



INFLATION REDUCTION ACT

Assistance for Latest and Zero Building Energy Code Adoption (Sec. 50131)

ADMINISTRATIVE AND LEGAL REQUIREMENTS DOCUMENT (ALRD)

U.S. Department of Energy
Office of State and Community Energy Programs
1000 Independence Avenue, SW Washington, DC 20585

Issue Date: September 19, 2023
CFDA Number: 81.117



The application process for Grantees consists of two phases:

1. Letter of Intent (LOI) to Reserve Funds due January 31, 2024, by 11:59 PM ET

Applicants that are eligible to receive formula funding under this opportunity must submit a letter of intent indicating their plan to use the funding for eligible activities no later than the deadline specified above. States can reserve funding for all eligible activities described below. States must submit the LOI to reserve their funding in order to be eligible for formula funding under this announcement. States that do not submit a LOI by the above deadline forfeit their eligibility for formula funds under this announcement. The LOI must include:

- a. A statement about the applicant and an attestation of the entity's authority to adopt building codes.
- b. A description of the State's high-level plan to adopt, implement, and enforce the eligible code, (i), or implement and enforce an already adopted eligible code, (ii), below:
 - i. If the State *intends to adopt* a code or codes that meet or exceed the requirements of Section 50131 of the [Inflation Reduction Act of 2022](#) (IRA):
 1. A statement of intent to reserve funds to use for the adoption, implementation, compliance and enforcement of one or more of the eligible codes outlined in Part III, Section C(ii) (include all that apply)
 2. The expected timeline for adopting the specified code or codes in the jurisdiction
 - ii. If the State *has adopted* a code that meets or exceeds the requirements of Section 50131 of the IRA, a statement of intent to reserve funds to use for implementation, compliance and enforcement activities for the applicable code (or codes) (include all codes that apply - further detail on eligible uses provided in Part III, Section C of this document). Provide documentation of adoption, including cite to the relevant authority, and if available a link to the current version of the adopted code on a publicly available website.
- c. **Except as provided in the following paragraph,** the letter of intent must be signed by a representative of the unit of government who is authorized to commit the jurisdiction to contracts and agreements¹.

If the State element with authority to adopt the specified code(s) does not have the functional ability or authority to receive federal funds, the letter must be signed by an authorized representative of that State entity and must designate the State office or agency that implements and enforces the code as the

¹ For example, the representative in charge of the State Energy Office, or their designee, should sign and submit the form where the State Energy Office has code making authority jurisdiction for the state. In the case where a building code division holds the code making authority for the State and is separate from the State Energy Office, a representative in charge of the building code division, or their designee, should sign.

receiving and implementing agency for funding. That designated State office or agency will then submit the full application to receive the State's formula allocation and implement the project, accordingly. If no office or agency within the State currently implements and enforces the code, the Governor, to the extent authorized, may designate an office or agency to fulfill that role and submit the full application.

It is expected that the letter of intent will not exceed two total pages in length. To assist applicants an optional template letter of intent may be found [here](#), but is not required.

Submit the letter of intent via email to IRACodes@hq.doe.gov.

2. Full Applications will be accepted on a rolling basis until September 30, 2025, by 11:59 PM ET

Eligible entities will have [until the LOI deadline listed in item 1 above to](#) submit their LOI to reserve funding. Following the submission of the LOI, the eligible entity will have up to two (2) years to submit their full application for the funding to support adoption and implementation of the selected code version(s). The project period will commence upon award of an application that meets the criteria specified in the ALRD.

Awards for which applications were submitted before August 16, 2024 at 11:59 PM ET will receive a 5% increase to their formula allocation in recognition of the potential additional energy savings resulting from sooner adoption and implementation of updated codes.

Throughout the project period, the State will submit adoption, implementation, compliance, and community benefits plans as specified in Table 2. DOE will review and confirm that the adopted code meets the statutory requirements of Section 50131 as well as other criteria specified in this document. Additional funding from the formula allocation will be made available, on a reimbursable basis, as each successive go/no-go decision is satisfied. The project will conclude after no more than nine (9) years depending on single cycle and multi-cycle adoption effort. DOE expects applicants to use a single-cycle (i.e., up to 3 years) to adopt the latest codes.

The full application will be submitted online using the Performance and Accountability for Grants in Energy (PAGE) online document submission system:

<https://www.page.energy.gov/>. See Part IV of this document for additional details on application submission requirements.

Modifications

All modifications to the ALRD are highlighted in the body of the ALRD. Revisions from Mod 0001 are highlighted in [YELLOW], revisions from Mod 0002 are highlighted in [GREEN], revisions from Mod 0003 are highlighted in [BLUE], revisions from Mod 0004 are highlighted in [PINK].

Mod. No.	Date	Description of Modification
0001	10/17/2023	Clarifying required signatory for Letter of Intent in section 1(c) of the application process (pp. ii-iii)
0001	10/17/2023	Clarifying eligibility of the 2021 IECC Commercial in Part III Section (C)(ii) Qualifying Building Energy Codes (p. 6)
0002	11/17/2023	Extending Letter of Intent (LOI) deadline from November 21, 2023 to January 31, 2024 (pp. ii-iii)
0002	11/17/2023	Adding hyperlink to "GSAFSD Tier 0 Knowledge Base - Validating your Entity" under Registration/Submission Requirements (p. v)
0002	11/17/2023	Clarifying eligibility for implementation funding for States that had adopted a code that would deliver equivalent or greater savings than the codes specified in Section 50131 before the availability of funding (p. 6)
0002	11/17/2023	Clarifying that the start of the timeline for adoption bonus funding will remain the original LOI deadline of November 21, 2023 (p. 15-17)
0003	06/03/2024	Updating list of qualifying building energy codes (pp. 6-7)
0003	06/03/2024	Updating list of qualifying code amendments (pp. 37-38)
0003	06/03/2024	Updating certain example scenarios to reflect updated list of qualifying codes (p. 19)
0003	06/03/2024	Clarifying eligibility of successor latest model codes for States that have adopted a code that would deliver equivalent or greater savings than the codes specified in Section 50131 (pp. 6-7)
0004	06/10/2024	Updating list of qualifying building energy codes (pp. 6-7)
0004	06/10/2024	Updating guidance on reallocation of funds from States that did not submit a letter of intent to reserve (pp. 15, 39)
0004	06/10/2024	Updating guidance on funding to include an incentive for applications submitted by August 16, 2024 (p. iii)

Mod. No.	Date	Description of Modification
0004	06/10/24	Extending the adoption bonus timeline for Zero Energy Code adoption (pp. 16-18)

REGISTRATION/SUBMISSION REQUIREMENTS

Registration Requirements: Allow at least 21 days to complete registrations.

If you have not already registered, there are several one-time actions you must complete in order to receive an award, these registrations must happen sequentially, registration in FedConnect cannot happen until the entity has registered in SAM.gov:

1. Register in the System for Award Management (SAM) at <https://sam.gov>. Applicants who are not registered with SAM should allow several weeks to complete this requirement. It is suggested that the process be started as soon as possible. **Prime awardees must update their SAM registration annually.** Please see SAM website for updates, alerts, and FAQs.

Any entity doing business with the federal government will need a Unique Entity Identifier (UEI) created in SAM when registering. When applicants submit their financial assistance applications, they will need to provide DOE with their UEI.

NOTE: Subawardees/subrecipients at all tiers must also obtain an UEI from SAM and provide the UEI to the award Grantee before the subaward can be issued.

NOTE: Due to the high number of UEI requests and SAM registrations, entity legal business name and address validations are taking longer than expected to process. Entities should start the UEI and SAM registration process as soon as possible. If entities have technical difficulties with the UEI validation or SAM registration process, they should use the HELP feature on SAM.gov. SAM.gov will address service tickets in the order in which they are received and asks that entities not create multiple service tickets for the same request or technical issue. Additional entity validation resources can be found here: [GSAFSD Tier 0 Knowledge Base - Validating your Entity](#).

2. Register in FedConnect to receive and acknowledge your award at <https://www.fedconnect.net/>. See the Quick Start Guide at https://www.fedconnect.net/FedConnect/Marketing/Documents/FedConnect_Ready_Set_Go.pdf. For additional questions, contact customer support at <https://fcsupport.unisonglobal.com/support/home> or call 1-800-899-6665.

3. Have a login for the Performance and Accountability for Grants in Energy (PAGE) System at <https://www.page.energy.gov/default.aspx> in order to submit your application. For questions regarding PAGE, refer to the Help Menu in PAGE or contact the PAGE hotline at PAGEHotline@ee.doe.gov or 1-866-492-4546.

Electronic Signatures: Acknowledgement of award documents by the Grantee's authorized representative through electronic systems used by the Department of Energy, including FedConnect, constitutes the Grantee's acceptance of the terms and conditions of the award. Acknowledgement via FedConnect by the Grantee's authorized representative constitutes the Grantee's electronic signature.

IMPORTANT: The electronically signed Assistance Agreement with attached award documents distributed via FedConnect is the formal authorization and approval from the Contracting Officer. Grantees may not rely on PAGE as the formal authorization and approval. Award documents in the initial award and any modifications to the award must be reviewed and acknowledged by the Grantee in FedConnect.

Table of Contents

Program Goals	1
PART I: Authority	3
PART II: Acronyms.....	4
PART III: Award Information.....	5
A. Type of award instrument.....	5
B. Eligibility	5
i. Eligible entities.....	5
ii. Cost matching	5
C. Programmatic Details.....	5
i. Eligible Activities.....	5
ii. Qualifying Building Energy Codes	6
iii. Implementation Plan	8
iv. Community Benefits Plan.....	11
D. Funding Information	14
i. Funding Level.....	14
ii. Funding Availability	15
iii. Example Program Scenarios	22
E. Period of performance.....	26
PART IV: Application and Submission information	26
A. Content and form of application	26
i. Standard Form 424 (Application)	27
ii. Standard Form 424A And Budget Justification	28
Standard Form 424A.....	28
Budget Justification:	28
PART V: Award Administration Information.....	30
A. Award notices	30
i. Notice of Award	30
B. Funding restrictions.....	30
C. Reporting.....	30
D. Administrative and national policy requirements.....	31
i. Award Administrative Requirements.....	31
PART VI: Questions/Agency Contacts	31

A.	Questions	31
B.	Agency Contact	31
PART VII: Other Information		31
A.	Intergovernmental review.....	31
B.	Government right to reject or negotiate.....	32
C.	Commitment of public funds	32
D.	Lobbying restrictions.....	32
E.	Expenditure Restrictions	32
F.	Modifications.....	32
G.	Proprietary application information	32
H.	Protected personally identifiable information	33
PART VIII: Reference material		34
APPENDIX A: Qualifying Code Amendments		36
APPENDIX B: Initial Formula Allocation by State and Category		39

Program Goals

The Inflation Reduction Act of 2022 (IRA) provides \$1 billion for states and local governments with the authority to adopt building energy codes to adopt and implement the latest building energy codes, zero energy building codes, or equivalent codes or standards. The energy code is just one of several types of building codes that help contribute to the overall health, safety, efficiency, and long-term resilience of buildings. Energy codes can be adopted directly as a standalone code, such as the International Energy Conservation Code (IECC), which is commonly adopted by states and local governments. However, they are also fundamental components of certain more broadly adopted building codes, including the International Building Code (IBC) and International Residential Code (IRC), which are referenced in the United States as “parental” codes. Energy codes are often described as a subset of these broader building codes, representing distinct chapters of the IBC and IRC alongside other commonly recognized provisions, such as those pertaining to structural, plumbing or electrical requirements, and other basic aspects of building design and construction. Adoption and implementation of such codes supports the decarbonization of new and existing residential and commercial buildings.

Building energy codes are typically used to “raise the floor.” This opportunity assists eligible entities in further decarbonizing their buildings through the adoption of the latest national model building energy codes, zero energy codes, other codes that deliver equivalent or greater energy savings, including innovative approaches to decarbonize existing buildings through certain measurable and enforceable requirements. The IRA is unprecedented in its opportunity to support sustainable change at the State and local level with respect to advancing the energy efficiency of new, renovated, and existing buildings. DOE is particularly interested in supporting States and local governments in implementing local capacity building, multi-year investments in workforce and education, and long-term improvements in building energy codes through multi-cycle adoption and building performance standards (BPS).

Building energy codes establish minimum levels of energy efficiency for new and existing residential and commercial buildings. Model energy codes, such as the 2021 IECC and ASHRAE Standard 90.1-2019, are developed and updated through national consensus processes. States and local governments ultimately implement building energy codes, which is handled through various adoption, compliance, and enforcement processes and can vary widely across the United States. Many States have consistently received funding through their State Energy Plan to support the adoption of traditional building energy codes, similar to the latest ones encompassed by IRA Section 50131. Consistent with the cross-reference to the State Energy Program in IRA Section 50131, DOE is using this formula funding opportunity to support States with the authority to adopt building energy codes.

DOE understands that implementation of building energy codes also depends on a significant number of stakeholders, including State and local government jurisdictions, building and safety departments, builders, contractors, and design professionals, owners, occupants, as well as a variety of critical community interests. Successful implementation of the latest model energy codes and zero energy codes relies upon the formation of

partnerships amongst many of these groups and is critical to ensuring their benefits are realized in American homes and businesses.²

This ALRD is to fund State activities regarding the adoption, implementation, training, enforcement, and measurement of compliance rates of specified building energy codes. Consistent with the DOE State Energy Program, *State* is defined for the purpose of this ALRD as a State, the District of Columbia, Puerto Rico, or any territory or possession of the United States. DOE expects to provide future competitive funding opportunities for States, and local governments with the authority to adopt building energy codes to pursue innovative building energy codes and zero energy codes, including BPS in a forthcoming funding opportunity announcement (FOA). Projects funded through this ALRD are expected to:

- Improve residential and commercial new construction and major renovations through adoption of the latest building energy codes and zero energy codes to receive an affirmative determination from DOE;
- Increase code effectiveness through increasing compliance rates, improved workforce training, and expanding code enforcement efforts;
- Provide capacity building and further staffing support at the state and local levels to help ensure ongoing building energy code updates through future cycles;
- Educate jurisdictions, their critical stakeholders, and diverse communities about the benefits of updated building energy codes;
- Improve the resilience of buildings through improved construction, high performance equipment, and a highly skilled workforce; and
- Provide meaningful benefits to communities nationwide, including critical affordability and health benefits for disadvantaged communities.

Under this opportunity, funding can be used to adopt the latest versions of the building code (ICC and IRC) as long as adoption of such code includes an eligible energy code. DOE also notes that Section 50131 directs DOE to assist units of local government that have authority to adopt building codes, and to assist in the implementation of building energy codes in renovations. For future funding opportunities, DOE is considering including innovative codes such as BPS to the extent such standards are measurable and enforceable. BPS are outcome-based standards aimed at reducing the energy used by and emissions generated from existing buildings. BPS, typically focused on medium and large commercial and multifamily buildings, set increasingly stringent energy or emissions requirements in four-to-six-year cycles to drive investments in performance improvements for existing buildings to reach a long-term goal, such as a zero energy or zero emissions commitment. The focus that BPS bring to existing buildings also represents an unprecedented opportunity to deliver energy cost savings to occupants and improve livability and resilience of the building stock, including in disadvantaged communities. Beyond setting energy or emissions requirements, BPS are often accompanied by complementary programs and policies to ensure that financial resources and technical expertise are available to the buildings and communities that need and stand to benefit most. To date, jurisdictions representing nearly 25% of both the national

² <https://www.whitehouse.gov/briefing-room/statements-releases/2022/06/01/fact-sheet-biden-harris-administration-launches-initiative-to-modernize-building-codes-improve-climate-resilience-and-reduce-energy-costs/>

building stock and population have committed to developing BPS to reach their energy or emissions goals. While this ALRD is not applicable to non-traditional energy codes, such as BPS, DOE intends to put out a competitive funding announcement that will provide direct support to States and local governments with code making authority addressing non-traditional energy codes such as BPS.

Collectively, traditional and innovative building energy codes supported under the IRA are cross-cutting and will create more inclusive programs that align with the Administration's Justice⁴⁰ priorities and will build capacity at the State and local level. The potential impact from these innovations in building energy codes presents a nearly unprecedented opportunity to benefit all Americans and reduce our contributions to the changing climate.

PART I: Authority

Section 50131 of the IRA provides funding for the Secretary ("the Secretary") of the Department of Energy (DOE) to provide grants to:

- Assist States, and units of local government that have authority to adopt building codes—
 - To adopt –
 - (A) a building energy code (or codes) for residential buildings that meets or exceeds the 2021 International Energy Conservation Code (IECC), or achieves equivalent or greater energy savings;
 - (B) a building energy code (or codes) for commercial buildings that meets or exceeds the ASHRAE Standard 90.1-2019, or achieves equivalent or greater energy savings; or
 - (C) any combination of building energy codes described in subparagraph (A) or (B); and
 - To implement a plan for the jurisdiction to achieve full compliance with any building energy code adopted in new and renovated residential or commercial buildings, as applicable, which plan shall include active training and enforcement programs and measurement of the rate of compliance each year.
- Assist States, and units of local government that have authority to adopt building codes—
 - To adopt a building energy code (or codes) for residential and commercial buildings that meets or exceeds the zero energy provisions in the 2021 IECC or an equivalent stretch code; and
 - To implement a plan for the jurisdiction to achieve full compliance with any such building energy code adopted in new and renovated residential and commercial buildings, which plan shall include active training and enforcement programs and measurement of the rate of compliance each year.

Section 50131 directs that building energy code assistance is to be carried out through the activities of the State Energy Program, which provides formula grants to States. As noted

³ <https://www.whitehouse.gov/environmentaljustice/justice40/>

above, section 50131 also directs assistance to units of local government that have authority to adopt building codes. The formula funding outlined in the program and application requirements of this ALRD is for States pursuing traditional building energy code activities specified in Part III, Section C of this document, consistent with section 50131 of the IRA. DOE intends to consider a corresponding competitive funding pathway for jurisdictions pursuing eligible initiatives, such as innovative code approaches for existing buildings, separate from this ALRD.

PART II: Acronyms

ALRD	Administrative and Legal Requirements Document
ASHRAE	American Society of Heating, Refrigerating and Air-Conditioning Engineers
BPS	Building Performance Standards
CEJST	Climate and Environmental Justice Screening Tool
CFR	Code of Federal Regulations
DEIA	Diversity, Equity, Inclusion, and Accessibility
DOE	U.S. Department of Energy
ERI	Energy Rating Index
EV	Electric Vehicle
FARC	Federal Assistance Reporting Checklist
FFATA	Federal Funding and Transparency Act of 2006
FOA	Funding Opportunity Announcement
FOIA	Freedom of Information Act
GIS	Geographic Information System
HVAC	Heating, Ventilation and Air Conditioning
IBC	International Building Code
ICC	International Code Council
IECC	International Energy Conservation Code
IRA	Inflation Reduction Act of 2022
IRC	International Residential Code
LOI	Letter of Intent
NEPA	National Environmental Policy Act
OMB	Office of Management and Budget
PAGE	Performance and Accountability for Grants in Energy
PII	Personally Identifiable Information
SAM	System for Award Management

SCEP	State and Community Energy Programs
SMART	Specific, Measurable Achievable, Relevant and Timely
SPOC	Single Point of Contact
UEI	Unique Entity Identifier
ZEC	Zero Energy Code

PART III: Award Information

A. Type of award instrument

DOE will award formula grants for this funding in support of the activities specified in Part III, Section C of this ALRD. DOE is intending to consider releasing corresponding competitive grants for additional eligible activities that are beyond the scope of the codes specified in this ALRD, such as codes that establish measurable and enforceable building performance standards for existing buildings and alternative measurable and enforceable approaches to the latest building energy codes or zero energy codes that provide equal or greater energy savings.

B. Eligibility

i. Eligible entities

Section 50131 of the IRA lists eligible Grantees as States and units of local government that have the authority to adopt building codes. The formula funding under this ALRD is only provided to States. As noted, for the purpose of this ALRD, *State* is defined as a State, the District of Columbia, Puerto Rico, or any territory or possession of the United States.

DOE recognizes the importance of partnerships in the adoption and successful implementation of building codes. Partnerships between state and local governments, and partnerships between and Tribes or other jurisdictions, as well as with capacity building, administrative process support organizations and other entities which can support successful code implementation are encouraged. The State must be the prime Grantee for this formula opportunity in any partnerships.

ii. Cost matching

Cost matching is not required.

C. Programmatic Details

i. Eligible Activities

Applicants must submit an application that includes plans outlining the eligible activities from each of the following sections. In addition to the activities outlined in Part III, Section C (ii) and (iii) below, for jurisdictions that *have not adopted* eligible codes, a portion of funding (15%)

will be made available on a reimbursable basis, to support the jurisdiction in capacity building and technical assistance for the purpose of the adoption of an eligible code. Eligible capacity building and technical assistance activities include education and outreach, development of tools and analysis, and technical assistance to support adoption.

ii. Qualifying Building Energy Codes

1. Qualifying building energy codes

Section 50131 of the IRA provides funding for certain activities in support of specified building energy codes (i.e., qualifying building energy codes). The qualifying building energy codes for the purpose of this formula funding opportunity are provided in the following subsections.

2. The following is a list of the qualifying residential building energy codes and building energy code pathways:

- a. 2021 IECC Residential, unamended.
- b. A successor edition of IECC Residential for which the Secretary has published in the Federal Register an affirmative determination that the updated code will improve energy efficiency compared to the previous edition of the corresponding standard or code.
- c. 2021 IECC, or a qualified successor edition, amended with one or more of the provisions detailed under Appendix A of this document.
- d. 2024 IECC Residential, unamended.⁴
- e. 2024 IECC Residential, amended with one or more of the provisions detailed under Appendix A of this document.
- f. The zero energy code provisions in the 2021 IECC-Appendix RC, unamended.
- g. The zero energy code provisions in the 2021 IECC-Appendix RC, amended with any of the provisions as detailed under Appendix A of this document.
- h. A code adopted by a State prior to the release of this ALRD (September 19, 2023) that provides equivalent or greater energy savings as compared to the applicable latest model code specified in IRA 50131, as determined by DOE and published on energycodes.gov.
- i. A successor code to one for which a positive determination was made under the preceding paragraph (h) that DOE has determined provides equivalent or greater energy savings, provided that the successor code does not weaken the energy performance of the State's current code.

3. The following is a list of the qualifying commercial building energy codes and building energy code pathways:

⁴ For the purpose of this ALRD and based on the Energy Savings Analysis 2024 Residential IECC Interim Progress Indicator (available at https://www.iccsafe.org/wp-content/uploads/2024-IECC-Interim-Residential-Progress-Indicator-to-ICC_Updated_01102023.pdf), the 2024 IECC is eligible under Section 50131 of the IRA. This is based on available information about the final 2024 IECC on the date of Mod 0003. The final 2024 IECC will supersede this reference upon publication.

- a. ASHRAE Standard 90.1-2019, unamended.
 - b. A successor edition of ASHRAE Standard 90.1 for which the Secretary has published in the Federal Register an affirmative determination that the updated code will improve energy efficiency compared to the previous edition of the corresponding standard or code.
 - c. ASHRAE Standard 90.1-2019, or a qualified successor edition, amended with one or more of the provisions as detailed under Appendix A of this document.
 - d. ASHRAE Standard 90.1-2022, unamended.
 - e. ASHRAE Standard 90.1-2022, amended with one or more of the provisions detailed under Appendix A of this document.
 - f. 2021 IECC Commercial (ASHRAE Standard 90.1-2019 as a compliance pathway), unamended.
 - g. 2021 IECC Commercial (ASHRAE Standard 90.1-2019 as a compliance pathway), amended with one or more of the provisions detailed under Appendix A of this document.
 - h. 2024 IECC Commercial (ASHRAE Standard 90.1-2022 as a compliance pathway), unamended.⁵
 - i. 2024 IECC Commercial (ASHRAE Standard 90.1-2022 as a compliance pathway), amended with one or more of the provisions detailed under Appendix A of this document.
 - j. The zero energy code provisions in 2021 IECC-Appendix CC, unamended.
 - k. The zero energy code provisions in 2021 IECC-Appendix CC, amended with any of the provisions as detailed under Appendix A of this document.
 - l. A code adopted by a State prior to the release of this ALRD (September 19, 2023) that provides equivalent or greater energy savings as compared to the applicable latest model code specified in IRA 50131, as determined by DOE and published on energycodes.gov.
 - m. A successor code to one for which a positive determination was made under the preceding paragraph (l) that DOE has determined provides equivalent or greater energy savings, provided that the successor code does not weaken the energy performance of the State's current code.
4. DOE has determined a list of amendments to the qualifying building energy codes and zero energy codes that will not reduce the energy savings of the those building energy codes when adopted by States. Only these amendments to a qualifying code may be included in a State's code adoption to be considered eligible for this formula funding. This list is included in APPENDIX A: Qualifying Code Amendments.

⁵ For the purpose of this ALRD and based on the Energy Savings Analysis 2024 Interim Energy Savings Analysis and Progress Indicator for Commercial Buildings (available at https://www.iccsafe.org/wp-content/uploads/2024-IECC_Commercial_Interim-Progress-Indicator-Results-11072022.pdf), the 2024 IECC is eligible under Section 50131 of the IRA. This is based on available information about the final 2024 IECC on the date of Mod 0004. The final 2024 IECC will supersede this reference upon publication.

5. Proposals may *not* include combinations of strengthening and weakening amendments. Due to the complex nature of such combinations in both commercial and residential building energy codes, additional analysis will be required to determine whether each proposal meets the "equivalent or greater energy savings" – such proposals will *not* be eligible for these formula grants. In addition, building performance standards are not eligible for this round of formula grants because further analysis must be conducted specific to the jurisdiction to ensure the statutory criteria of equal or greater energy savings is met as compared to the latest model energy codes or zero energy appendices. While these proposals are not eligible for funding through this formula opportunity, an additional competitive funding opportunity may be available shortly for States and units of local government with authority to adopt building codes to apply with innovative code approaches, such as states and localities that want to develop customized stretch codes or building performance standards that deliver equivalent or greater energy savings.

iii. Implementation Plan

Implementation, workforce training, and compliance activities are critical steps following the adoption of a qualifying building energy code. There are often a mix of entities and jurisdictions responsible for the successful implementation of a newly adopted building energy code and in determining compliance with that code. During the project, Grantees will be required to develop and submit an Implementation Plan that includes a description of active training and enforcement programs, as well as a plan to track and measure the rate of compliance each year in order to reach full compliance with any new building energy code supported under this award. Further detail on milestone and funding structure around the Implementation Plan is provided in Table 2 in Part III, Section D(ii) below. At minimum, the Implementation Plan must include the following:

1. Identification of Authority
 - a. The Grantee must clearly designate where the authority to determine compliance exists. For example, though a State may adopt a new version of the building energy code, the compliance and enforcement process may reside with the city or county level. The Implementation Plan must outline all entities involved and the role each entity plays in the adoption, enforcement, and implementation process. The Implementation Plan must specify how each entity identified will receive funding necessary to support their enforcement and implementation activities, including education and workforce training.
 - b. Include a description of the jurisdictions and entities involved in compliance and enforcement activities
 - i. List of agencies and localities where capacity building around code enforcement will take place.
 - ii. Jurisdictions and organizations that will be engaged to develop and execute the Implementation Plan.
 - c. The State's Implementation Plan must provide a minimum of 50% of a State's funding to local governments for compliance and enforcement activities and

describe how that funding will be used, to the extent applicable.⁶ Activities might include education, workforce training, compliance software deployment, field studies, among others.

2. Process to Determine Compliance:

- a. Grantees are required to develop and implement a plan to reach full compliance under the eligible building energy code. The complete Implementation Plan will be a required activity during the project, as outlined in Table 2 of Part III, Section D(ii) below.
- b. Grantees must include the following Compliance and Enforcement components in their Implementation Plan:
 - i. List of State agencies that administer codes or participate in code administration and description of their role in the process
 - ii. Description of any State professional licensing related to code administration
 - iii. Description of existing workforce education and training programs, including identification of gaps and potential points of expansion. This should include designation of State-regulated licensing vs. industry certifications
 - iv. The entity or entities charged with compliance and enforcement activities within the bounds of the jurisdiction having adopted the building energy code (per Part III, Section (C)(iii)(1), above)
 - v. Summary of funding dedicated to each identified entity and the specific code (or codes) and activities that entity will be responsible for implementing
 - vi. Identification of personnel or role (or the capacity addition) that will be responsible for inspections and other compliance activities:
 1. Each person or role identified must be current and remain current on International Code Council (ICC) Certifications throughout the project period of performance, including but not limited to:
 - a. Commercial Energy Inspector/Plans Examiner with ASHRAE 90.1
 - b. Residential Energy Inspector/Plans Examiner
 2. Provide documentation of innovative approaches, such as circuit riders,⁷ where individual jurisdictions do not require on-staff capacity and can instead take a scalable approach with

⁶ For eligible entities where localities are not responsible for compliance and enforcement (for example, the District of Columbia and some territories), this requirement is not applicable.

⁷ Circuit rider programs provide centralized staff with specialized expertise, such as code officials or technical experts, as a resource to address questions and provide guidance and support for a broad jurisdiction. An example may be a State developing a circuit rider program to provide code enforcement support for multiple localities within their jurisdiction.

neighboring jurisdictions. A circuit rider program might also be used to assist in compliance measurement and reporting.

- vii. Description of procedures that the jurisdiction will use to report compliance (for example: software, checklists, forms, etc.) and facilitate enforcement (for example: penalties, permitting, certifications, etc.).

- 1. REScheck⁸ and COMcheck⁹ are available software and web tools that simplify and clarify energy code compliance. DOE encourages the use of existing tools and resources, such as REScheck and COMcheck, in the development and execution of Compliance and Enforcement components of their Implementation Plan where possible.

- c. Evaluation of Compliance

- i. Grantees must report the rate of compliance annually to DOE. To fulfill this requirement, Grantees must develop and document a method for measuring, tracking, and reporting compliance rates for projects that are subject to the newly adopted code. This documented process must be included in the Grantee's Implementation Plan.
 - ii. Compliance tracking and reporting may be conducted with utility support or with an independent third party, and any delegation or agreements must be included in the Implementation Plan.
 - iii. While compliance must be reported annually. Grantees may choose to demonstrate compliance by utilizing an Energy Efficiency Field Study methodology to demonstrate compliance by the conclusion of the project period.¹⁰ Additional information on the Field Study methodology is available through the DOE's Building Energy Codes Program.

- d. Communication

- i. Grantees will be required to include a Communication Plan component that identifies key stakeholders and clearly describes compliance requirements available to building owners and developers and officials. The Communications Plan must be a component of the Implementation Plan.

- 3. Workforce Development

- a. IRA Section 50131 requires that an active training and enforcement program be used in support of achieving full compliance with the eligible building energy code. The Grantee must develop programs that address the needs for workforce training and development as well as capacity building for determining compliance and ensuring enforcement under the newly adopted code. Documentation of the Grantee's Workforce Development Plan must be included as a component of the Implementation Plan.

⁸ <https://www.energycodes.gov/rescheck>

⁹ <https://www.energycodes.gov/comcheck>

¹⁰ <https://www.energycodes.gov/energy-efficiency-field-studies>

- b. A portion of the Implementation Funding must be allocated for trainings to support industries that will be impacted by the adoption of updated requirements in code. These may include, but are not limited to:
 - Designers and architects
 - Code inspectors and officials
 - Commercial and Residential builders
 - Construction trades
 - Developers
 - Building operators
 - Lenders
- c. Consideration should be given to the alignment of these programs with the goals and outcomes outlined in the Community Benefit Plan.

iv. Community Benefits Plan

To support the goal of building a clean and equitable energy economy, Grantees are expected to:

- 1) support meaningful community, Tribal, and labor engagement;
- 2) engage and support a skilled and qualified workforce;
- 3) advance diversity, equity, inclusion, and accessibility (DEIA); and
- 4) contribute to the Justice40 Initiative with the goal that 40% of the overall benefits of certain federal investments flow to disadvantaged communities.

To ensure these goals are met, as part of their application for funding, Applicants must create a Community Benefits Plan that describes how their codes program will incorporate the four objectives stated above.

The Applicant's Community Benefits Plan must include at least one Specific, Measurable, Achievable, Relevant, and Timely (SMART) milestone per program year to measure progress on each of the proposed actions. The Applicant must make the Community Benefits Plan, the milestones, and progress toward them accessible on a public website. DOE will incorporate the Community Benefits Plan into the award and the recipient must implement its Community Benefits Plan when carrying out its project.

The Community Benefits Plan must address the following:

- 1. **Community and Labor Engagement:** The Community Benefits Plan must identify and describe the State's actions to date and its plans to engage with historically underrepresented parties, including but not limited to Tribal governments, labor unions, and community-based organizations that support or work with underserved and rural communities, including disadvantaged communities as defined for purposes of the Justice40 Initiative or as defined by a State definition that is consistent with the most recent [DOE Justice40 General Guidance](https://www.energy.gov/sites/default/files/2023-07/DOE%20Justice40%20General%20Guidance%2072523.pdf).¹¹ By facilitating community input,

¹¹ DOE's General Guidance for Justice40 Implementation is available here:
<https://www.energy.gov/sites/default/files/2023-07/DOE%20Justice40%20General%20Guidance%2072523.pdf>

social buy-in, and accountability, such engagement can improve and accelerate code updates, content and creation and implementation.

States must describe what important stakeholder or community engagement and outreach strategies they will utilize to reach contractor and workforce organizations, disadvantaged communities, low-income households, and other marginalized groups. States are strongly encouraged to establish partnerships with and provide funding to community-based organizations, labor unions, contractor organization, utilities, existing program implementers, community colleges and trade schools, and other organizations that represent or work with underserved households to reach and engage with these communities effectively over the life of the code development, creation, design and implementation.

2. **Engage and Support a Skilled and Qualified Workforce:** A well-qualified, skilled, trained, and stable workforce is necessary to ensure that the adopted codes are fully and successfully implemented. High-quality jobs are critical to attracting and retaining the qualified workforce required to ensure successful and durable energy savings from a newly adopted code.

The Community Benefits Plan must describe the State's approach providing ongoing workforce education and training and ensuring jobs are of sufficient quality to attract and retain skilled workers. States must describe how they are supporting education and training of both new and incumbent workers.

As the 1935 National Labor Relations Act states, employees' ability to organize, bargain collectively, and participate, through labor organizations of their choosing, in decisions that affect them contributes to the effective conduct of business and facilitates amicable settlements of any potential disputes between employees and employers, providing assurances of project efficiency, continuity, and multiple public benefits. States should provide a description of how they plan to affirmatively support worker organizing and collective bargaining. This might include investing in workforce and education through joint labor-management training programs, supports for the development of a resilient, skilled, and stable workforce including by utilizing registered apprentices on projects and paying at or above the local prevailing wages, establishing or encouraging use of project labor or community workforce agreements, and other commitments or pledges.

3. **Diversity, Equity, Inclusion, and Accessibility (DEIA):** The Community Benefits Plan must include a section describing how DEIA objectives will be incorporated into the overall program. The section should detail how the State will support underrepresented businesses and training organizations that serve workers who face barriers to accessing quality jobs, and/or other project partners to help address DEIA.

The following is a list of potential DEIA actions that could be included in a Plan. This list is offered to provide guidance to States and is not intended to be comprehensive:

- Commit to partnering with Minority Business Enterprises, minority-owned businesses, women-owned businesses, and veteran-owned businesses;
- To fill open positions for code officials or other energy efficiency jobs, partner with workforce training organizations serving underrepresented communities and

- those facing systemic barriers to quality employment, such as those with disabilities, women, returning citizens, opportunity youth, and veterans;
- Partner with organizations who can provide workers with comprehensive support services, such as childcare, mentoring, and transportation, to increase representation and access in energy codes, energy efficiency, and construction jobs.

4. **Justice40 Initiative:** States must provide an overview of benefits to disadvantaged communities that codes can deliver, supported by measurable milestones. The Justice40 Initiative section of the Community Benefits Plan must include:

A) Tracking Benefits to disadvantaged communities

Under this funding opportunity, code changes and updates or other positive outcomes (see below for examples) that may impact residential and commercial buildings in communities identified by the Climate and Environmental Justice Screening Tool (CEJST) may qualify as benefits that flow to disadvantaged communities.¹² Disadvantaged communities are not limited to specific geographies, but also include underrepresented stakeholder groups such as minority businesses, migrant workers, and others.

B) A description of how States will assure that applicable benefits flow to disadvantaged communities

States should specifically identify how their programs will deliver benefits in CEJST-identified areas (or their DOE-approved alternative definition of a disadvantaged community), such as how a modernized code will reduce energy bills and improve indoor air quality.¹³ Where applicable, States should outline how state-Tribal partnerships will ensure building code adoption, implementation and compliance within Tribal jurisdictions. DOE encourages the States to consider how funding resources will be equitably shared with Tribes. States should also discuss how their programs will create high-quality jobs for members of disadvantaged communities and increase workforce training opportunities for underrepresented populations and businesses. Benefits might also include opportunities that increase participation within code development and adoption processes of stakeholder groups identified in the earlier sections of the Community Benefits Plan described above. Specific examples of energy code-related activities in support of the Justice40 Initiative can be in the following resource: [Opportunities for Equity-Focused Building Energy Code Activities](#).

¹² <https://screeningtool.geoplatform.gov/en/#3/33.47/-97.5>

¹³ DOE's General Guidance for Justice40 Implementation is available here: <https://www.energy.gov/sites/default/files/2023-07/DOE%20Justice40%20General%20Guidance%2072523.pdf>

Any proposed benefits should conform to DOE's eight Justice40 policy priorities identified below.

Benefits are measurable direct or indirect investments or positive project outcomes that achieve or contribute to the following in disadvantaged communities:¹⁴

- (1) a decrease in energy burden;
- (2) an increase in housing quality and durability;
- (3) an increase in energy resilience;
- (4) a decrease in environmental exposure and burdens;
- (5) an increase in access to low-cost capital;
- (6) an increase in job creation, the clean energy job pipeline, and job training for individuals;
- (7) increases in clean energy enterprise creation and contracting (e.g., minority-owned or disadvantaged business enterprises);
- (8) increases in energy democracy; and
- (9) increased parity in clean energy technology access and adoption.

D. Funding Information

i. Funding Level

DOE is making \$400,000,000 available (on a reimbursable basis) through this formula opportunity to States across two categories of activities specified in section 50131; \$240,000,000 available for proposals pursuing the latest national model building energy codes, and \$160,000,000 available for proposals pursuing zero energy codes. The amount of funding available under each category to an eligible State through this formula opportunity is generally determined using three key elements:

- 1/3 of funding will be apportioned equally across states;
- 1/3 of funding will be apportioned based on state population; and
- 1/3 of funding will be apportioned based on expected energy savings from code improvements, which is calculated on a per square foot basis (for commercial) and per unit basis (for residential) and allocated separately for each bucket of available funding based on the expected savings between the State's current code and the eligible base code package being pursued. For States that already adopted qualified building energy code, the savings expected from that most recent update will be used to determine the energy savings component of the allocation.

The formula described above is calculated across four potential activity areas: the latest national model building energy codes for residential and commercial buildings, and zero

¹⁴ These policy priorities were adapted from DOE's standard Justice40 Policy Priorities to reflect the unique opportunities of this ALRD.

energy building codes for residential and commercial buildings. The total possible available formula funding to jurisdictions can be summed across the four categories, as follows:

Latest Model Building Energy Codes Category

- Eligible activities supporting qualifying residential building energy codes
- Eligible activities supporting qualifying commercial building energy codes

Zero Energy Codes Category

- Eligible activities supporting qualifying residential zero energy building codes
- Eligible activities supporting qualifying commercial zero energy building codes

The initial amount available to each State within each category of funding is included in Appendix B of this ALRD. Final allocation for each State may change based on the number of States submitting a letter of intent by the deadline specified in this ALRD and the corresponding adjustment of the formula calculations. Accordingly, the final amount of funding available to participating States may differ, but not decrease, from those amounts specified in Appendix B. Additionally, DOE may reallocate the funds from States that do not submit a letter of intent to the localities within that State through a similar formula in an amended ALRD. The total amount that a State receives will depend on multiple factors, including the categories and phases under which a State applies and eligible project activities undertaken by the State, as further discussed in the Section (D)(ii) below.

Since the LOI deadline has passed, DOE is reallocating funds from States that did not submit an LOI (thereby not reserving their funds) to those States that did submit an LOI, following the formula described, above. Those States that did submit an LOI can expect generally to see a 65-75% increase in allocated funds, the exact amount of which will be disclosed during negotiations.

ii. Funding Availability

For each category of funding that a State is pursuing, allocated portions for these awards will be released on a reimbursable basis for identified eligible activities in the corresponding project phase. Examples of eligible activities for each project phase are outlined in Table 1 below.

Table 1: Percent of Funding Available for Eligible Activities by Project Phase

Item #	Phase	Percent of Total Available Funding	Example Eligible Activities
1	Technical Assistance	15%	For States that <i>have not adopted</i> a qualifying code, the initial 15% of total available funding will be available on a reimbursable basis to support the State with technical assistance and capacity building to enable and support

Item #	Phase	Percent of Total Available Funding	Example Eligible Activities
			<p>the adoption effort. Eligible activities for this funding include:</p> <ul style="list-style-type: none"> • Capacity building to enable the State to facilitate and execute the code adoption process • Education and outreach to stakeholders and communities • Technical drafting, analyses, and adoption assistance • Field studies to evaluate existing code compliance within the State • Impact and economic analyses
2	Adoption Bonus Funding	15%	<p>The Adoption Bonus Funds provide additional funds in response to the rapid adoption of qualifying codes and to the adoption of qualifying codes that deliver savings that are typically realized over multiple code adoption cycles. The funds will be provided based on time of adoption: 15% for adoption within one year of the original LOI deadline (November 21, 2023), 10% for adoption in the second year following the original LOI deadline, and 5% for adoption in the third year following the original LOI deadline. However, if a State is adopting a qualifying code that delivers cumulative savings from multiple DOE affirmative determinations across multiple code cycles, each successive determination will award an additional year of time-based adoption bonus eligibility. Similarly, a State adopting a zero energy code will be allotted additional time (up to 7 years total from the original LOI deadline to retain eligibility for the full adoption bonus). For example:</p> <ul style="list-style-type: none"> • A State proposing to adopt the 2021 IECC Residential Code currently using the 2018 IECC Residential Code (savings over one cycle) will be eligible for 15% bonus funding if they adopt the eligible code in the first year following the original LOI deadline,

Item #	Phase	Percent of Total Available Funding	Example Eligible Activities
			<p>10% in the second year following the original LOI deadline, and 5% in the third following the original LOI deadline.</p> <ul style="list-style-type: none"> • A State proposing to adopt the 2021 IECC Residential Code but currently using the 2015 IECC Residential Code (cumulative savings representing two cycles that have received affirmative determination) will be eligible for 15% bonus funding if they adopt the eligible code in the first year following the original LOI deadline, 15% in the second year following the original LOI deadline, 10% in the third year following the original LOI deadline, and 5% in the fourth year following the original LOI deadline. • A State proposing to adopt the 2021 IECC Residential Code but currently using the 2012 IECC Residential Code (cumulative savings over three or more cycles that have received affirmative determination) will be eligible for 15% bonus funding if they adopt the eligible code in the first year following the original LOI deadline, 15% in the second year following the original LOI deadline, 15% in the third year following the original LOI deadline, 10% in the fourth year following the original LOI deadline, and 5% in the fifth year following the original LOI deadline. • A State proposing to adopt the 2021 IECC Residential Zero Energy Appendix RC and currently using the 2018 IECC Residential Code (triggering the additional three code cycles of time-based eligibility) will be eligible for 15% bonus funding if they adopt the eligible code any time in the

Item #	Phase	Percent of Total Available Funding	Example Eligible Activities
			first seven years following the original LOI deadline, 10% in the eighth year following the original LOI deadline, and 5% in the ninth year following the original LOI deadline.
3	Code Implementation	30%	<p>Following adoption of the qualifying code, 30% of total available funding will be available on a reimbursable basis to support code implementation efforts. Eligible activities for this funding include:</p> <ul style="list-style-type: none"> • Implementation support for successful administration of the adopted code • Tools and analysis for reporting and administration of the adopted code • Workforce training for compliance and enforcement activities • Education and outreach for code officials, buildings professionals, unions, contractors, and communities and other stakeholders to understand compliance requirements and enforcement procedures • Stakeholder and community engagement to understand how the code impacts owners, residents, tenants, businesses, workers, and other critical groups • Development of a Compliance and Enforcement Plan by the State
4	Compliance and Enforcement	40%	<p>Following DOE approval of a Compliance and Enforcement plan, 40% of funding will be available on a reimbursable basis to support compliance and enforcement activities. This funding must be used to implement a plan to achieve full compliance with the code. Eligible activities for this funding include:</p> <ul style="list-style-type: none"> • Implementation support for successful administration of the adopted code

Item #	Phase	Percent of Total Available Funding	Example Eligible Activities
			<ul style="list-style-type: none"> • Capacity building and workforce training for compliance and enforcement activities • Tools and analyses to improve compliance rates, enforcement efforts, and implementation outcomes • Workforce training and expansion to deliver and assess new construction and renovation projects under the adopted code

States that *have not adopted* a qualifying building energy code prior to submission of the letter of intent are eligible to receive the total amount of available funding (Phases 1 through 4 above) for each relevant building code category being pursued.

States that *have already adopted* a qualified building energy code, are eligible to receive funding for compliance and enforcement activities, Phases 3 and 4 above (70% of the total available funding for each relevant code category) for that building code category. These States can access the other 30% of funding in Phases 1 and 2 for the corresponding code category by submitting a code adoption plan for the next version of the latest model building energy code or zero energy code to receive an affirmative determination from DOE (as long as the adoption takes place within the project period). For example, a State that already adopted IECC 2021 Residential may use funds from Phases 3 and 4 above for implementation, compliance, and enforcement activities, and then satisfy a go/no-go decision point to move from Phase 4 (compliance) for the 2021 IECC activities to Phase 1 (technical assistance) by submitting a plan to adopt the IECC 2024 Residential code. The State can then access the adoption bonus funds in Phase 2 for this code category's formula allocation for their adoption of the 2024 IECC. Should a State propose the adoption of a newer code version that does not receive an affirmative determination from DOE, the funds for those adoption activities would not be awarded and the performance period for compliance activities under the previous version of code would be terminated at the completion of the scoped activities (e.g.: after 3 years).

Alternatively, a state that *has already adopted* a qualified building energy code may use funding for compliance and enforcement activities (Phases 3 and 4 above) supporting the latest model codes category, and then opt to move directly to zero energy code adoption without an intermediate code. This State would then begin at Phase 1 in its zero code category funding for its zero code adoption activities, leaving the adoption funding for the latest model codes category (Phases 1 and 2 above) unclaimed.

Each Phase will serve as a go/no-go decision point, where project applications may be submitted for the start of Phase 1 or the start of Phase 3. At each subsequent phase, the State will be required to submit documentation demonstrating that the conditions of the corresponding go/no-go decision point have been met. Table 2 below describes the requirements that must be met for each project phase. Two options for applications are

presented: Option 1 for States applying to adopt a qualifying code and Option 2 for States that have already adopted a qualifying code.

Table 2: Project Phases, Milestones, and Requirements

Item #	Phase	Milestone	Requirements
0	Letter of Intent	Letter of Intent	<p>State must submit a Letter of Intent including:</p> <ul style="list-style-type: none"> • Attestation of code adoption authority and a commitment to adopt a qualifying code as outlined above <p>OR</p> <ul style="list-style-type: none"> • A Certification¹⁵ stating that a qualifying code has already been adopted and that the funds sought are to be used for compliance and enforcement activities.
Option 1: Application Submission for Code Adoption, Implementation and Compliance			<p>Application must be submitted for review and approval by DOE to begin the project period with Phase 1 activities to create an Adoption Plan and proceed through Phases 2, 3, and 4.¹⁶</p>
1	Technical Assistance	Go/No-go	<p>State must submit an Adoption Plan demonstrating for each category for which the State is applying a commitment to:</p> <ol style="list-style-type: none"> 1) The qualifying code(s) being pursued and any amendments likely to be included in the qualifying code. If applicable, the State may submit any qualifying codes being pursued and any amendments likely to be included in the qualifying code by its partners; AND

¹⁵ As described in the Energy Conservation and Production Act (ECPA), Section 304(a). Additional detail available at <https://www.energycodes.gov/statutory-requirements>.

¹⁶ For applications pursuing future versions of a building energy code, including qualified zero energy codes, milestones for future code adoption will be included as part of the Terms and Conditions of the Award.

Item #	Phase	Milestone	Requirements
			2) Activities, organizations, and capacity additions that will be supported using the awarded funds to ultimately realize the adoption of the applicant-specified code.
2	Adoption Bonus Funding	Adoption of Code	State must submit a Certification for the adoption of the identified code(s) including date of adoption and record of the previously implemented version of code(s). DOE will use the time to adoption and delivered savings to determine the amount of bonus funding to be awarded.
Option 2: Application Submission for Implementation and Compliance			Application must be submitted for review and approval by DOE to begin the project period with Phase 3 activities to implement and enforce a qualifying code.
3	Code Implementation	Go/No-Go	<p><i>If continuing project, Go/No-Go:</i></p> <p>The State will submit an Implementation Plan outlining under each category for which the State is applying critical activities, organizations, outcomes, and impacts that will deliver new construction and renovation projects that meet the newly adopted code requirements. The Implementation Plan will be reviewed and evaluated to ensure alignment with requirements in Part III(C)(iii) of this document and must be approved by DOE.</p> <p><i>If beginning project, Initiation of Award:</i></p> <p>A State that had adopted an eligible code must submit the appropriate Certification as well as an Implementation Plan as described above.</p>
4	Compliance and Enforcement	Go/No-Go	States must submit a Compliance and Enforcement plan, which may be a component of the Implementation Plan, that includes for each

Item #	Phase	Milestone	Requirements
			category for which the State is applying details for active training and enforcement activities to ensure a sufficiently staffed and trained workforce. The Compliance and Enforcement Plan will be reviewed and evaluated to ensure alignment with requirements in Part III(C)(iii)(2) of this document and must be approved by DOE.
	For Option 2 Applicants Only:	Go/No-Go	Submit an Adoption Plan for a new version of a qualifying building energy code, following an affirmative determination by DOE, per the requirements outlined in Phase 1, above. If approved by DOE, continue with Phase 1 activities and the Phase 2 adoption bonus, if applicable.

The State is required to submit a continuation application to DOE 90 days prior to achieving these deliverables and/or milestones for review and approval. A State not meeting a milestone must provide an improvement plan in its continuation application for how it will improve program performance to meet the next stage's targets. DOE approval is required in order to move to the next stage and for funds to be available on a reimbursable basis for eligible costs. As a result of this evaluation, DOE may, at its discretion, authorize the following actions:

- (1) Require further supporting data and corrective measures; or
- (2) Wholly or partly suspend or terminate the Federal award.

The State shall administer DOE funds received under these grants in accordance with Federal rules and regulations and State policies and procedures. The State is to manage Federal Funds in a prudent, effective, and efficient manner to accomplish program objectives. States shall take the necessary steps to ensure that funds are expended within the grant project period.

Pre-award costs will not be allowed.

iii. Example Program Scenarios

The following are example scenarios that illustrate how States in various circumstances might use some or all of the allocated formula funding. This list is for illustrative purposes only and is not meant to be exhaustive.

A State that *has not adopted* the latest model energy code may:

1. Leverage latest model code funding to adopt and implement the latest model commercial and/or residential codes, with a total project lifetime of up to three years.

2. Leverage zero energy code funding to adopt and implement the commercial and/or residential zero energy code provisions, with a total project lifetime of up to six years to allow for jurisdictions requiring two code adoption cycles.
3. Leverage zero energy code funding to adopt the commercial and/or residential zero energy code provisions, along with an initial project period to adopt the latest model commercial and/or residential codes, with a total period of performance of up to nine years to allow for jurisdictions to adopt multiple updates or advance straight to zero-energy codes to their building energy codes that may require three code adoption cycles.

In scenarios where the State is pursuing the adoption of more than a single code version and type (e.g., IECC 2021 residential), the funds will be additive. Example scenarios follow to illustrate how the various formula funding categories can be layered to maximize impact and longevity over multiple code adoption cycles to provide certainty for States.

Scenario 1: A State *has not adopted* the latest model energy code for residential buildings and plans to use formula funding to support adoption and implementation of the latest model energy code for residential buildings.

	Latest model energy codes	Zero energy codes
Residential	<ul style="list-style-type: none"> • Activities: Adopt and implement the latest model Residential energy code • Funds: Formula allocation for latest model Residential energy code • Timeline: Up to three years 	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A
Commercial	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A 	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A

Scenario 1 Outcome: Grantee is eligible to receive full Residential latest model energy code funding allocation and a project period of three years (one code adoption cycle).

Scenario 2: A State *has not adopted* the latest model energy code for residential or commercial buildings and plans to use formula funding to support adoption and implementation of the latest model code for both residential and commercial buildings.

	Latest model energy code	Zero energy codes
Residential	<ul style="list-style-type: none"> • Activities: Adopt and implement the latest model Residential energy code • Funds: Formula allocation for latest model Residential energy code • Timeline: Up to three years 	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A

	Latest model energy code	Zero energy codes
Commercial	<ul style="list-style-type: none"> • Activities: Adopt and implement the latest model Commercial energy code • Funds: Formula allocation for latest model Commercial energy code • Timeline: Up to three years 	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A

Scenario 2 Outcome: Grantee is eligible to receive both full Residential and Commercial latest model energy code funding allocations and a project period of three years (one code adoption cycle).

Scenario 3: A State *has not adopted* the latest model energy codes and plans to use formula funding to support adoption and implementation of the Commercial zero energy code only.

	Latest model energy code	Zero energy codes
Residential	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A 	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A
Commercial	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A 	<ul style="list-style-type: none"> • Activities: Adopt and implement Commercial zero energy code • Funds: Formula allocation for Commercial zero energy code • Timeline: Up to six years

Scenario 3 Outcome: Grantee is eligible to receive full Commercial zero energy code funding allocation and a project period of up to six years (two code adoption cycles).

Scenario 4: A Territory *has not adopted* the latest model code(s), plans to adopt the latest model code for Residential buildings and further commits to additional code adoption cycles toward an eventual zero energy code for Residential buildings.

	Latest model energy code	Zero energy codes
Residential	<ul style="list-style-type: none"> • Activities: Adopt and implement the latest model Residential energy code • Funds: Formula allocation for latest model Residential energy code • Timeline: Up to three years 	<ul style="list-style-type: none"> • Activities: Adopt and implement zero energy Residential code • Funds: Formula allocation for zero energy Residential code • Timeline: Up to six years
Commercial	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A 	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A

Scenario 4 Outcome: Grantee is eligible to receive full Residential latest model code and zero energy code funding allocations and a project period of nine years (three code adoption cycles). Following adoption of the latest model code, the Grantee could use Technical

Assistance funding for zero energy codes to support an interim adoption of a Residential code that is more stringent than the latest model codes, followed by adoption of the or Residential zero energy code provisions.

Scenario 5: A State *has adopted* the latest model Residential and Commercial codes and plans to use formula funding to support compliance and enforcement of the latest model codes.

	Latest model energy code	Zero energy codes
Residential	<ul style="list-style-type: none"> • Activities: Support compliance and enforcement of latest model Residential energy code • Funds: Partial allocation (70%) as described in Table 1 • Timeline: Up to three years 	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A
Commercial	<ul style="list-style-type: none"> • Activities: Support compliance and enforcement of latest model Commercial energy code • Funds: Partial allocation (70%) as described in Table 1 • Timeline: Up to three years 	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A

Scenario 5 Outcome: Grantee is eligible to receive partial Residential and Commercial latest model energy code funding allocations (70%) as described in Table 1 above and a project period of three years (one code adoption cycle).

Scenario 6: A State *has adopted* the latest model Residential and Commercial energy codes and plans to use formula funding to support compliance and enforcement of the latest model energy codes. The State plans to adopt both Residential and Commercial zero energy codes.

	Latest model energy code	Zero energy codes
Residential	<ul style="list-style-type: none"> • Activities: Support compliance and enforcement of latest model Residential energy code • Funds: Partial allocation (70%) as described in Table 1 • Timeline: Up to three years 	<ul style="list-style-type: none"> • Activities: Adopt and implement zero energy Residential code • Funds: Formula allocation for zero energy Residential code • Timeline: Up to six years
Commercial	<ul style="list-style-type: none"> • Activities: Support compliance and enforcement of latest model Commercial energy code • Funds: Partial allocation (70%) as described in Table 1 • Timeline: Up to three years 	<ul style="list-style-type: none"> • Activities: Adopt and implement zero energy Commercial code • Funds: Formula allocation for zero energy Commercial code • Timeline: Up to six years

Scenario 6 Outcome: Grantee is eligible to receive partial Residential and Commercial latest model energy code funding allocations (70%) as described in Table 1 above. The Grantee is also eligible to receive the full Residential and Commercial zero energy code funding allocation, and a total project period of nine years.

Scenario 7: A Territory *has not adopted* the latest model residential and commercial codes and plans to use formula funding adoption and implementation of the IECC 2018 for Residential and ASHRAE 90.1-2016 for Commercial.

	Latest model energy code	Zero energy codes
Residential	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A 	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A
Commercial	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A 	<ul style="list-style-type: none"> • Activities: N/A • Funds: N/A • Timeline: N/A

Scenario 7 Outcome: Applicant is not eligible for funding under IRA Section 50131 based on currently planned activities.

E. Period of performance

Awards will run a maximum of nine (9) years in length and will consist of one budget period per identified project phase in the awarded application ending no later than September 30, 2034. DOE will evaluate project performance, project schedule adherence, the extent milestone objectives are met, compliance with reporting requirements, and overall contribution to the program goals and objectives.

PART IV: Application and Submission information

A. Content and form of application

The Letter of Intent will be submitted via email to IRACodes@hq.doe.gov. The full application must be submitted via the PAGE online system at <https://www.page.energy.gov/default.aspx>. Designated points of contact will receive follow-up information regarding the application process from DOE via email. DOE reserves the right to request additional or clarifying information for any reason deemed necessary. Applications will be reviewed for consistency with the SCEP program objectives. See page ii of this ALRD for requirements for the Letter of Intent and PART III: Award Information for details on plans required as part of the application submission process. All application materials will be available as fillable forms and templates in the PAGE system.

For States *initiating adoption of* a qualifying code, each application will consist of:

- A completed SF424
- An Adoption Plan
 - Additional detail on the submission to DOE to reserve funds to initiate the award and/or advance between project phases are outlined in Table 2 in Part III, Section D (ii).
- A Community Benefits Plan (additional detail on requirements included in Part III, Section C (iv) of this ALRD)

- SF424A budget and corresponding budget justification detailing how the requested funds will be spent

For States that *have adopted* and are undertaking compliance and enforcement activities a qualifying code, each application will consist of:

- A completed SF424
- Certification¹⁷ of the already adopted building energy code demonstrating equivalence to the latest model building energy code or zero energy building code, per DOE analysis.¹⁸
- An Implementation Plan (requirements further detailed in Part III, Section C (iii))
 - Additional detail on the submission to DOE to reserve funds to initiate the award and/or advance between project phases are outlined in Table 2 in Part III, Section D (ii).
- A Community Benefits Plan (additional detail on requirements included in Part III, Section C (iv) of this ALRD)
- SF424A budget and corresponding budget justification detailing how the requested funds will be spent

States may request up to 100% of total funding from the formula if pursuing Adoption and Implementation of qualifying codes, or can request a subset of their formula funds if they plan to pursue Implementation activities only as described in Table 1 under Part III, Section D(ii).

i. Standard Form 424 (Application)

A completed and signed Standard Form 424 (SF424) containing current information must be submitted. Ensure all sections have been updated to reflect any changes, including changes to the person to be contacted on matters involving the application and the authorized representative.

- Section 2: All states should mark “New”.
- Section 8F: Include the contact information for the Principal Investigator (PI) associated with this award.
- Section 18: This section should reflect only the new funds being requested.
- Section 19: Please verify compliance with [Intergovernmental Review \(SPOC List\) \(whitehouse.gov\)](#).
- Section 21: The list of certifications and assurances referenced in Section 21 may be found [here](#).

Attach the following to the SF424 in PAGE:

- A copy of the Letter of Intent (LOI) to Reserve Funds

¹⁷ As described in the Energy Conservation and Production Act (ECPA), Section 304(a). Additional detail available at <https://www.energycodes.gov/statutory-requirements>.

¹⁸ DOE Analysis of Equivalence presented in the Building Energy Codes Program State Portal: <https://www.energycodes.gov/state-portal>

- The Adoption Plan (for States that *intend to adopt* a qualifying code)
- The Certification and Implementation Plan (for States that *have adopted* a qualifying code)
- The Community Benefits Plan (for all Applicants)
- SF424A and budget justification

ii. Standard Form 424A And Budget Justification

The budget includes Standard Form 424A Summary which includes a Budget Justification. Each of these forms should be completed following the guidelines set out below.

Standard Form 424A

Applications must include a budget for the federal funds requested. It should be completed as follows:

- Section A: Budget Summary Lines 1-4, Columns (a) through (g). On line 1, enter the amount of DOE funds requested. Only columns a, b, e, and g should have data. There should be no other entries listed.
- Section B: Budget Categories. There should only be one column for the federal funding source. The total in column g, Section A, must equal the total of all columns in Section B.

Budget Justification:

The Budget Justification consists of an explanation of the object class categories listed in line 6, Section B, of Standard Form 424A. The Budget Justification will be submitted in PAGE as a fillable form linked to the SF424A. In preparing the Budget Justification, states should address the following as requested for each budget category:

- **Personnel Costs:** Identify all positions to be supported by title and the amounts of time (e.g., % of time) to be expended on the achievement of the milestones listed in Part III(D)(ii) of this ALRD. The personnel costs should include: the position, a position description, the base pay rate, the percent of time the position will devote to the project and the total direct personnel compensation going to the position within this project. Personnel must be direct costs to the project and not duplicate personnel costs included in the indirect pool that is the basis of any indirect rate applied for this project.
- **Fringe Benefits:** If fringe cost rates are approved by a federal agency, identify the agency and date of latest rate agreement, and include a copy of the rate agreement with the application as an attachment to the SF424A. If fringe cost rates are not approved by a federal agency, explain how total fringe benefit costs were calculated. Regardless of whether you have an approved rate agreement please identify all rates used along with the base they were applied to, and a total for each (along with the grand total).
- **Travel:** Please provide the purpose of travel, such as professional conference(s), DOE sponsored meeting(s), project management meeting, etc. If there is any foreign travel,

please identify. Please identify the number of trips and associated costs per trip, a total per type of trip, and grand total for travel. Please provide the basis for estimating the costs, such as past trips, current quotations, Federal Travel Regulations, etc. All listed travel must be necessary for the performance of the award objectives.

- **Equipment:** Equipment is generally defined as an item with an acquisition cost greater than \$5,000 and a useful life expectancy of more than one year. Please provide a basis of cost such as vendor quotes, catalog prices, prior invoices, etc. and justify the need. If it is new equipment which will retain a useful life upon completion of the project, provide logical support for the estimated value shown. Also, please indicate whether the Equipment is being used for other projects or is 100% dedicated to the DOE project.
- **Supplies:** Supplies are generally defined as an item with an acquisition cost of \$5,000 or less and a useful life expectancy of less than one year. Supplies are generally consumed during the project performance. Provide the cost of the supplies and briefly justify the need for the supplies as they apply to the objectives of the award. Note that all direct costs, including Supply items, may not be duplicative of supply costs included in the indirect pool that is the basis of the indirect rate applied for this project.
- **Contractual:** All sub-recipients, vendors, contractors and consultants and their estimated costs should be identified. Use "TBD" if the entity is unknown. Provide a brief description of the work to be performed or the service to be provided and reference the individual market title the work or service falls under. Include the basis of cost for each item listed (competitive, historical, quote, catalog, etc.).
- **Indirect Costs:** Please provide the indirect rate and the base against which it is applied and the total projected indirect costs.
 - If the indirect rate is approved by a federal agency please name of the approving federal agency, date of last agreement and a copy of the rate agreement as an attachment to the SF424A.
 - If the rate is not approved by a federal agency, please indicate the basis for the rate(s), including the types of benefits to be provided, the rate(s) used, and the cost base against which each rate is applied.

Capture the funds being passed through to local entities in this section of the budget justification.

Funds for work going towards adopting and implementing the latest model codes must be tracked and managed separately from funds going towards work associated with adopting and implementing zero energy codes.

PART V: Award Administration Information

A. Award notices

i. Notice of Award

An Assistance Agreement issued by the Contracting Officer is the authorizing award document. It normally includes either as an attachment or by reference:

- 1) Special Terms and Conditions;
- 2) Applicable program regulations, if any;
- 3) Application, detailed above, as approved by DOE;
- 4) 2 CFR part 200 as amended by 2 CFR part 910;
- 5) National Policy Assurances To Be Incorporated As Award Terms;
- 6) Federal Assistance Reporting Checklist and Instructions, which identifies the reporting requirements;
- 7) Intellectual Property;
- 8) Federal-wide Research Terms and Conditions;
- 9) Agency Specific Requirements;
- 10) National Environmental Policy Act (NEPA) Determination; and
- 11) Any award specific terms and conditions.

B. Funding restrictions

All expenditures must be allowable, allocable, and reasonable in accordance with the applicable Federal cost principles. Refer to the following Federal cost principles for more information: [2 CFR Part 200](#) as amended by [2 CFR Part 910](#). The cost principles are contained in Subpart E-Cost Principles within 2 CFR Part 200.

C. Reporting

Reporting requirements are identified on the Federal Assistance Reporting Checklist (FARC), attached to the award agreement.

Awards initiated since 10/1/2010 are subject to the requirement of Reporting Subawards and Executive Compensation to comply with the Federal Funding and Transparency Act of 2006 (FFATA). Additional information about this requirement can be found in the Special Terms and Conditions of the Grantee's award, at <https://www.fsr.gov>, and in 2 CFR Part 170.

Additional information regarding reporting will be available from the SCEP Program website, at:

<https://www.energy.gov/scep/state-energy-program-guidance>

Specific to 50131 of the IRA: "Measurement of the rate of compliance each year"

From 42 U.S.C. 6321 through 6326 (specifically 6325): Annual report: The Secretary shall, as part of the report required under section 7267 of this title, report to the President and the Congress, and shall furnish copies of such report to the Governor of each State, on the operation of the program under this part. Such report shall include an estimate of the energy

conservation achieved, the degree of State participation and achievement, a description of innovative conservation programs undertaken by individual States, and the recommendations of the Secretary, if any, for additional legislation.

D. Administrative and national policy requirements

i. Award Administrative Requirements

The administrative requirements for DOE grants and cooperative agreements are contained in 2 CFR Part 200 as amended by 2 CFR Part 910.

DOE Special Terms and Conditions for use in Most Grants and Cooperative

Agreements: The DOE Special Terms and Conditions for Use in Most Grants and Cooperative Agreements are located at:

<https://www.energy.gov/management/financial-assistance-forms-and-information-applicants-and-recipients> under award terms.

National Policy Requirements. The National Policy Assurances that are incorporated as a term and condition of award are located at:

<https://www.energy.gov/management/financial-assistance-forms-and-information-applicants-and-recipients> also under award terms.

Environmental Review in Accordance with National Environmental Policy Act (NEPA)

The Office of the Under Secretary for Infrastructure's decision whether and how to distribute Federal funds is subject to the National Environmental Policy Act (42 U.S.C. 4321, et seq.). NEPA requires Federal agencies to integrate environmental values into their decision-making processes by considering the potential environmental impacts of their proposed actions.

PART VI: Questions/Agency Contacts

A. Questions

Questions and comments concerning the Letter of Intent shall be submitted not later than 10 calendar days prior to the Letter of Intent due date. Questions submitted after that date may not allow sufficient time to respond. Questions regarding the application shall be submitted not later than 10 calendar days prior to the application due date.

All questions regarding this announcement must be submitted to the contact identified below.

B. Agency Contact

E-Mail: IRACodes@hq.doe.gov

PART VII: Other Information

A. Intergovernmental review

Program Subject to Executive Order 12372

This program is subject to [Executive Order 12372](#) (Intergovernmental Review of Federal Programs) and the regulations at 10 CFR Part 1005.

One of the objectives of the Executive Order is to foster an intergovernmental partnership and a strengthened federalism. The Executive Order relies on processes developed by state and local governments for coordination and review of proposed Federal financial assistance.

Applicants should contact the appropriate State Single Point of Contact (SPOC) to find out about, and to comply with, the state's process under [Executive Order 12372](#). The names and addresses of the SPOCs are listed on the Web site of the Office of Management and Budget at Intergovernmental Review (SPOC List) (whitehouse.gov) Intergovernmental Review (SPOC List) (whitehouse.gov).

B. Government right to reject or negotiate

DOE reserves the right, without qualification, to reject any or all applications received in response to this ALRD and to select any application, in whole or in part, as a basis for negotiation and/or award.

C. Commitment of public funds

The Contracting Officer is the only individual who can make awards or commit the Government to the expenditure of public funds. A commitment by other than the Contracting Officer, either explicit or implied, is invalid.

D. Lobbying restrictions

By accepting funds under this award, you agree that none of the funds obligated on the award shall be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913. This restriction is in addition to those prescribed elsewhere in statute and regulation.

E. Expenditure Restrictions

By accepting funds under this award, you agree that none of the funds obligated on the award shall be expended, directly or indirectly, to support or oppose union organizing.

F. Modifications

Modifications to this Administrative and Legal Requirements Document will be processed and disseminated in the same manner as other State and Community Energy Program Notices.

G. Proprietary application information

DOE will use data and other information contained in applications strictly for evaluation purposes. Applicants should not include confidential, proprietary, or privileged information in their applications unless such information is necessary to convey an understanding of the proposed project.

Applications containing confidential, proprietary, or privileged information must be marked as described below. Failure to comply with these marking requirements may result in the disclosure of the unmarked information under the Freedom of Information Act or otherwise. The U.S. Government is not liable for the disclosure or use of unmarked information and may use or disclose such information for any purpose.

The cover sheet of the application must be marked as follows and identify the specific pages containing confidential, proprietary, or privileged information:

Notice of Restriction on Disclosure and Use of Data:

Pages [list applicable pages] of this document may contain trade secrets or commercial or financial information that is privileged or confidential and is exempt from public disclosure. Such information shall be used or disclosed only for evaluation purposes or in accordance with a financial assistance or loan agreement between the submitter and the Government. The Government may use or disclose any information that is not appropriately marked or otherwise restricted, regardless of source. [End of Notice]

The header and footer of every page that contains trade secrets or commercial or financial information that is privileged must be marked as follows: "May contain trade secrets or commercial or financial information that is privileged or confidential and exempt from public disclosure."

In addition, each line or paragraph containing trade secrets or commercial or financial information that is privileged or confidential must be enclosed in brackets.

The above markings enable the State and Community Energy Program Office to follow the provisions of 10 CFR 1004.11(d) in the event a Freedom of Information Act (FOIA) request is received for information submitted with an application. Failure to comply with these marking requirements may result in the disclosure of the unmarked information under a FOIA request or otherwise. The U.S. Government is not liable for the disclosure or use of unmarked information and may use or disclose such information for any purpose.

Please be aware that all information provided to DOE (including confidential proprietary or confidential commercial information) is subject to public release under the FOIA. (5 U.S.C. § 552(a)(3)(A) (2006), amended by OPEN Government Act of 2007, Pub. L. No. 110175, 121 Stat. 2524). When a FOIA request covers information submitted to DOE by an applicant, and the cognizant DOE FOIA Officer cannot make an independent determination regarding public release of this information, the cognizant DOE FOIA Officer will contact the submitter and ask for comment regarding the redaction of information under one or more of the nine FOIA exemptions. The cognizant DOE FOIA Officer will make the final decision regarding FOIA redactions. Submitters are given a minimum of 7 days to provide redaction comments. If DOE disagrees with the submitter's comment, DOE will notify the submitter of the intended public release no less than seven (7) day prior to the public disclosure of the information in question ([10 CFR Part 1004.11](#))

H. Protected personally identifiable information

In responding to this ALRD, Applicants must ensure that Protected Personally Identifiable Information (PII) is not included in the application documents. PII is defined by the Office of Management and Budget (OMB) and DOE as:

Any information about an individual maintained by an agency, including but not limited to, education, financial transactions, medical history, and criminal or employment history and information that can be used to distinguish or trace an individual's identity, such as their name, social security number, date and place of birth, mother's maiden name, biometric records, etc., including any other personal information that is linked or linkable to an individual.

This definition of PII can be further defined as: (1) Public PII and (2) Protected PII.

Public PII: PII found in public sources such as telephone books, public websites, business cards, university listing, etc. Public PII includes first and last name, address, work telephone number, email address, home telephone number, and general education credentials.

Protected PII: PII that requires enhanced protection. This information includes data that if compromised could cause harm to an individual such as identity theft.

Listed below are examples of Protected PII that Applicants must not include in their application.

- Social Security Numbers in any form
- Place of Birth associated with an individual
- Date of Birth associated with an individual
- Mother's maiden name associated with an individual
- Biometric record associated with an individual
- Fingerprint
- Iris scan
- DNA
- Medical history information associated with an individual
- Medical conditions, including history of disease
- Metric information, e.g., weight, height, blood pressure
- Criminal history associated with an individual
- Employment history and other employment information associated with an individual
- Ratings
- Disciplinary actions
- Performance elements and standards (or work expectations) are PII when they are so intertwined with performance appraisals that their disclosure would reveal an individual's performance appraisal
- Financial information associated with an individual
- Credit card numbers
- Bank account numbers
- Security clearance history or related information (not including actual clearances held)

PART VIII: Reference material

ANSI/ASHRAE/IES Standard 90.1-2019 Energy Standard for Buildings Except Low-Rise Residential Buildings. Available free of charge at:

https://ashrae.iwrapper.com/ASHRAE_PREVIEW_ONLY_STANDARDS/STD_90.1_2019

Inflation Reduction Act of 2022. <https://www.congress.gov/bill/117th-congress/house-bill/5376/text>

2021 International Energy Conservation Code. Available free of charge at:
<https://codes.iccsafe.org/content/IECC2021P1>

Justice40 Initiative, established by E.O. 14008, sets a goal that 40% of the overall benefits of certain federal investments flow to disadvantaged communities. Interim implementation guidance is available here: <https://www.whitehouse.gov/environmentaljustice/justice40/>

Technical Assistance for the Adoption of the Latest and Zero Building Energy Codes or Standards Funding Opportunity Announcement. Notice of Intent No.: DE-FOA-0003055.
<https://infrastructure-exchange.energy.gov/FileContent.aspx?FileID=d776b725-b0c7-4328-ba5b-80a9fc6bce51>

APPENDIX A: Qualifying Code Amendments

DOE has determined the following list of amendments to the qualifying building energy codes and zero energy codes that will not reduce the energy savings of the those building energy codes when adopted by States. Only these amendments to a qualifying code may be included in a State's code adoption to be considered eligible for this formula funding.

a. Strengthening Amendments

i. Residential Strengthening Amendments, relative to the 2021 IECC:

- Require higher R-values or lower U-factors for building components (ceilings, walls, floors, foundation or fenestration) than the values in the prescriptive compliance tables
- Require larger homes over a certain square footage to meet a higher number of "Additional Efficiency Packages" or a lower energy usage compared to smaller homes
- Require all supply and return registers to be sealed
- Reduce allowable whole building maximum air leakage rate
- Require cool roofs in warm climate zones
- Require increased pipe insulation levels
- Extend requirement for Heat Recovery Ventilation (HRV) to additional climate zones
- Require buildings using the "Total Building Performance Path" to meet a lower thermal envelope UA backstop (UA backstop is the area (A) multiplied by the U-factor (U))
- Require lower energy rating index (ERI) targets than the levels in section R406
- Require additions and alterations to meet "Additional Efficiency Packages" requirements
- Require alterations to meet duct testing and maximum allowable leakage requirement, unless all ducts are located in a conditioned space
- Require lower ERI targets (without on-site power production (OPP)) than the levels in Appendix RC
- More stringent efficiency backstop

ii. Commercial Strengthening Amendments, relative to ASHRAE 90.1-2019:

- Require "Additional Efficiency Credits" for complying with code
- Require lower interior Lighting Power Density (LPD) values for the space-by-space calculation
- Require lower exterior LPD values than those included in the prescriptive table
- Require manual dimming or automatic occupant-based lighting controls for dwelling units
- Require dimming lighting systems with central and zonal controls for increased percentage of building floor area
- Require centralized master switch for apartments
- Remove or lower "additional lighting power allowance" for decorative and retail sales categories in 90.1-2019

- Extend requirement for cool roofs or increased ceiling insulation beyond minimum prescriptive levels to climate zone 4
 - Require full under slab insulation in additional building types and in more climate zones beyond just climate zone 8
 - Require air leakage testing for additional buildings (i.e., greater than 10,000 ft²)
 - Reduce allowable whole building maximum air leakage rate
 - Require Demand Controlled Ventilation (DCV) in more building spaces with fewer exceptions, including exceptions for Energy Recovery Ventilation (ERV)
 - Require ERV for smaller system sizes
 - Higher enthalpy recovery ratios for ERVs
 - Require increased pipe insulation levels, which results in increased R-value
 - Require increased duct insulation levels, which results in increased R-value
 - Increase requirements for automatic off-hour, setback, and shutdown HVAC controls
 - Lower fan power allowance in terms of W/CFM
 - Add economizer requirements for small systems
 - Add minimum efficiency requirements for heat pump and heat recovery chillers
 - Require more efficient cooling towers
 - Require more efficient elevators
 - Require more efficient elevator cab lighting and ventilation
 - Bring building performance path up to the level of the prescriptive requirements including "additional efficiency credits"
 - Reduce the system size thresholds for when condenser heat recovery for service water heating is required
 - Reduce the system size thresholds for when condenser heat recovery for space heating and/or reheat is required.
- b. Neutral Amendments – the following include amendments that may not affect the energy performance outcome of the code(s), but are often included as amendments to the energy code for alternate reasons, such as enabling electric vehicle (EV) charging
- i. Commercial Neutral Amendments
 - EV Charging: Plug-in for EV Charging Infrastructure¹⁹
 - Grid interactive/demand response controls requirements
 - Electric energy storage provisions
 - EV charging infrastructure provisions
 - On-Site renewable energy provisions
 - Electric-ready building provisions
 - HVAC Total System Performance Ratio (TSPR) pathways
 - Energy Credit pathways
 - ii. Residential Neutral Amendments

¹⁹ https://www.energycodes.gov/sites/default/files/2021-07/TechBrief_EV_Charging_July2021.pdf

- EV Charging: Plug-in for EV Charging Infrastructure
 - Electric-ready: Plug-in for electric-readiness²⁰
 - Grid interactive/demand response controls requirements
 - Solar-ready provisions
 - Electric energy storage provisions
 - EV charging infrastructure provisions
 - On-Site renewable energy provisions
 - Electric-ready building provisions
 - Operational carbon rating and energy reporting
- iii. Editorial, clarifying or formatting changes intended to improve the readability of the code would be considered neutral as long as the changes do not alter the stringency of code requirements
 - iv. Amendments that set a major renovation trigger or percentage serviced square footage trigger for energy code compliance in existing buildings
 - v. On-site renewable energy requirements

Proposals may *not* include combinations of strengthening and weakening amendments. Due to the complex nature of such combinations in both commercial and residential building energy codes, additional analysis will be required to determine whether each proposal meets the "equivalent or greater energy savings" – such proposals will *not* be eligible for these formula grants. In addition, building performance standards are not eligible for this round of formula grants because further analysis must be conducted specific to the jurisdiction to ensure the statutory criteria of equal or greater energy savings is met as compared to the latest model energy codes or zero energy appendices. While these proposals are not eligible for funding through this formula opportunity, an additional competitive funding opportunity may be available shortly for States and units of local government with authority to adopt building codes to apply with innovative code approaches and building performance standards.

²⁰ https://www.energycodes.gov/sites/default/files/2021-10/TechBrief_Electric_Readiness_Oct2021.pdf

APPENDIX B: Initial Formula Allocation by State and Category

The following numbers represent the initial formula allocation for each State. Since the LOI deadline has passed, DOE is reallocating funds from States that did not submit an LOI (thereby not reserving their funds) to those States that did submit an LOI, following the formula described, above. Those States that did submit an LOI can expect generally to see a 65-75% increase in allocated funds, the exact amount of which will be disclosed during negotiations.

State/Territory	Abbr.	LMC Comm	LMC Res	ZEC Comm	ZEC Res	Total
Alabama	AL	\$1,903,411.05	\$1,813,954.66	\$1,268,940.70	\$1,209,303.10	\$6,195,609.51
Alaska	AK	\$2,363,340.84	\$4,476,280.90	\$1,575,560.56	\$2,984,187.27	\$11,399,369.57
American Samoa	AS	\$722,794.11	\$722,794.11	\$481,862.74	\$481,862.74	\$2,409,313.71
Arizona	AZ	\$3,598,277.79	\$2,710,614.90	\$2,398,851.86	\$1,807,076.60	\$10,514,821.16
Arkansas	AR	\$3,889,106.16	\$2,891,976.81	\$2,592,737.44	\$1,927,984.54	\$11,301,804.95
California	CA	\$5,368,298.58	\$5,368,298.58	\$3,578,865.72	\$3,578,865.72	\$17,894,328.60
Colorado	CO	\$2,355,983.41	\$1,889,357.61	\$1,570,655.61	\$1,259,571.74	\$7,075,568.36
Connecticut	CT	\$1,558,220.41	\$1,792,796.01	\$1,038,813.61	\$1,195,197.34	\$5,585,027.37
Delaware	DE	\$1,214,761.77	\$1,234,264.38	\$809,841.18	\$822,842.92	\$4,081,710.24
District of Columbia	DC	\$857,442.94	\$1,017,579.57	\$571,628.63	\$678,386.38	\$3,125,037.51
Florida	FL	\$3,686,244.97	\$3,735,472.06	\$2,457,496.64	\$2,490,314.71	\$12,369,528.38
Georgia	GA	\$2,430,178.06	\$2,548,150.89	\$1,620,118.71	\$1,698,767.26	\$8,297,214.91
Guam	GU	\$735,203.61	\$735,203.61	\$490,135.74	\$490,135.74	\$2,450,678.71
Hawaii	HI	\$1,368,578.99	\$1,225,015.24	\$912,386.00	\$816,676.83	\$4,322,657.06
Idaho	ID	\$1,215,928.63	\$2,253,463.09	\$810,619.08	\$1,502,308.73	\$5,782,319.53
Illinois	IL	\$2,421,098.27	\$2,859,006.80	\$1,614,065.52	\$1,906,004.54	\$8,800,175.13
Indiana	IN	\$3,884,613.71	\$2,735,362.88	\$2,589,742.48	\$1,823,575.25	\$11,033,294.32
Iowa	IA	\$2,707,207.68	\$1,906,145.23	\$1,804,805.12	\$1,270,763.49	\$7,688,921.51
Kansas	KS	\$2,032,693.95	\$1,533,978.96	\$1,355,129.30	\$1,022,652.64	\$5,944,454.85
Kentucky	KY	\$2,632,426.40	\$2,673,903.49	\$1,754,950.93	\$1,782,602.33	\$8,843,883.15
Louisiana	LA	\$3,849,350.07	\$2,314,175.49	\$2,566,233.38	\$1,542,783.66	\$10,272,542.60
Maine	ME	\$1,420,275.79	\$1,227,068.33	\$946,850.53	\$818,045.55	\$4,412,240.19
Maryland	MD	\$1,671,576.91	\$1,812,734.27	\$1,114,384.61	\$1,208,489.51	\$5,807,185.29
Massachusetts	MA	\$1,568,619.79	\$1,626,158.94	\$1,045,746.52	\$1,084,105.96	\$5,324,631.21
Michigan	MI	\$2,287,596.70	\$2,816,501.42	\$1,525,064.47	\$1,877,667.61	\$8,506,830.21
Minnesota	MN	\$1,398,230.86	\$1,811,696.00	\$932,153.91	\$1,207,797.33	\$5,349,878.10
Mississippi	MS	\$2,096,188.33	\$2,294,801.43	\$1,397,458.89	\$1,529,867.62	\$7,318,316.28
Missouri	MO	\$2,484,075.75	\$1,917,063.83	\$1,656,050.50	\$1,278,042.56	\$7,335,232.64
Montana	MT	\$850,690.54	\$1,352,193.10	\$567,127.03	\$901,462.07	\$3,671,472.73
Nebraska	NE	\$1,312,364.74	\$1,334,499.73	\$874,909.83	\$889,666.49	\$4,411,440.78
Nevada	NV	\$1,377,935.36	\$1,665,679.29	\$918,623.57	\$1,110,452.86	\$5,072,691.09

State/Territory	Abbr.	LMC Comm	LMC Res	ZEC Comm	ZEC Res	Total
New Hampshire	NH	\$1,194,886.33	\$1,259,013.56	\$796,590.89	\$839,342.37	\$4,089,833.15
New Jersey	NJ	\$1,991,812.71	\$2,813,879.24	\$1,327,875.14	\$1,875,919.49	\$8,009,486.58
New Mexico	NM	\$1,336,702.02	\$1,845,487.23	\$891,134.68	\$1,230,324.82	\$5,303,648.74
New York	NY	\$3,231,919.86	\$3,407,597.29	\$2,154,613.24	\$2,271,731.53	\$11,065,861.93
North Carolina	NC	\$2,603,774.46	\$2,591,438.09	\$1,735,849.64	\$1,727,625.40	\$8,658,687.60
North Dakota	ND	\$2,005,729.51	\$1,268,968.27	\$1,337,153.01	\$845,978.85	\$5,457,829.63
Northern Marianas	MP	\$722,510.35	\$722,510.35	\$481,673.57	\$481,673.57	\$2,408,367.84
Ohio	OH	\$3,711,460.20	\$3,056,832.54	\$2,474,306.80	\$2,037,888.36	\$11,280,487.89
Oklahoma	OK	\$5,160,702.75	\$3,369,800.31	\$3,440,468.50	\$2,246,533.54	\$14,217,505.10
Oregon	OR	\$1,222,199.73	\$1,496,510.48	\$814,799.82	\$997,673.66	\$4,531,183.70
Pennsylvania	PA	\$2,521,350.57	\$2,694,705.70	\$1,680,900.38	\$1,796,470.47	\$8,693,427.11
Puerto Rico	PR	\$1,100,835.32	\$1,100,835.32	\$733,890.21	\$733,890.21	\$3,669,451.07
Rhode Island	RI	\$1,100,720.19	\$2,249,999.11	\$733,813.46	\$1,499,999.41	\$5,584,532.17
South Carolina	SC	\$3,487,375.59	\$2,466,451.46	\$2,324,917.06	\$1,644,300.97	\$9,923,045.08
South Dakota	SD	\$1,922,746.17	\$1,137,103.92	\$1,281,830.78	\$758,069.28	\$5,099,750.16
Tennessee	TN	\$3,012,546.69	\$2,948,563.00	\$2,008,364.46	\$1,965,708.67	\$9,935,182.83
Texas	TX	\$4,780,072.82	\$4,646,700.03	\$3,186,715.21	\$3,097,800.02	\$15,711,288.08
U.S. Virgin Islands	VI	\$727,255.65	\$727,255.65	\$484,837.10	\$484,837.10	\$2,424,185.50
Utah	UT	\$1,354,270.38	\$2,396,018.67	\$902,846.92	\$1,597,345.78	\$6,250,481.75
Vermont	VT	\$793,985.41	\$793,985.41	\$529,323.61	\$529,323.61	\$2,646,618.04
Virginia	VA	\$2,018,823.24	\$2,422,340.51	\$1,345,882.16	\$1,614,893.67	\$7,401,939.57
Washington	WA	\$1,644,762.17	\$1,644,762.17	\$1,096,508.11	\$1,096,508.11	\$5,482,540.57
West Virginia	WV	\$1,351,083.28	\$1,627,113.22	\$900,722.19	\$1,084,742.15	\$4,963,660.84
Wisconsin	WI	\$1,939,235.33	\$3,764,638.20	\$1,292,823.55	\$2,509,758.80	\$9,506,455.87
Wyoming	WY	\$1,859,763.37	\$1,192,058.34	\$1,239,842.25	\$794,705.56	\$5,086,369.51