

Informational Applicant Webinar : **Low-Income Communities Bonus Credit Program §48(e)**

Office of Economic Impact and Diversity
September 29, 2023



U.S. DEPARTMENT OF
ENERGY

OFFICE OF **ECONOMIC IMPACT AND DIVERSITY**



Welcome!

This webinar is being recorded and will be published on the DOE's Low-Income Communities Bonus Credit Program website:

www.energy.gov/diversity/low-income-communities-bonus-credit-program

Webinar Presenters



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Disclaimer

- Today's webinar provides an overview of the implementation of the Low-Income Communities Bonus Credit Program. It is not a substitute for official IRS guidance on the Low-Income Communities Bonus Credit Program. This webinar will not cover all requirements of the Program, and as such participants should refer to the official IRS information on eligibility requirements and the application process.
- The information provided in this webinar should not be considered tax advice or tax filing support. Please consult a tax professional, accountant, or attorney if you need tax-related assistance.

Today's Agenda

1. Program Overview
2. Application Selection Process
3. Application Process Overview
4. Program Resources
5. 2023 Program Year Timeline

Program Overview



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2023 Low-Income Communities Bonus Credit Program

- **August 10, 2023:** Program Final Regulations and Revenue Procedure for 2023 Program Released
- **September 27, 2023:** Announcement of Application Openings
- **October 19, 2023 through Early 2024:** 2023 Program Open for Applications
- **Q2 2024:** 2024 Program Opens

Highlights of Final Regulations and Revenue Procedure

- **Definitions**

- Definition of Facility
- Energy Storage Technology Installed in Connection with Solar or Wind Facility
- Financial Benefits for Category 3 and Category 4 Allocations
- “Located in”

- **Program Requirements and Structure**

- Project Placed in Service After Allocation Award
- Selection Process
- Additional Selection Criteria
 - Ownership Criteria
 - Geographic Criteria
- Capacity for Residential Behind the Meter Facilities Located in a Low-Income Community
- Application Materials
- Documentation and Attestations to Be Submitted at Application and When Placed in Service
- Post-Allocation Compliance

Program Overview

- The Low-Income Communities Bonus Credit Program under §48(e) of the Internal Revenue Code provides a process to apply for an allocation of Capacity Limitation that increases the existing §48 energy investment credit by 10 or 20 percentage points for qualified solar and wind facilities < 5 MW-AC.
- DOE will review applications and make recommendations to the IRS, which will allocate up to 1.8 gigawatts (GW) of solar and wind direct-current (DC) capacity per year.

Facility Categories

- For calendar year 2023, the total annual Capacity Limitation of 1.8 GW will be divided among the four categories as follows:

Category	Allocation (megawatts)	Tax Credit Percentage
(1) Located in a Low-Income Community	700	10%
(2) Located on Indian Land	200	10%
(3) Qualified Low-Income Residential Building Project	200	20%
(4) Qualified Low-Income Economic Benefit Project	700	20%

- Refer to the IRS Publication, Rev. Proc. 2023-27 for the full definition and requirements of each program category.

Program Goals

The program prioritizes the following goals:

- Increase **adoption of and access to renewable energy facilities** in low-income and other communities with environmental justice concerns.
- Encourage **new market participants**.
- Provide **social and economic benefits** to individuals and communities that have been **historically overburdened** with pollution, adverse human health or environmental effects, and marginalized from economic opportunities.

Additional Selection Criteria

- For Program Year 2023, **at least** 50 percent of the total capacity in each program category will be reserved for qualified facilities meeting certain Additional Selection Criteria.
- Facilities may qualify for Additional Selection Criteria based on Ownership or Geography.

Additional Selection Criteria – Ownership Criteria



Ownership criteria

The ownership criteria is based on characteristics of the applicant that owns the qualified solar or wind facility.

- Tribal enterprise
- Alaska Native Corporation
- Renewable energy cooperative
- Qualified renewable energy company
- Qualified tax-exempt entity

- Refer to the [IRS Final Regulations](#) for the definition and requirements of ownership Additional Selection Criteria.

Additional Selection Criteria – Geographic Criteria



Geographic criteria

The geographic criteria is based on the county or census tract where the facility is located.

- Persistent Poverty County
- Climate and Economic Justice Screening Tool (CEJST) Energy Category

- Refer to the [IRS Final Regulations](#) for the definition and requirements of geographic Additional Selection Criteria.

Application Options

Category and Application Option	MW	MW
(1) Located in a Low-Income Community - Eligible Residential Behind-the-Meter (BTM)	245	700
(1) Located in a Low-Income Community - Eligible Residential BTM – Additional Selection Criteria	245	
(1) Located in a Low-Income Community - Other Eligible LI Community Project	105	
(1) Located in a Low-Income Community - Other Eligible LI Community Project – Additional Selection Criteria	105	
(2) Located on Indian Land	100	200
(2) Located on Indian Land - Additional Selection Criteria	100	
(3) Qualified Low-Income Residential Building Project	100	200
(3) Qualified Low-Income Residential Building Project - Additional Selection Criteria	100	
(4) Qualified Low-Income Economic Benefit Project	350	700
(4) Qualified Low-Income Economic Benefit Project - Additional Selection Criteria	350	

Application Selection Process



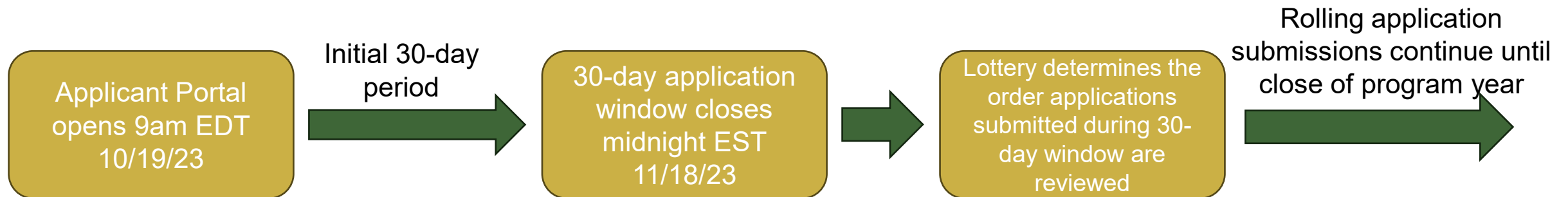
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Application Selection Process

- The 2023 Program Year begins on **October 19, 2023**, at which time applications may be submitted for all four categories via the Applicant Portal:
www.eco.energy.gov/ejbonus
- Applications submitted within the first 30-days will be treated as submitted on the same date and at the same time.
- If at the conclusion of the 30-day period any category sub-reservation is oversubscribed, a lottery will take place.



Application Selection Process – Category 4 Example

Category and Application Option	MW	MW
(4) Qualified Low-Income Economic Benefit Project	350	700
(4) Qualified Low-Income Economic Benefit Project - Additional Selection Criteria	350	

- Applications for Category 4 are submitted within the first 30 days:
- **Scenario 1:** Fewer than 350 MW of ASC applications are submitted. The 350 MW carve-out is maintained for future ASC application submissions within the program year. If non-ASC applications exceed 350 MW, a lottery will take place for those applications to determine review order.
- **Scenario 2:** More than 350 MW but less than 700 MW of ASC applications are submitted. ASC takes review priority over non-ASC applications and a lottery will take place for non-ASC to determine review order if the combined capacity is over 700 MW.
- **Scenario 3:** More than 700 MW of ASC applications are submitted. ASC takes review priority over non-ASC applications and a lottery will take place for ASC to determine review order.

Application Selection Process– Category 4 Example

Category 4 – Initial 30 days	Review Order	Ownership ASC	Geographic ASC	Explanation
	1	Yes	Yes	Applications meeting both Ownership and Geographic criteria will be prioritized ahead of applications meeting only Ownership or Geography.
	2	Yes	No	Ownership and Geography are weighted equally. No prioritization is given for applications that meet more than one qualifier for Ownership <u>or</u> Geography (i.e., owner is an Alaska Native Corporation <i>and</i> a Renewable Energy Cooperative).
	3	No	Yes	
	4	Yes	No	
	5	No	No	Applications that do not purport to meet additional selection criteria are ranked last and reviewed only if there is remaining capacity.
	6	No	No	

- REMEMBER, this ordering is only done if there is oversubscription within the first 30 days. All applications that are received after the initial 30-day window are ordered based on their submission timestamp.

Program Capacity Dashboard

- A publicly available Program Capacity Dashboard will be available on the Applicant Portal after the initial 30-day period to show the remaining capacity for each Application Option.

Showing 10 of 10 Items					
Category Type	Application Option	Total Capacity (MW)	Approved Allocations (MW)	Applications Pending Allocation (MW)	Capacity Remaining (MW)
Category 2	Located on Indian Land	100	1	21	78
Category 2	Located on Indian Land - Additional Selection Criteria	100	13	19	68
Category 3	Qualified Low-Income Residential Building Projects	100	2	108	0
Category 3	Qualified Low-Income Residential Building Projects - Addtl Selection Criteria	100	4	10	86
Category 4	Qualified Low-Income Economic Benefit Projects	350	3	12	335
Category 4	Qualified Low-Income Economic Benefit Projects - Addtl Selection Criteria	350	6	13	331

Application Process Overview

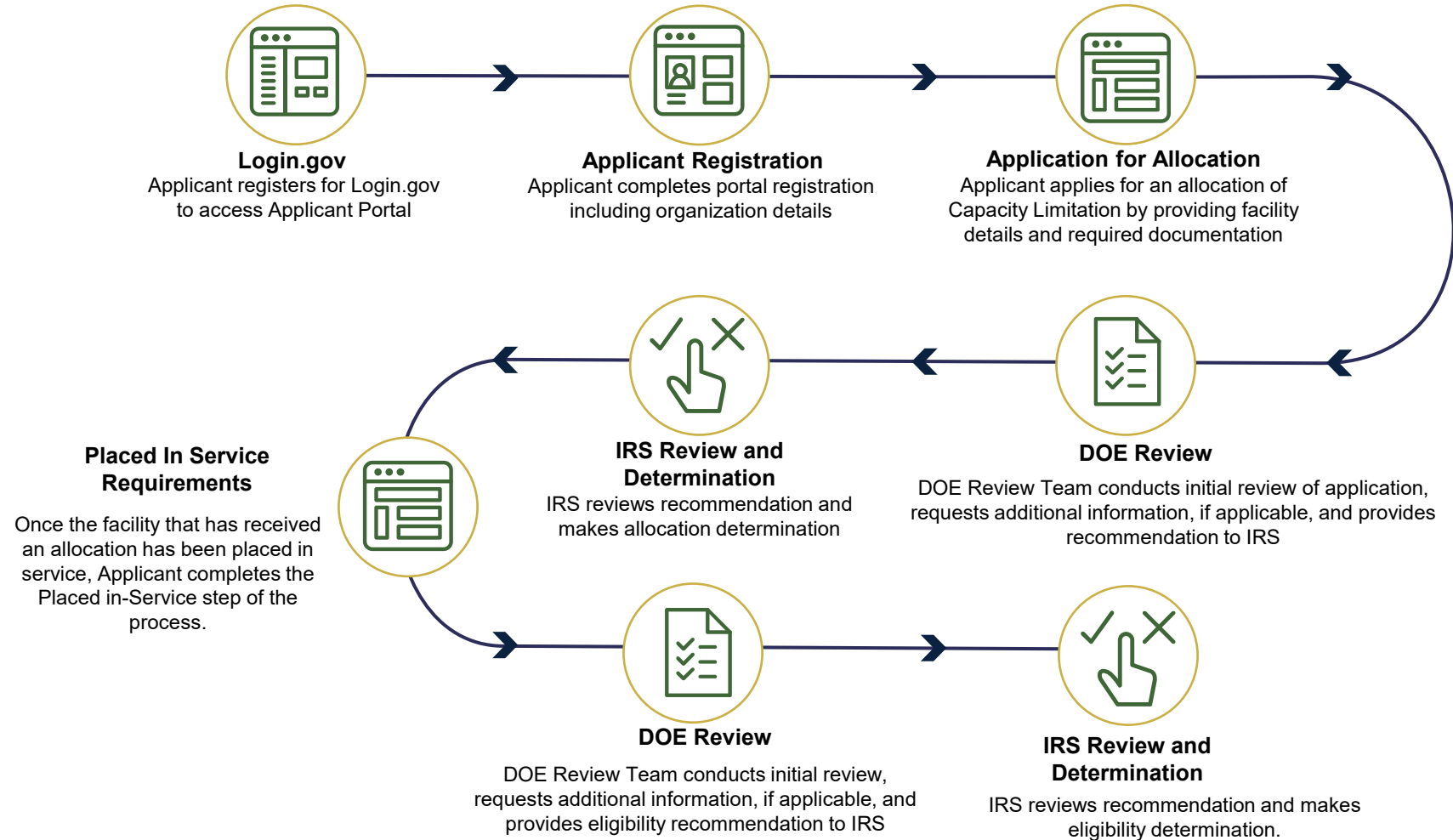


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Application Process Overview



Registration Requirements

- The applicant must be the organization that owns the solar or wind facility.
- The individuals who apply for an allocation of Capacity Limitation on behalf of their organization must have the legal authority to do so.
- To register for the Low-Income Communities Bonus Credit Program, applicants must create a Login.gov account. Dual-factor authentication setup is required.
- Navigate to the Low-Income Communities Bonus Credit Program Applicant Portal landing page and select **Log In** to begin account setup and registration.
- It is highly recommended to use an email address associated with the organization for which you are applying.

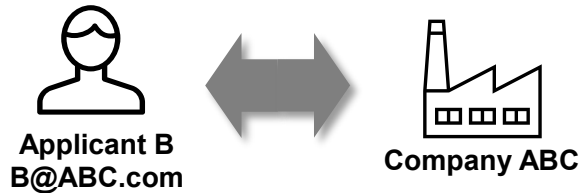
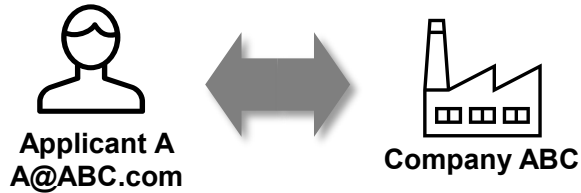
The screenshot displays the U.S. Department of Energy website. At the top, the header includes the U.S. Department of Energy logo and a 'HOME' link. The main content area features the title 'Low-Income Communities Bonus Credit Program' and a detailed description of the program, which provides an increase of 10 percentage points to the Section 48 investment tax credit (ITC) for qualifying solar and wind energy facilities located in low-income communities or on Indian Land, and an increase of 20 percentage points for facilities that are built as part of a Qualified Low-Income Residential Building Project, or as part of a Qualified Low-Income Economic Benefit Project. To submit an application, users are directed to click the 'Log In' button, which will redirect them to the Department of Energy's ONE ID authentication hub and select the 'Energy Credits Online (ECO)' tile to create or sign-in to their [Login.gov account](#). Upon completion, users will be redirected back to this website to begin the registration process on behalf of their organization. Registered applicants will be able to create, view, and manage their applications. Before registering, users are advised to review the [Registration FAQs](#).

A callout box highlights the 'Log In' button on the landing page and shows the 'Low-Income Communities Bonus Credit Program Applicant Portal' login interface. The portal includes a 'Sign on with an existing account' link and a 'LOGIN.GOV' button, which is highlighted with a green border.

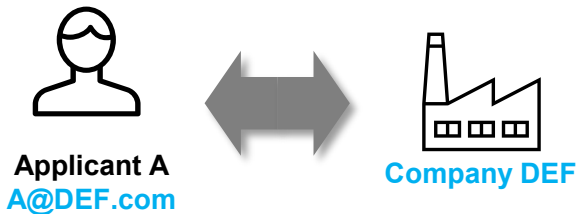
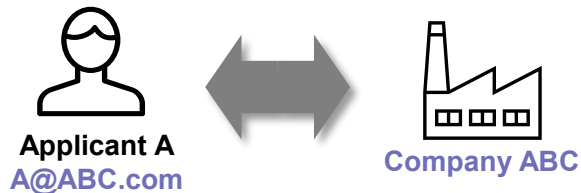
Registration Requirements

- Upon logging into the Portal for the first time, you will agree to the Privacy Notice and complete the registration process.
- Required Information includes:
 - First and Last name of organization contact
 - Secondary organization contact
 - Legal organization name and contact information
 - Parent Organization (if applicable)
 - Employer Identification Number (EIN) or Taxpayer Identification Number (TIN) that you plan to use for tax filing purposes
 - Organization Address
 - Organization Type
 - Confirm if your organization is eligible for elective payment

Important Registration Information



- Multiple registered applicants can create and submit different applications on behalf of one organization, but individuals from the same organization currently cannot access each other's applications.
- **Organizations submitting multiple applications for different facilities should carefully coordinate to ensure duplicate applications for the same facility are not submitted.**



- A Login.gov account can only be tied to one organization in the Portal. To submit applications on behalf of multiple organizations, an individual must create separate Login.gov accounts and have separate email addresses for each organization.

Application Process Overview

Application for Allocation



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Application Process Overview - Application for Allocation

- Once registered, Applicants may view descriptions of each category:
 - Category 1:** Located in a Low-Income Community
 - Category 2:** Located on Indian Land
 - Category 3:** Qualified Low-Income Residential Building Project
 - Category 4:** Qualified Low-Income Economic Benefit Project
- Each category has application options (e.g., Eligible Residential Behind-the-Meter (BTM), Eligible Residential Behind-the-Meter (BTM) – Additional Selection Criteria, etc.).
- Applicants will select the applicable category and application option link for their energy facility.

The screenshot shows the U.S. Department of Energy website. The header includes the U.S. Department of Energy logo and navigation links: Home, Tax Credits, Organization Applications, Notifications, and Help Center. The main heading is "Low-Income Communities Bonus Credit Program". Below this, a message states: "Please review Categories 1 through 4 and select from the application options available." The section "Category 1: Located in a Low-Income Community" is highlighted. It includes a detailed description of the category's eligibility criteria. Below the description is a table with two columns: "Application Option" and "Description". The table lists four options: "Eligible Residential Behind-the-Meter (BTM)", "Eligible Residential BTM – Additional Selection Criteria", "Other Eligible LI Community Project", and "Other Eligible LI Community Project – Additional Selection Criteria". The first option is highlighted with a green border. A "View All" link is at the bottom of the table. A footnote at the bottom explains the definition of a qualified wind and solar facility as a BTM.

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Home Tax Credits Organization Applications Notifications Help Center

Low-Income Communities Bonus Credit Program

Please review Categories 1 through 4 and select from the application options available.

Category 1: Located in a Low-Income Community

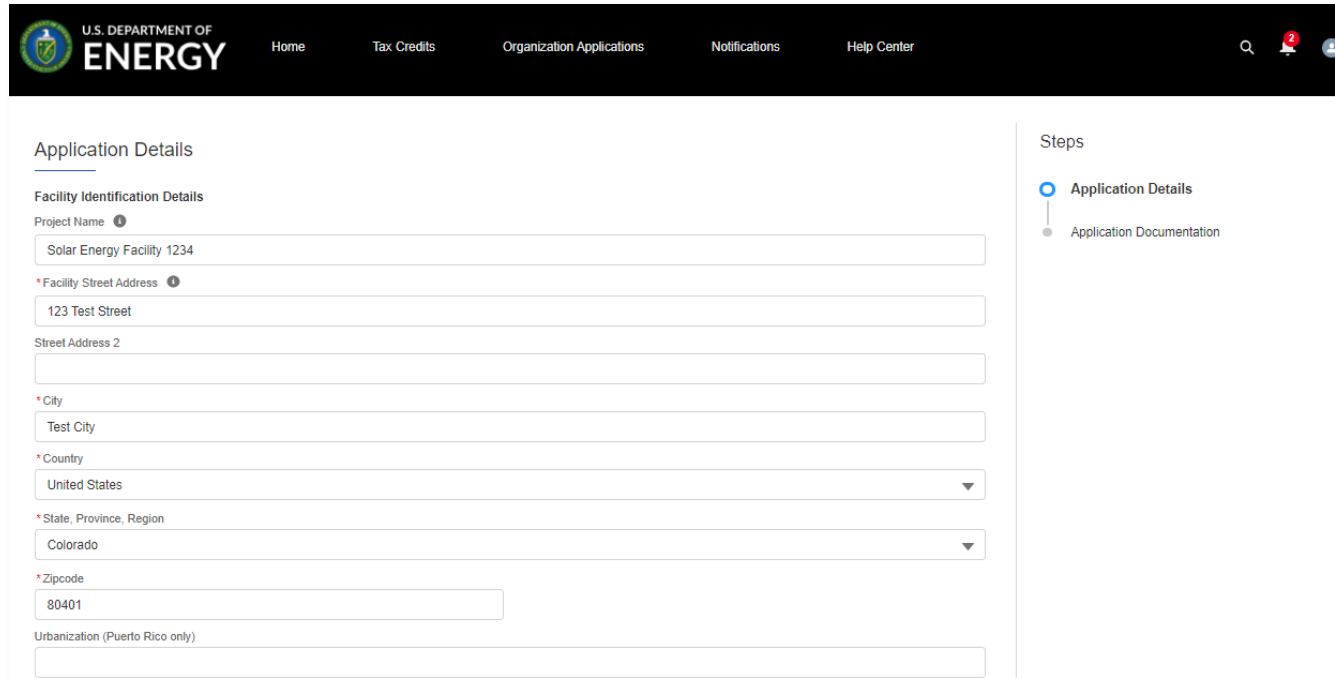
Available to facilities located in a population census tract if the poverty rate for such tract is at least 20 percent, or, in the case of a tract not located within a metropolitan area, the median family income for such tract does not exceed 80 percent of statewide median family income, or in the case of a tract located within a metropolitan area, the median family income for such tract does not exceed 80 percent of the greater of statewide median family income or the metropolitan area median family income. Before applying to Category 1, please confirm your facility qualifies for this Category based on its proposed location.

Application Option	Description
Eligible Residential Behind-the-Meter (BTM)	Category 1 facilities located behind-the-meter or off-grid and serving single-family or multi-family residential customers. This may include solar and wind BTM facilities that do not meet the requirements for Category 3.
Eligible Residential BTM – Additional Selection Criteria	Category 1 facilities that meet Ownership and/or Geographic Additional Selection Criteria and are located behind-the-meter or off-grid and serving single-family or multi-family residential customers. This may include solar and wind BTM facilities that do not meet the requirements for Category 3.
Other Eligible LI Community Project	Category 1 facilities that are not "Eligible Residential BTM". This may include BTM solar and wind facilities that serve nonresidential customers and/or front-of-the-meter facilities that do not meet the requirements for Categories 3 or 4.
Other Eligible LI Community Project – Additional Selection Criteria	Category 1 facilities that meet Ownership and/or Geographic Additional Selection Criteria are not "Eligible Residential BTM". This may include BTM solar and wind facilities that serve nonresidential customers and/or front-of-the-meter facilities that do not meet the requirements for Categories 3 or 4.

[View All](#)

Footnote: A qualified wind and solar facility is BTM if: (1) it is connected with an electrical connection between the facility and the panelboard or sub-panelboard of the site where the facility is located, (2) it is to be connected on the customer side of a utility service meter before it connects to a distribution or transmission system (that is, before it connects to the electricity grid), and (3) its primary purpose is to provide electricity to the utility customer of the site where the facility is located. This also includes systems not connected to a grid and that may not have a utility service meter, and whose primary purpose is to serve the electricity demand of the owner of the site where the system is located.

Application Process Overview - Application for Allocation



The screenshot shows the 'Application Details' page of the U.S. Department of Energy's application portal. The header includes the DOE logo and navigation links: Home, Tax Credits, Organization Applications, Notifications, and Help Center. The main content area is titled 'Application Details' and contains a 'Facility Identification Details' section. This section includes input fields for 'Project Name' (filled with 'Solar Energy Facility 1234'), '* Facility Street Address' (filled with '123 Test Street'), 'Street Address 2', '* City' (filled with 'Test City'), '* Country' (a dropdown menu showing 'United States'), '* State, Province, Region' (a dropdown menu showing 'Colorado'), '* Zipcode' (filled with '80401'), and 'Urbanization (Puerto Rico only)'. A 'Steps' sidebar on the right indicates the current step is 'Application Details' (marked with a blue circle) and the next step is 'Application Documentation' (marked with a grey circle).

- Each application must be for an individual facility, and facility identification details must be provided.
- If an applicant's solar or wind facility does not have a physical street address at the time of application, they should enter "NA" in the Facility Street Address field. Applicants are still required to enter City, State, Country, and Zip code.

Application Process Overview - Application for Allocation

GPS Coordinates of the Facility

* Latitude ⓘ 39.74088

* Longitude ⓘ -105.16845

Facility Technology Details

* Technology Type ⓘ

☒ Solar Energy Facility

☐ Wind Energy Facility

☒ The qualifying technology is installed in connection with energy storage. ⓘ

Facility Size

* Qualified Facility Nameplate Capacity (kW AC) ⓘ

20.001

* Qualified Facility Nameplate Capacity (kW DC) ⓘ

25.001

* Energy Storage Nameplate Power Rating (kW) ⓘ

25.001

* Energy Storage Nameplate Energy Capacity (kWh) ⓘ

50.001

Applicants are required to provide:

- Latitude and longitude coordinates of their facility to at least five (5) decimal places.
- Facility Technology Details
- Facility Size
- Some fields are conditionally required based on the user's selections.

Application Process Overview - Application for Allocation

- Applicants will complete the Facility Usage section by selecting the applicable Customer/Off-taker Type, Ownership Model, and Point of Interconnection.
- Customer/Off-taker Type and Point of Interconnection selections are dependent on the category and application option selected.
- If an applicant selects an application option with Additional Selection Criteria, you will be prompted to select the eligible ownership and/or geographic type.

Facility Usage

* Customer/Off-taker Type ⓘ

- ☐ Single Family Residential
- ☐ Multifamily Residential

* Ownership Model

- ☐ The applicant is the owner of the energy facility and will not have contracts or subscriptions with separate customers/offtakers
- ☐ The applicant is the owner of the energy facility and will have contracts or subscriptions with separate customers/offtakers

* Point of Interconnection ⓘ

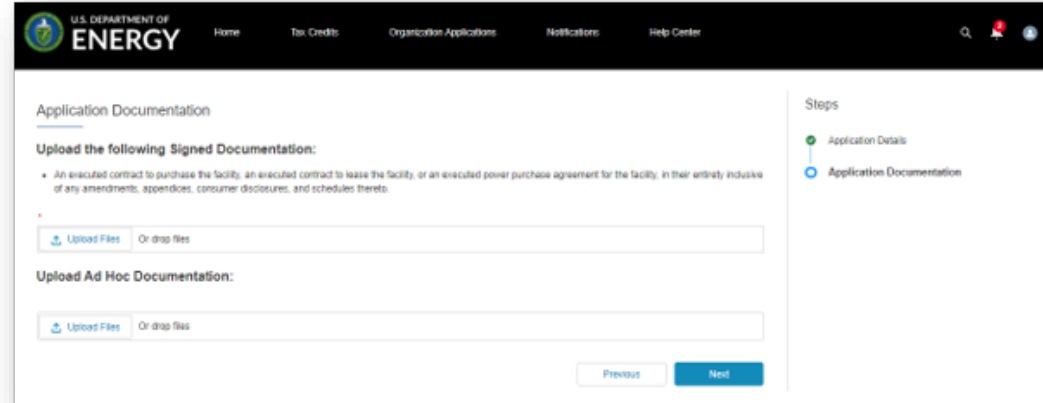
- ☐ Behind the meter
- ☐ Off-grid

* Additional Selection Criteria ⓘ

- ☐ Facility is owned by a Tribal Enterprise
- ☐ Facility is owned by an Alaska Native Corporation
- ☐ Facility is owned by a Renewable Energy Cooperative
- ☒ Facility is owned by a Qualified Renewable Energy Company
- ☐ Facility is owned by a Qualified Tax-Exempt Entity
- ☒ Facility is located in a Persistent Poverty County
- ☐ Facility is located in an eligible CEJST census tract

Application Process Overview - Application for Allocation

- Applicants will complete the Application Documentation section by uploading all required documents.
- The last step is to select each checkbox for each required attestation and submit the application.
- Documentation and attestation requirements are dependent on facility type. Refer to the Program Guidance for details.



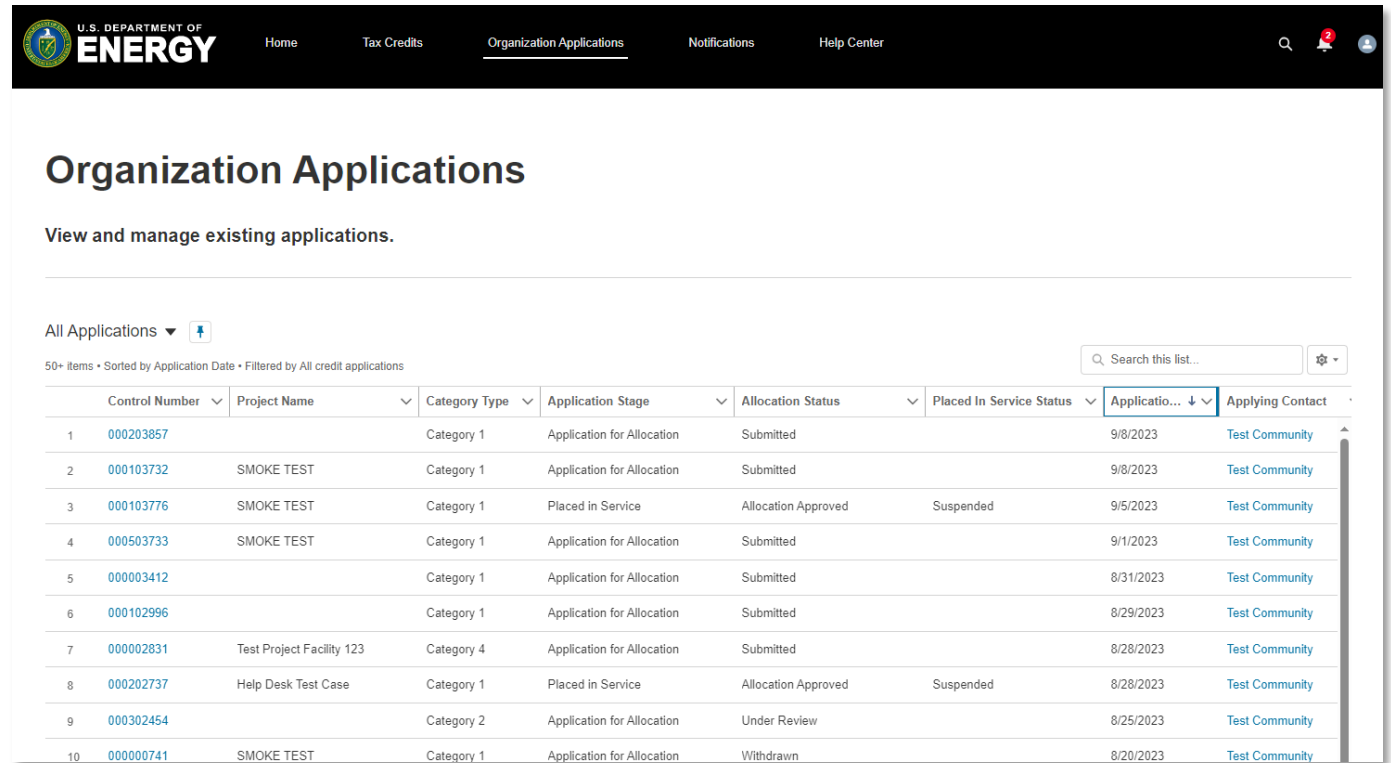
The screenshot shows the 'Application Documentation' section of the U.S. Department of Energy portal. The header includes the U.S. Department of Energy logo and navigation links: Home, Tax Credits, Organization Applications, Notifications, and Help Center. The main content area is titled 'Application Documentation' and contains two upload sections: 'Upload the following Signed Documentation:' and 'Upload Ad Hoc Documentation:'. Each section has a text input field with an 'Upload Files' button and a placeholder 'Or drop files'. A 'Next' button is visible at the bottom right. On the right side, a 'Steps' sidebar shows 'Application Details' as the first step and 'Application Documentation' as the current step.

Application Attestations

- I attest that the qualifying facility has obtained all Federal, State, Tribal, and/or local non-ministerial permits, or that they are not needed for this facility. Non-ministerial permits are permits in which one or more officials or agencies consider various factors and exercise some discretion in deciding whether to issue or deny permits. This does not include ministerial permits based upon a determination that the request complies with established standards such as electrical or building permits.
- ☒ I attest that the qualifying facility is sized, or that customer/offtaker subscriptions will be sized to meet the customer's energy needs, considering historical customer load and/or reasonable future load projections, and is in accordance with applicable state and local requirements.
- ☒ I attest that the proposed location of the qualifying facility has been determined suitable for installation.

Application Process Overview - List View

- Every application that an individual creates will show up in a searchable list view under the “Organization Applications” tab of the Portal.
- A unique Control Number is assigned to each application.



The screenshot shows the 'Organization Applications' page in the U.S. Department of Energy portal. The page title is 'Organization Applications' with a subtitle 'View and manage existing applications.' Below the title, there's a filter dropdown set to 'All Applications' and a search bar. A table lists 10 applications with columns for Control Number, Project Name, Category Type, Application Stage, Allocation Status, Placed In Service Status, Application Date, and Applying Contact. The table shows various application stages like 'Submitted', 'Placed in Service', 'Allocation Approved', 'Under Review', and 'Withdrawn'.

	Control Number	Project Name	Category Type	Application Stage	Allocation Status	Placed In Service Status	Application...	Applying Contact
1	000203857		Category 1	Application for Allocation	Submitted		9/8/2023	Test Community
2	000103732	SMOKE TEST	Category 1	Application for Allocation	Submitted		9/8/2023	Test Community
3	000103776	SMOKE TEST	Category 1	Placed in Service	Allocation Approved	Suspended	9/5/2023	Test Community
4	000503733	SMOKE TEST	Category 1	Application for Allocation	Submitted		9/1/2023	Test Community
5	000003412		Category 1	Application for Allocation	Submitted		8/31/2023	Test Community
6	000102996		Category 1	Application for Allocation	Submitted		8/29/2023	Test Community
7	000002831	Test Project Facility 123	Category 4	Application for Allocation	Submitted		8/28/2023	Test Community
8	000202737	Help Desk Test Case	Category 1	Placed in Service	Allocation Approved	Suspended	8/28/2023	Test Community
9	000302454		Category 2	Application for Allocation	Under Review		8/25/2023	Test Community
10	000000741	SMOKE TEST	Category 1	Application for Allocation	Withdrawn		8/20/2023	Test Community

Portal Notifications

- Applicants will receive an email each time that they have a new notification in their Applicant Portal.
- The Notifications link on the navigation bar is used to view and manage all notifications for applications created by the applicant.
- DOE may issue a request for additional information. Information and/or documentation satisfying the request must be submitted via the Applicant Portal no later than 21 business days from the date of the notice or the application may be withdrawn.

The screenshot shows the 'Notifications' page in the U.S. Department of Energy Applicant Portal. The navigation bar at the top includes links for Home, Tax Credits, Organization Applications, Notifications (which is highlighted), and Help Center. The page title is 'Notifications', and the subtitle reads: 'View and manage notifications, including requests for additional information from our review team and other official communications.'

Below the subtitle, there is a filter section showing 'All Tasks' with a dropdown arrow and a plus icon. Below this, a status bar indicates '50+ items • Sorted by Subject • Filtered by All tasks - Closed, Recurring Parent, Due Date • Updated a few seconds ago'. To the right of the status bar is a search bar labeled 'Search this list...' and icons for settings and sharing.

The main content is a table with 11 rows of notifications. The table has columns for an index number, a subject line, a name, a related to ID, a status, a create date, and a submitter. The data is as follows:

	Subject ↓	Name ↓	Related To ↓	Status ↓	Create Date ↓	Subt
1	Re: Low-Income Communities Bonus Credit Program Control Number 000500342 - Application is Under Review	Test Community	000500342	Open	8/23/2023, 10:50 AM	Ta
2	Re: Low-Income Communities Bonus Credit Program Control Number 000400079 - Application is Under Review	Test Community	000400079	Open	8/18/2023, 6:54 PM	Ta
3	Re: Low-Income Communities Bonus Credit Program Control Number 000400042 - Application Withdrawn	Test Community	000400042	Open	8/17/2023, 2:16 PM	Ta
4	Re: Low-Income Communities Bonus Credit Program Control Number 000400042 - Application is Under Review	Test Community	000400042	Open	8/17/2023, 2:16 PM	Ta
5	Re: Low-Income Communities Bonus Credit Program Control Number 000300028 - Additional Information Requested	Test Community	000300028	Open	9/18/2023, 1:46 PM	Ta
6	Re: Low-Income Communities Bonus Credit Program Control Number 000202274 - Application Withdrawn	Test Community	000202274	Open	9/21/2023, 11:37 AM	Ta
7	Re: Low-Income Communities Bonus Credit Program Control Number 000100085 - Application is Under Review	Test Community	000100085	Open	8/23/2023, 4:56 PM	Ta
8	Re: Low-Income Communities Bonus Credit Program Control Number 000100057 - Application is Under Review	Test Community	000100057	Open	8/17/2023, 1:50 PM	Ta
9	Re: Low-Income Communities Bonus Credit Program Control Number 000000741 - Application Withdrawn	Test Community	000000741	Open	8/23/2023, 2:41 PM	Ta
10	Re: Low-Income Communities Bonus Credit Program Control Number - Additional Information Requested			Open	9/21/2023, 10:33 AM	Ta
11	Re: Control Number 000503733 - New Notification Available in the Low-Income Communities Bonus Credit Program Online Portal	Test Community	000503733	Open	9/1/2023, 11:33 AM	Ta

IRS-Issued Letters

- Applicants will receive a notification when the IRS has made a determination on their application.
- Applicants can view any official IRS allocation approval or denial letters in the *Attachments* tab of their Application for Allocation record.
- IRS approval or denial letters are only available in the Portal – they are not mailed.

The screenshot displays the IRS Allocation Application Portal interface. At the top, the application is identified as 'Credit Application 000202737' with a '+ Follow' button. Below this, a table lists the application details: Category Type (Category 1), Application Option (Eligible Residential Behind-the-Meter (BTM)), and Status (Allocation Approved). A progress bar shows the application status, with 'Allocation...' highlighted in blue. The main content area is divided into two tabs: 'Organization Details' and 'Application for Allocation'. The 'Attachments' tab is active, showing a list of files: 'Allocation Approval Letter-000202737' (PDF) and '48(e) Test File' (DOC). The 'Attachments' tab also includes an 'Upload Files' button and a 'View All' link. The main content area displays the IRS letter for the application, dated August 28, 2023, with letter number 6582. The letter text includes: 'We received your application. You submitted an application on August 28, 2023 by Control Number 000202737 for the facility located at 123 Test Road, Test City Colorado 80005 for an allocation under the Internal Revenue Code (Code) Section 48(e) Low-Income Communities Bonus Credit Program. The Department of Energy (DOE) reviewed your Section 48(e) application for your facility and provided a recommendation to the Internal Revenue Service (IRS). After consideration of your request and the DOE's recommendation, the IRS has granted your request for an allocation of Capacity Limitation. The facility located at 123 Test Road, geographic position 40.022, -110.256, is awarded an allocation under Category 1. has received approval for an allocation for the facility described in this letter in the amount of: 50 MW for your Solar Energy Facility. Additional information: Receiving this letter does not determine your tax liability. This acceptance does not preclude the IRS (under I.R.C. § 7508(a) or any other IRS administrative provisions) from later examining your tax return or supporting books of account or credits for the year that you claim the IRC section 48 investment tax credit and I.R.C. section 48(e) bonus increase to the section 48 credit. If you have a general question about the Section 48(e) Low-Income Communities Bonus Credit Program, visit Energy.gov/energyflow-income-communities-bonus-credit-program. You may also call 800-829-1040 (Individuals) from 7 a.m. to 7 p.m. local time, 800-829-4933 (Businesses) from 7 a.m. to 7 p.m. local time, or 877-829-5500 (Non-Profit) from 8 a.m. to 5 p.m. local time. Letter: 6582 (New MNA2023) Catalog Number: 942239

Successor in Interest

- A Capacity Limitation allocation award applies only to the facility included in the application, and taxpayer who applied for and received an allocation award for that facility.
- If taxpayers want to request a transfer of an allocation to a new owner of the same facility, they may email the program administrator to initiate this request and provide required documentation including but not limited to the ownership transfer agreement.
- The successor taxpayer must be registered in the Applicant Portal.
- Transfers of the 48e Capacity Limitation may only occur after the facility has been allocated a Capacity Limitation award and before the facility is placed in service.
- A Capacity Limitation allocation award may not be transferred to a different facility.

Placed in Service Requirements



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Application Process Overview - Placed in Service

- Applicants are required to submit additional information once their energy facility is placed in service.
- Navigate to Organization Applications and select the Control Number of the facility that has been placed in service.

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Home Tax Credits **Organization Applications** Notifications Help Center

Organization Applications

View and manage existing applications.

All Applications ▾

50+ items • Sorted by Allocation Status • Filtered by All credit applications

Search this list...

	Control Number ▾	Project Name ▾	Category Type ▾	Application Stage ▾	Allocation Status ↑ ▾	Placed In Service Status ▾	Application ... ▾	Applying Co
1	000100024	SMOKE TEST	Category 4	Application for Allocation	Allocation Approved	In Progress	8/17/2023	Test Com
2	000000114	SMOKE TEST	Category 2	Placed in Service	Allocation Approved	Awarded	8/17/2023	Test Com
3	000000635	SMOKE TEST	Category 1	Placed in Service	Allocation Approved	Suspended	8/18/2023	Test Com
4	000400679	SMOKE TEST	Category 2	Placed in Service	Allocation Approved	Awarded	8/18/2023	Test Com

Application Process Overview - Placed in Service

- Applicants will be instructed to review their original application.
- All final nameplate capacity values provided must correspond with the required supporting documentation (i.e. PTO letter) and should not be rounded.
- Only certain non-material changes are allowed at the Placed-in-Service stage.

This screenshot shows the 'Placed in Service' step of the application process. The header includes the U.S. Department of Energy logo and navigation links. The main content area asks: 'Have there been any changes to the kW or kWh capacity of Qualified Facility Nameplate Capacity or the Energy Storage Nameplate Energy Capacity? If so, please select Yes to edit the information.' Below this, it states: 'If there are additional changes beyond what is stated above, please contact our team at XXX@.com before submitting your application.' There are radio buttons for 'Yes' and 'No'. A 'Next' button is at the bottom right. A sidebar on the right shows the progress: 'Placed in Service' (active), 'Technology Capacity Changes', and 'Placed in Service Documentation'. The top bar shows 'CUI/SP-TAX' and 'OMB Control Number: 1545-2308'.

This screenshot shows the 'Technology Capacity Changes' step. The header is the same as the previous screenshot. The main content area is titled 'Technology Capacity Changes' and contains two sections: 'Facility Technology Details' and 'Facility Size'. Under 'Facility Technology Details', there is a 'Technology Type' dropdown with 'Solar Energy Facility' selected, and a checkbox 'The qualifying technology is installed in connection with energy storage.' Under 'Facility Size', there are four input fields: 'Qualified Facility Nameplate Capacity (kW AC)', 'Qualified Facility Nameplate Capacity (kW DC)', 'Energy Storage Nameplate Power Rating (kW)', and 'Energy Storage Nameplate Energy Capacity (kWh)'. Each field has a 'Previous' button and a 'Next' button. A sidebar on the right shows the progress: 'Placed in Service', 'Technology Capacity Changes' (active), and 'Placed in Service Documentation'.

Application Process Overview - Placed in Service

- Applicants will complete the documentation section by uploading all required documents.
- The last step is to check each required attestation and submit the information for review.
- When IRS has completed its review, applicants will receive a notification that IRS has issued an eligibility or disqualification letter that can be found within the Applicant Portal.
- If the IRS issues an eligibility letter, the applicant may claim the energy percentage increase on their applicable tax filing form.
 - To make an elective pay election, additional steps are required. See [IRS.gov/electivepay](https://www.irs.gov/electivepay) for more information.

Capacity Modifications at Placed in Service

- **Capacity Increase:** If the facility size is larger than the allocated capacity (but still below 5 MW AC), the 10 or 20 percentage point increase will be reduced by a reduction factor.

$$\% \text{ Reduction Factor} = \text{Capacity Limitation Allocated (kW)} / \text{Total Nameplate Capacity Installed (kW)}$$

Example:

A Category 1 facility with a \$300,000 cost basis receives an allocation for 100kW and 125kW is placed in service.

$$\text{Reduction Factor} = 100 \text{ kW} / 125 \text{ kW} = 80\%$$

$$\text{Credit increase based on original allocation} = \$300,000 * 10\% = \$30,000$$

$$\text{Adjusted Credit increase} = \$30,000 * 80\% = \$24,000$$

- **Capacity Decrease:** The percentage award is maintained if the facility size is reduced by no more than the greater of 2 kW or 25% of the allocated capacity, however larger reductions will result in disqualification.

Disqualification at Placed in Service

The application may also be disqualified after receiving an allocation if any of the following occurs:

- Facility location changes;
- Facility cannot satisfy the financial benefits requirements for Category 3 or Category 4;
- Facility is not placed in service within four years of allocation award;
- Facility received an allocation based on meeting the Ownership Criteria and the ownership of the facility changes prior to the facility being placed in service such that the Ownership Criteria is no longer satisfied (see the [IRS Final Regulations](#) for certain exceptions).

Program Resources



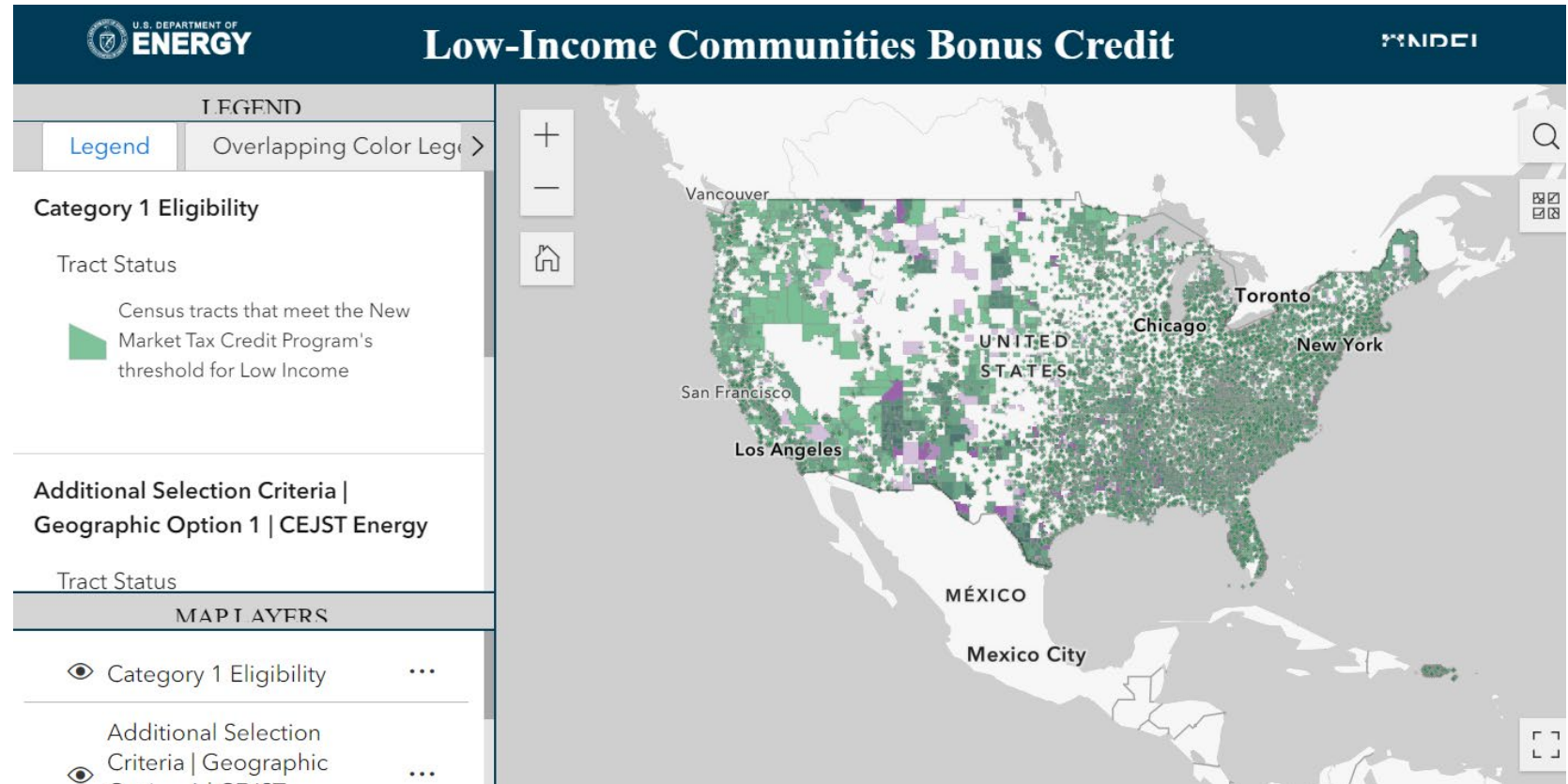
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Program Resources – Public Mapping Tool

- A public mapping tool has been created showing census tracts that meet Category 1 Low-Income Community eligibility and geographic Additional Selection Criteria: Persistent Poverty Counties and the CEJST “Energy” Category.



Program Resources – Public Mapping Tool

- The Category 1 maps are identical to the New Markets Tax Credit (NMTC) maps.
- Program provided mapping resources are not available for Category 2.
- The CEJST map includes 8 categories of burden. Only the “Energy” category is eligible for Additional Selection Criteria.
- Data from all three sources are updated over time.
- DOE will publish the underlying shapefile layers of the map and an excel data file of census tracts to increase program information accessibility.

Disclaimer: The mapping tool is intended for geolocation purposes. It should not be relied upon by taxpayers to determine eligibility for the Low-Income Communities Bonus Credit Program.

Program Resources – Support Desk

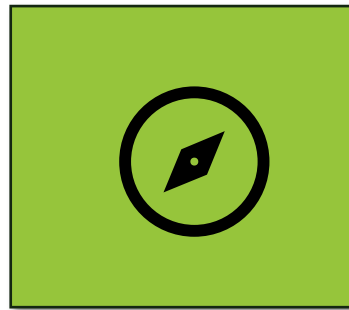
- Applicants and interested stakeholders may email the program administrator for program related questions and Applicant Portal assistance at EJBonusSupport@hq.doe.gov
- There is no dispute process for capacity allocation denial decisions or for determinations of ineligibility at the placed in-service stage.
- The DOE and/or IRS will not provide tax advice. Any questions requesting tax-related guidance or tax filing support should be directed to the applicant's tax professional, accountant, or attorney.

Program Resources – Additional Documents

- DOE's Low-Income Communities Bonus Credit Program website will host a variety of helpful program resources, including:



Applicant Checklist



Portal User
Guide



FAQs



Consumer
Disclosure Forms

www.energy.gov/diversity/low-income-communities-bonus-credit-program

Program Timeline



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2023 Program Timeline

9/29

- Informational Webinar
- Applicant Checklist published

9/29

- Support Desk Opens

10/10

- FAQs, User Guide, and webinar recording published

10/19

- Applicant Portal Opens
- Initial 30-day application window begins

11/18

- Last day of 30-day application window
- Rolling application submissions may continue

11/20

- Lotteries are conducted (if applicable)
- Program Capacity Dashboard published

IRS Allocation letters will begin to be issued as soon as possible this calendar year.

Thank you!

We look forward to your participation in the Low-Income Communities Bonus Credit Program.

EJBonusSupport@hq.doe.gov



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