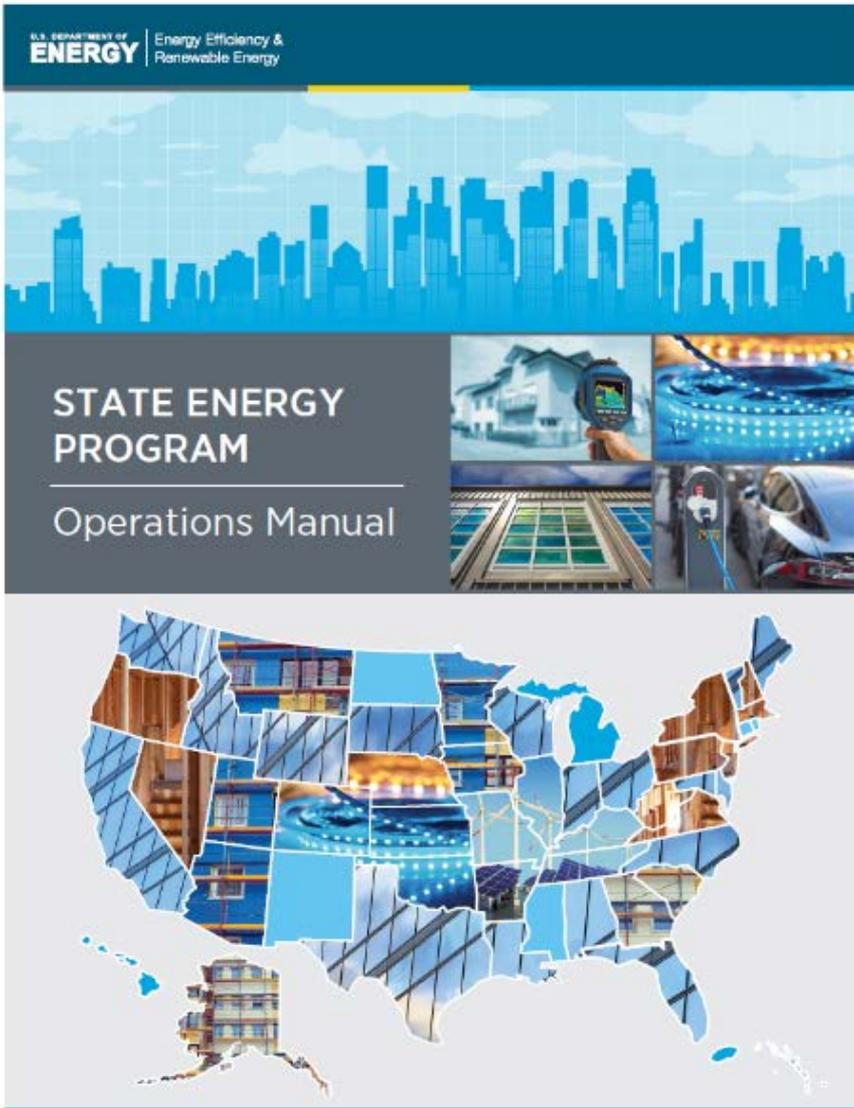
# Introduction

In Module Six, your final SEP module, our focus will be on resources and FAQs to help you manage your state program, as well as reviewing the many tools available for sharing and exchanging information with other state programs.

- SEP Operations Manual
- State and Local Solution Center
- EERE Resources for State and Local Leaders
- Program Guidance by Year
- Policy and Technical Needs Support – NASEO
- FAQs



# Not Sure What To Do? Look Here



The SEP [Operations Manual](#) is a programmatic resource developed for you and other states who manage and oversee the implementation of the SEP.

Topics you can explore:

- SEP Funding Sources and Federal Regulations
- Rules and Procedures for Formula Funding
- Program Administration: Monitoring & Reporting
- DOE Technical Assistance Resources
- Appendix: Fact Sheet, PVE Funding Overview, Success Story template, etc.

# State And Local Outreach

## State and Local Solution Center

- More than 400 tools, resources, and best practices for states, local governments, and K-12 schools as they plan for and implement energy projects.
- Highlights include:
  - C-PACE Working group
  - ESPC and Outdoor Lighting Toolkits
  - Rural Resources for States, Local Governments, and K-12 School Districts
- ✓ 8,000+ visits per month
- ✓ PACE's most popular/viewed topic!

## State and Local Spotlight

- Monthly email update with ~24,000 subscribers

Subscribe: <http://energy.gov/eere/slsc>

Contact Us: [stateandlocal@ee.doe.gov](mailto:stateandlocal@ee.doe.gov)

stateandlocal@ee.doe.gov.' Below this is a section titled 'Explore Our Resources' with a grid of six icons and links: 'All State & Local Solution Center Resources', 'Popular Tools and Resources', 'Develop An Energy Plan', 'Pay For Energy Initiatives', 'Design and Implement Energy Programs', and 'Access and Use Energy Data'."/>

About the State and Local Solution Center

Join the C-PACE Working Group

ESPC and Outdoor Lighting Toolkits Available

New Rural Resources for States, Local Governments, and K-12 School Districts

The State and Local Solution Center provides resources to enable strategic investments in energy efficiency and renewable energy technologies through the use of innovative practices across the United States by a wide range of stakeholders, in partnership with state and local governments and community-based nonprofits. To contact us, please email [stateandlocal@ee.doe.gov](mailto:stateandlocal@ee.doe.gov).

Explore Our Resources

All State & Local Solution Center Resources

Popular Tools and Resources

Develop An Energy Plan

Pay For Energy Initiatives

Design and Implement Energy Programs

Access and Use Energy Data

consult this report.' To the right of the text is a small image of the report cover. Below the text is a section titled 'Issue Brief: Reducing Energy Burden for Low-Income Residents in Multifamily Housing with Solar Energy'. The text reads: 'This new issue brief discusses some key considerations and related opportunities for deploying solar energy for low-income multifamily housing (buildings with five or more units). It addresses how differences in multifamily housing type and financing structure can influence how such projects impact energy burden. The resource also profiles two multifamily housing examples in Denver and California that demonstrate how state and local entities have deployed solar energy photovoltaics on behalf of low-income residents. [Read the issue brief](#).' To the right of the text is a small image of the issue brief cover."/>

ENERGY.GOV

Office of ENERGY EFFICIENCY & RENEWABLE ENERGY

State & Local Spotlight

May 1, 2019

A monthly update from EERE's Weatherization and Intergovernmental Programs Office (IPPO) for state, local, and K-12 officials that features energy efficiency and renewable energy technologies and innovative practices across the United States by a wide range of government, community, and business stakeholders. In partnership with state and local organizations and community-based nonprofits.

News

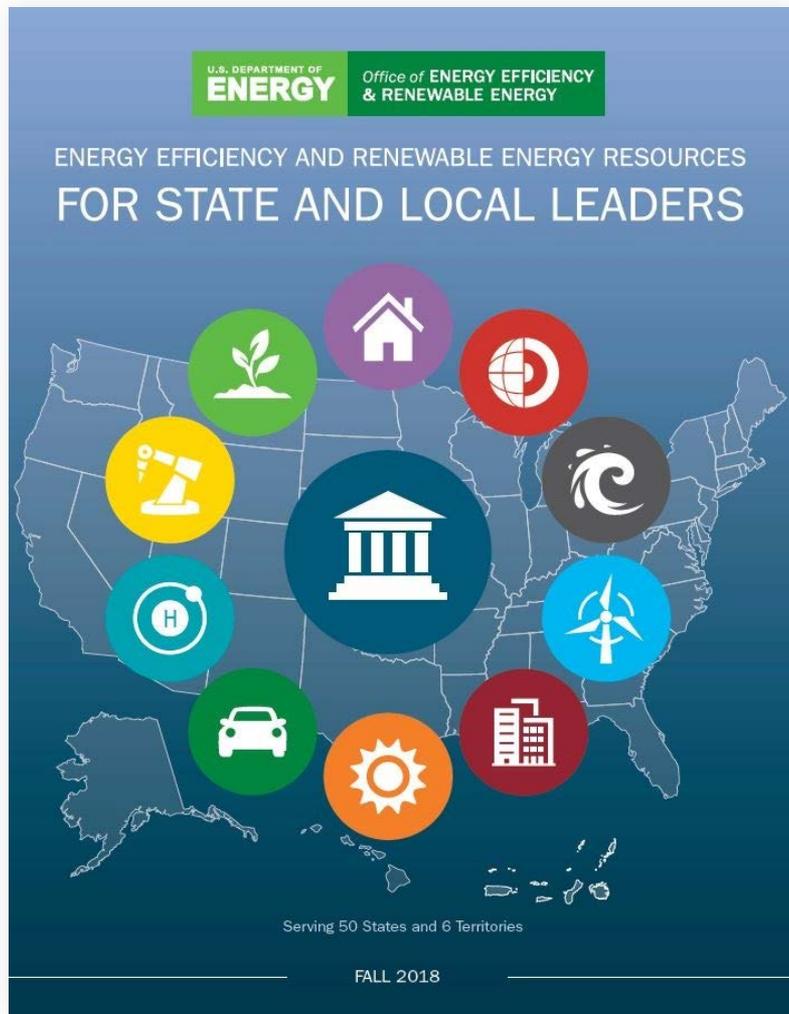
New 2019 U.S. Energy and Employment Report

The National Association of State Energy Officials (NASEO) and Energy Futures Initiative (EFI) released the 2019 U.S. Energy and Employment Report which provides unique insight on the people who meet the nation's energy needs. The energy efficiency sector once again led all other energy sectors in creating jobs. In both 2017 and 2018, the most new jobs of any energy sector were related to energy efficiency—over 10,000 in 2018—with 2,324,300 jobs in total. This growth is expected to increase, as energy efficiency employers report a projected growth rate for employment in 2019 of almost 7.8%, up from the 3.4% reported for 2018. The report also includes state-level energy employment information and new information on wage levels across energy sectors. In 19 different states, energy efficiency employed more people than any other energy sector. For more information on employment in energy efficiency and other energy sectors, [consult this report](#).

Issue Brief: Reducing Energy Burden for Low-Income Residents in Multifamily Housing with Solar Energy

This new issue brief discusses some key considerations and related opportunities for deploying solar energy for low-income multifamily housing (buildings with five or more units). It addresses how differences in multifamily housing type and financing structure can influence how such projects impact energy burden. The resource also profiles two multifamily housing examples in Denver and California that demonstrate how state and local entities have deployed solar energy photovoltaics on behalf of low-income residents. [Read the issue brief](#).

# Current And Popular Resources In One Place



- You can find the most current and popular state and local resources in this guide.
- Featured topics include wastewater infrastructure, benchmarking, and rural communities.

# Need Some Guidance

## State Energy Program Guidance

Home » State Energy Program » State Energy Program Guidance

For more than 30 years, the U.S. Department of Energy's (DOE) State Energy Program (SEP) has provided funding and technical assistance to states, U.S. territories, and the District of Columbia. State Energy Offices use SEP funds to develop state plans that advance energy solutions through regional networks, strategic energy planning, executive orders, legislation and local ordinances, management of local retrofits, and land-use plans. The SEP Operations Manual is a reference tool for the SEP network states and program officials within DOE. This manual contains information needed to administer the State Energy Program.

Download the SEP Operations Manual.

SEP released the following guidance documents, listed chronologically below, that explain how states must report and manage SEP program funding. More program guidance documents are available on the [Recovery Act Guidance by Topic](#) page.

### 2019 Program Guidance

- [SEP Program Notice 10-006E: DOE Reporting Requirements for the State Energy Program - Effective March 31, 2019](#)
- [SEP 2019 Administrative and Legal Requirements Document \(ALRD\) - Issued March 1, 2019 - This ALRD is to solicit the annual grant applications under State Energy Program for Program Year 2019.](#)
- [Program Year 2019 State Energy Program Formula Grant Guidance 19-01 - Effective March 1, 2019](#)
- [Annual Summary Template PY19](#)
- [Letter to Grantees Regarding Maintenance of Records to Document Work Performed to Support SEP Grant Activities - Issued Jan. 22, 2019 - This letter reminds grantees of the requirement to maintain records that accurately reflect the work performed by grantees to support SEP grant activities.](#)

### 2018 Program Guidance

- [SEP 2018 Administrative and Legal Requirements Document \(ALRD\) \(Modification 0001\), Modified June 26, 2018 - This ALRD is to solicit the annual grant applications under SEP for Program Year](#)

- If you have any questions regarding reporting and managing SEP program funding, see the guidance documents on the [SEP Program Guidance Webpage](#).
- Guidance dates to 2009 and includes:
  - Administrative and Legal Requirements Documents (ALRDs)
  - State Energy Program Formula Grant Guidance
  - A Letter to Grantees Regarding Maintenance of Records to Document Work Performed to Support SEP Grant Activities
  - Annual Summary Templates, and
  - NEPA Determinations.

# Supporting Policy And Technical Needs - NASEO

The [National Association of State Energy Officials \(NASEO\)](#) is the only national nonprofit association for the governor-designated energy officials from each state and territory. NASEO facilitates peer learning among state energy officials, serves as a resource for and about state energy offices, and advocates for the interests of the state energy offices to Congress and federal agencies.



NASEO can help achieve your state-led policy and energy needs with expertise on a wide range of topics, including:

- **Buildings** - Focuses on residential, commercial, and public buildings sectors, and building energy codes.
- **Energy Security** – Covers energy assurance planning, cyber security preparedness, and energy emergency data collection and analysis.
- **Fuels and Grid Integration** – Facilitates efforts to support grid-interactive efficient buildings and comprehensive electricity system planning, and deals with the production, distribution, and consumption of electricity and liquid and gas fuels.
- **Transportation** - Leads efforts to accelerate the use of electric vehicles and domestic fuels, reduce reliance on imported oil, and improve air quality in the transportation sector.
- **Financing** - Addresses energy efficiency and renewable energy financing mechanisms and develops tools.
- **Government Affairs** – Tracks and engages in Congressional and Executive Branch energy policy development and actions on behalf of state energy offices.

# Frequently Asked Questions – FAQs

## Eligibility

- How is a demonstration project defined?
    - A demonstration project is a means by which a commercially available conservation technique or technology may be shown in an exemplary way to a specific target audience. Implicit in the decision to implement a demonstration project should be the idea that there exists a conservation technique or technology with unique applicability to a specific sector or the population. The demonstration project will illustrate the applicability of this technique/technology to a sample of the population (this sample is the target audience). The demonstration of a particular technique or commercially available technology should serve as a “case in point” to the target audience.
  - Whom do I call if I have an eligibility question?
    - First, discuss the activity with your project officer. He or she will reach out to the experts if there is gray area.
  - I have a conference/event coming up. Can I buy SEO-branded tchotchkes with my SEP funds?
    - Probably not. You’ll need to determine what exactly you want to use them for, and then check the Cost Principles in 2CFR200 Subpart E. If you are unsure after checking the Cost Principles, reach out to your award grants management specialist for a determination.
  - Can I use my SEP funds for foreign travel?
    - Possibly, but you are required to obtain the prior written approval from the contracting officer for any foreign travel costs.
- What about Canada?
- You are still required to obtain the prior written approval of the Contracting Officer for any foreign travel costs—even if it’s Canada.

# Frequently Asked Questions – FAQs

## Grant Management (Financial/Administrative)

- What does DOE consider “minimal administrative expenses”?
  - DOE does not have a definition for “minimal administrative expenses.” States should use their own guidelines and their best judgment.
- I’m not constructing anything - why do I need to do NEPA?
  - By law, all DOE Financial Assistance awards are subject to NEPA review. NEPA requires federal agencies to assess the environmental effects of their proposed actions prior to making decisions. NEPA documentation is what DOE uses to determine that you aren’t constructing anything and evaluate the environmental and related social and economic effects of states’ proposed actions.
  - What is a categorical exclusion?
    - A categorical exclusion, or CX, means a category or kind of action that has been determined to have no significant individual or cumulative effect on the quality of the human environment, and therefore does not require further NEPA action.
- What are leveraged funds?
  - Leveraged funds are additional program-targeted nonfederal cash or in-kind contributions that are a result of SEP-funded activities. Leveraged funds may not include cash or in-kind contributions that have already been used to match a state’s federal SEP grant (or any other federal grant), or that have been included in leveraged funds for other programs, nor may they include PVE funds, which are tracked separately. “Leveraging” under SEP should be limited to contributions that result from, and can be clearly attributed to, a state’s SEP activities, and contributions that are used to augment those activities.
- What’s the difference between leveraged funds and cost match/cost share?
  - Leveraged funds are additional program-targeted nonfederal cash or in-kind contributions that are a result of SEP-funded activities. Cost match and cost share are also nonfederal cash and in-kind contributions but are used to meet the award contribution requirement and are subject to the limitations on expenditures described in 2 CFR 200 and 10 CFR 420. Cost match/cost share funds are accounted for in the award budget and are also subject to the award’s Special Terms and Conditions.

# Frequently Asked Questions – FAQs

## Grant Management (Financial/Administrative)

- How do I report expenditures that happen in my 90-day closeout period?
  - Expenditures that happen in the 90-day closeout period are reported in the final Federal Financial Report of the period of performance. Towards the end of the 90-day closeout period, your project officer will reject the final Federal Financial Report, which will allow you to add expenditures that occurred during the closeout period.
- Do I need prior approval to buy anything with my SEP funds?
  - Yes! See the Cost Principles in 2CFR200 Subpart E.
- Can I buy a car with SEP funds?
  - SEP does not prohibit the purchase of vehicles; however, all costs must be allocable to the proposed scope of work, and the purchase may require prior approval. Check with your project officer.
- How about a boat?
  - SEP does not prohibit the purchase of boats; however, all costs must be allocable to the proposed scope of work, and the purchase may require prior approval. Check with your project officer.
- What is a market title?
  - The term “market title” is used to describe an activity or activities undertaken with SEP funding. States are strongly encouraged to structure the activities within the Market Titles narrowly, such that each market title represents only a single state-implemented program.
- What does “obligation” mean?
  - “Obligation” refers to the commitment of funds for a specific use. Some examples of “obligations” are signed contracts with sub-recipients, purchase orders made, or approval letters sent to sub-recipients.

# Frequently Asked Questions – FAQs

## Grant Management (Financial/Administrative)

- I don't have state appropriations – how else can I produce cost match?
  - Cost match does not have to come from state appropriations. Nonfederal cash and in-kind contributions can be used for cost match and are subject to the limitations on expenditures described in 2 CFR 200 and 10 CFR 420. Some states use PVE funds, sub-recipient project funds, and/or in-kind contributions like meeting space.
- Can I change my budget once it has been approved?
  - Yes. You can move up to 10 percent of your budget among existing budget categories without a modification to your grant agreement. You are required to notify your PO if you plan to do so. If you have larger budget shifts in mind, a modification will be necessary. See Term “Budget Changes” in your award Special Terms and Conditions for more information. If you plan on moving funds from direct and indirect cost

categories, you will need prior written approval from your contracting officer. A modification may be required, as well as updating the budget.

- What constitutes a full modification that the contracting officer needs to sign?
  - A change in scope, a large budget shift, a new budget category, change in personnel, and an office move may all trigger a grant modification. It's a good idea to talk to your project officer about what changes you're thinking about making – they can help you navigate the process.

# Frequently Asked Questions – FAQs

## Federal Processes/Budget

- What does a government shutdown mean for my funding?
  - A government shutdown occurs when there has been a lapse in federal appropriations. The federal fiscal year (FY) runs from October 1 to September 30, so a federal budget or continuing resolution must be passed for DOE to continue operations. Sometimes, some agencies are funded, while others are not. For example, during the shutdown of 2019, DOE had an enacted budget, and, therefore, was not shut down. SEP will make every effort to disburse formula grant funds once DOE’s budget has been enacted.
- What does a continuing resolution mean for my funding?
  - A continuing resolution provides budget authority for federal agencies and programs to continue operations at current approved funding levels until the regular appropriations acts are enacted. Until a DOE budget is passed, SEP cannot award funding to grantees. SEP will make every effort to disburse formula grant funds once DOE’s budget has been enacted.
- What is the “cash on hand” rule?
  - For most SEP grants, grantees receive their funding through advance payments from ASAP (Automated Standard Application for Payment). States may submit requests as frequently as required to meet their needs to disburse funds for the federal share of project costs (typically three days cash on hand). States should minimize the amount of time between drawing down their funds in ASAP and expending their funds.

# Frequently Asked Questions – FAQs

## Miscellaneous

- What is PAGE, and how do I use it?
  - PAGE is SEP's online reporting system. You'll use it to submit your annual funding application and quarterly reports. For a one-on-one tutorial, contact your project officer, who will connect you with the PAGE team.
- What do you do with the data in my PAGE reports?
  - SEP uses the performance data in your quarterly reports to measure program impact, communicate program results to Congress, and analyze program activities.
- My legislature wants to take my SEP funds. Can they do that?
  - Yes; however, SEP funds can only be disbursed to the SEO designated by the governor and used on allowable activities. SEP funds cannot be commingled or used to supplant other funding sources.
- I have PVE funds. How do I use them?
  - Generally, Petroleum Violation Escrow (PVE) funds can be used in SEP, WAP, or LIHEAP. Stripper Well funds can be used in additional areas related to energy. Your project officer can provide you a PowerPoint presentation that explains the different types of PVE funds, what they can be used for, and what funding limitations they have. If you want to use PVE funds outside of your SEP plan, the PowerPoint deck will tell you how to request concurrence on your proposed use of funds.
- How do I report using PVE funds?
  - States are required to submit annual reports that include the financial status of remaining funds from all PVE sources, as well as how funds have been used during the year. The reports are due 30 days after the close of the state's FY.

# Frequently Asked Questions – FAQs

## Miscellaneous

- Can SEP give me technical assistance?
  - Yes, your project officer can direct you to several technical assistance resources, connect you to subject matter experts in WIP/DOE, and direct you to other states that may be able to share their expertise.
- Can I get technical assistance from the DOE labs?
  - SEP does not typically provide one-on-one technical assistance from DOE labs. Your office may be able to contract with a national lab. The procurement process is lengthy. Your project officer can help you find lab-created resources that might fit your needs.
- I want to create a new program. Does DOE have any resources that can help me?
  - Yes! There are many resources on the [State and Local Solution Center](#). There are also several [Implementation Models](#) that describe the step-by-step processes other states used to create successful programs.

# Frequently Asked Questions – FAQs

## Do I have to worry about ARRA?

- Yes, if you still operate an ARRA financing program.
- My funds have already revolved once
  - Until further notice, ARRA funds retain their federal character in perpetuity.
- What do I need to do for the Davis Bacon Act (DBA)?
  - States must obtain, maintain, and monitor DBA-certified payroll records submitted by the sub-recipients and contractors. Further information, including everything you need to do to comply with the DBA is included in Appendix A of your grant's Special Terms and Conditions.
- What if buying American costs more?
  - ARRA stipulates that to the greatest extent practicable, all equipment and products purchased should be American-made.
- What if I want to change the type of programs we offer with our ARRA dollars?
  - SEP has a process for states that want to repurpose their ARRA funds for another eligible activity. SEP accepts repurposing requests during the months of January and July. Outside these two months, SEP will consider requests in emergency situations. For more information, see SEP Program Notice 10-008E  
<https://www.energy.gov/sites/prod/files/2016/07/f33/SEP%20Program%20Notice%2010-008E.pdf>.

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# Thank You

If you have any questions, please contact your DOE Project Officer.

