

THE OFFICE OF CLEAN ENERGY DEMONSTRATIONS



Energy Improvements in Rural or Remote Areas (ERA) Program Concept Paper Feedback U.S. Department of Energy June 6, 2023

Disclaimer

The purpose of this webinar is to share common issues observed in Concept Papers submitted to OCED Energy Improvements in Rural or Remote Areas FOA (DE-FOA-0002970), as well as highlight other funding and technical assistance opportunities that may be of interest. We will share only publicly available information in the webinar.

This webinar is for informational purposes only. The Department is not seeking comments on the information and FOA applications are due on **August 2, 2023, 5 pm ET.**

Attending the webinar and watching the recording is completely voluntary and will not impact an application. There are no advantages or disadvantages to with respect to attending the webinar today.

This webinar is not a rule or regulation. If there are any inconsistencies between the FOA and the statements in this webinar, the FOA is the controlling document and appropriate reference.

We are not taking questions and feedback today.

Any questions on the ERA FOA 2970 should be directed to:

ERAFOA1@hq.doe.gov



Welcome and Introduction

David Crane Director, Office of Clean Energy Demonstrations



OCED Overview



OCED Scope



Regional Clean Hydrogen Hubs (\$8 billion)



Advanced Reactor Demonstrations (\$2.5 billion)



Carbon Management (\$7 billion)



Industrial Demonstrations (\$6.3 billion)

Long-Duration Energy Storage Demonstrations (\$505 million) Energy Improvements in Rural or Remote Areas (\$1 billion)

Clean Energy Demonstrations on Mine Land (\$500 million)



New Demonstration Projects (\$50 million – and hopefully more!)



OCED Mission

Deliver clean energy technology demonstration projects at scale in partnership with the private sector to accelerate deployment, market adoption, and the equitable transition to a decarbonized energy system."



Community Benefits Plan

Applications must include a Community Benefits Plan (CBP) describing how the project will incorporate the four objectives below:

- Support meaningful community and labor engagement
- Invest in the American workforce
- Advance diversity, equity, inclusion, and accessibility
- Contribute to the President's goal that 40% of overall benefits of certain federal investments flow to disadvantaged communities (the Justice40 Initiative)

Community Benefits Plan milestones and workplan descriptions should be **incorporated into the project schedule, workplan, budget, and other key documents.**





Energy Improvements in Rural or Remote Areas (ERA) Program Overview



Overview of ERA Program

The Infrastructure Investment and Jobs Act, commonly referred to as the Bipartisan Infrastructure Law (BIL) authorizes DOE to invest **\$1 billion in Energy Improvements in Rural or Remote Areas**. DOE's Energy Improvements in Rural or Remote Areas (ERA) Program is managed by the Office of Clean Energy Demonstrations (OCED).

Purpose:

 To provide financial assistance to improve, in rural or remote areas of the United States, the resilience, safety, reliability, and availability of energy and environmental protection from adverse impacts of energy generation.



Program Goals:

- Deliver measurable benefits to energy customers in rural or remote areas by funding replicable energy projects that lower energy costs, improve energy access and resilience, and/or reduce environmental harm;
- 2. Support new rural or remote energy system models using climate-resilient technologies, business structures that promote economic resilience, new financing mechanisms, and/or new community engagement practices; and
- 3. Build clean energy knowledge, capacity, and selfreliance in rural America.



Concept Paper Criterion

- The Concept Papers were reviewed on the basis of Overall FOA Responsiveness and Viability of the Project.
- This criterion involves consideration of the following six factors, as summarized:
 - Significant energy cost, resilience, or reliability challenges facing the rural or remote area(s).
 - Scope, including key technologies, total cost, and how the proposed project will improve or overcome one or more of the energy challenges.
 - How the project can help mitigate environmental impacts of existing generation
 - Development plan and timeline, including a finance, any key risks, challenges, and possible mitigation strategies, impact of DOE funding.
 - Applicant and team have the qualifications, experience, capabilities, and other resources necessary.
 - Strategies to ensure meaningful community and labor engagement; quality jobs and workforce development; EEJ and the Justice40 Initiative.

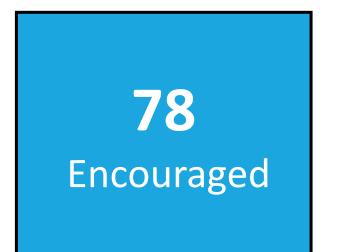






Concept Paper Results Overview

365 Concept Papers Submitted







Concept Paper Feedback

Projects that do not have a specific rural or remote area identified or do not clearly identify the benefits to the identified rural or remote areas:

- Applications must identify at least one area in the United States (including U.S. territories) with a population of not more than 10,000 (using the 2020 Census Bureau figures) that will benefit from the proposal as noted on FOA Section.
- Applicants shall clearly identify all the rural or remote areas their proposal will directly benefit.



Concept Papers that did not indicate costs, or proposed projects with total costs under \$5M for Topic Area 1 or \$10M for Topic Area 2.

- <u>Topic Area 1 Community-Scale Demonstrations</u>: Proposals to implement clean energy projects with a **federal cost share** of **at least \$5 million and at most \$10** million, using one or more clean energy technologies that advance resilience and provide other benefits to one or more rural or remote communities.
- <u>Topic Area 2 Large-Scale Demonstrations</u>: Proposals to implement clean energy projects with a federal cost share of at least \$10 million and at most \$100 million. Large-scale demonstrations should benefit multiple communities, either through a single installation that benefits multiple rural or remote communities, or through a series of installations with similar or complementary characteristics across multiple communities.



Concept Papers that do not meet Cost Share requirements:

- A minimum of 50% non-federal cost share is required for projects in this FOA.
- 20% cost share in cases where the prime recipient is a domestic institution of higher education; domestic nonprofit entity; or U.S. state, local, or tribal government entity (including Alaska Native Corporations and Alaska Native Village Corporations).
- 50% cost share for all other projects.



Concept Papers that have technologies (e.g., HVAC upgrades) or projects (e.g., modeling) that do not specifically address FOA objectives.

Projects funded in either Topic Area must satisfy at least one of the objectives listed in BIL Section 40103(c)(3). These "resilient clean energy objectives" are:

- Improving overall cost-effectiveness of energy generation, transmission, or distribution systems.
- Siting or upgrading transmission and distribution lines.
- Reducing greenhouse gas emissions from energy generation in rural or remote areas.
- Providing or modernizing electric generation facilities.
- Developing microgrids.



Electric Grid Connection

The applications for projects requiring electric grid connection, or other form of offtake agreement, should demonstrate the **process for interconnection**, a **partnership** with the **identified utility** to achieve the proposal, and the **metrics** that govern any interconnection or offtake agreements.

- Regulatory processes and requirements required to provide electricity to the grid.
- The current state of the project/process (i.e., regulatory approvals, timelines).
- Commitments from the utility/off-takers allowing the proposed project.
- Any required agreements/contracts (e.g., PPAs, net-metering agreements) between the project and the electric utility/off-taker.



Community Benefits Plan Comments

- Community Benefit Plans should identify and outline strategies to mitigate potential negative impacts. Potential negative impacts could include ecological (such as the effects on natural resources and on the components, structures, and functioning of affected ecosystems), aesthetic, historic, cultural, economic, social, or health impacts.
- Applicants are encouraged to consider direct impacts, indirect impacts, and cumulative impacts.
- Applicants are encouraged to think broadly about project benefits and describe benefits that go beyond job creation. Benefits may include environmental, economic, health, social, or other benefits, including benefits defined by impacted communities.
- Applicants are encouraged to describe mechanisms for **accountability** with impacted communities.
- Community Benefit Plans should **identify resources required to implement CBP activities**, including the person or party responsible for implementation.



Next Steps – Applications

- Only applicants who have submitted an eligible Concept Paper will be eligible to submit an Application.
- Applicants that were both encouraged and discouraged may submit an Application.
 - By discouraging the submission of an Application, DOE intends to convey its lack of programmatic interest in the proposed project.
 - The purpose of the Concept Paper phase is to save applicants the considerable time and expense of preparing an Application that is unlikely to be selected for award negotiations.

Applicants must submit an Application by August 2, 2023, by 5:00 p.m. EST.



ERA Grants FOA – Currently Open!

- On May 11, 2023, DOE announced \$50M in grant funding for up to 100 community-driven clean energy projects with award amounts between \$500,000 and \$5 million.
- To reduce barriers for participation, these funds have a streamlined application process and require no cost-share from recipients.



https://www.energy.gov/oced/grant-funding-notice-energy-improvements-rural-or-remote-areas



ERA Technical Assistance

<u>National Renewable Energy</u> <u>Laboratory (NREL) Technical</u> <u>Assistance (TA)</u>

Available to applicants who **submitted ERA FOA concept papers** to OCED eXCHANGE.

Up to **8 hours of no- cost telephone conversations** with each community.

Example TA Topics include: Describing the technology and/or systems to be developed, construction activities, and infrastructure development; describing a preliminary development plan and timeline; detailing the qualifications, experience, capabilities of the proposed project team; developing a "Community Benefits Plan."

https://www.nrel.gov/state-local-tribal/era-technical-assistance.html

<u>Environmental Justice Thriving</u> <u>Communities Technical</u> <u>Assistance Centers (EJ TCTACs)</u>

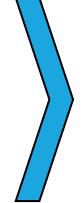
Partnership between EPA and DOE. 17 technical assistance centers will receive at least \$10M each to remove barriers and improve accessibility for communities with environmental justice concerns. EJ TCTACs will provide training for navigating federal grant application systems, writing strong grant proposals, and effectively managing grant funding.

https://www.epa.gov/environmentaljustice/environmental-justice-thrivingcommunities-technical-assistance-centers



OCED Resources

OCED Website and Newsletter: https://www.energy.gov/oced/officeclean-energy-demonstrations

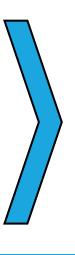


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For more information, please visit: <u>energy.gov/OCED</u>

For questions regarding FOA content and requirements please email: <u>ERAFOA1@hq.doe.gov</u>

For questions regarding the Grant FOA content and requirements please email: <u>ERAFOA1@hq.doe.gov</u>

For technical issues or questions regarding OCED eXCHANGE please email: <u>OCED-</u> <u>ExchangeSupport@hq.doe.gov</u>

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