

# DOE GDO Puerto Rico Energy Resilience Fund

## Webinar: Funding Opportunity Overview

PETE GINGRAS: Welcome. Today we're presenting an overview of the second funding opportunity announcement through the Puerto Rican Energy Resilience Fund titled Programa de Comunidades-- Resilientes, the Resilient Communities Program. My name is Pete Gingras with the grid deployment office's Territory Recovery Assistance Program. Next slide please.

A few housekeeping items about this webinar before we begin. None of the information presented herein is legally binding. The content included in this presentation is intended for informational purposes only relating to the funding opportunity. announcement DE-FOA-00003348.

Any content within this presentation that appears discrepant from the FOA language is superseded by the FOA language. All applicants are strongly encouraged to carefully read the FOA guidelines and adhere to them. Next slide please.

Here's our agenda for today's webinar. I'll review the contents of the Programa de Comunidades Resilientes FOA starting with an overview of the Puerto Rico Energy Resilience fund, share our strategic goals and priority areas of investment for the FOA We will review the topic areas, award structure, and teaming arrangement possibilities. Last, we will discuss FOA review criteria, the upcoming schedule with dates, and then cover how to apply for the funding opportunity.

Now I'd like to provide an overview of the Puerto Rico Energy Resilience Fund. In December 2022, Congress appropriated \$1 billion in the FY 23 Consolidated Appropriations Act for activities to improve the resilience of the Puerto Rican electric grid including renewable energy and energy storage solutions for vulnerable households and communities. Per the act, these activities will include resilience investments for low and moderate income households and households with individuals with disabilities. For our first funding opportunity announcement that we released last summer named Programa Acceso Solar, there was \$450 million available for residential rooftop solar PV and battery storage deployment for very low-income single family households where an individual with an energy dependent disability resides or very low-income single family households located in last mile communities. For our second FOA named Programa de Comunidades Resilientes, we are proposing focusing on community level energy resilience investment solutions for community-based health care facilities and privately-owned subsidized multifamily building common areas and community centers in public housing developments.

This funding opportunity announcement has three strategic goals the office is striving to achieve through program implementation. Number 1, first, we want to mitigate against the disproportionate impacts associated with severe and prolonged power outages affecting low and moderate income residents of public or privately-owned subsidized multifamily properties through energy resilience investments such as solar and battery storage. Second, we want to enable quality, equitable health care services for the most vulnerable populations and disadvantaged communities who include the medically underserved and Puerto Rico by ensuring energy, reliability and resiliency through solar and storage. And then finally we want to support the growth of the workforce in Puerto Rico through these investments. Next slide please. For the next two slides, we'll cover the priority areas for investment. So through this funding opportunity announcement, we're most interested in proposals that can coordinate the deployment of solar and battery storage systems to increase building resilience in the face of increasing natural hazards across

many individual facilities, serving vulnerable populations in disadvantaged communities including those serving low and moderate income and disabled individuals throughout Puerto Rico. In addition, proposals should also prioritize facilities that are considered solar ready, a facility that has been designed and prepared for a solar power installation to occur. Next slide please.

And ensure that the Puerto Rican-based entities are a large part of the teaming arrangements. So this will ensure that local knowledge and capacity building through project implementation are priorities. Next slide please.

So here's a high-level view of our FOA financial details. For topic one, we're soliciting applications to deploy solar, PV, and battery storage installations using commercially available technology to improve the resilience of common areas within public or privately-owned subsidized multifamily properties in Puerto Rico such as those assisted by the US Department of Housing and Urban Development, otherwise known as HUD. GDO, the Grid Deployment Office, anticipates awarding a total of between 93 million and 185 million for one to two individual awards.

For topic area 2, we're soliciting applications to deploy solar PV and battery storage installations using commercially available technology to enhance the resilience of community health care facilities.

Awardees are expected to provide no less than a 10% cost share for all phases, and the Grid Deployment Office anticipates awarding between a total of 70 million and 140 million for, again, one to two individual awards. As I mentioned earlier, both topic areas will require awardees to provide no less than a 10% cost share for all phases. Awardees will have a five-year period of performance from when the award is signed to complete all proposed work meeting the objectives of the funding opportunity announcement. Next slide please.

So I will now turn to providing an overview of the two topic areas this funding opportunity announcement is seeking applications for. For our first topic area, we want to incentivize solar and storage installations at either community centers that are part of the footprint for public housing developments or at privately-owned HUD and USDA subsidized multifamily properties to power common areas. Eligibility includes public housing properties and multifamily properties such as HUD and USDA. For a more comprehensive description of the eligible facilities, please see the definitions section within the FOA.

This type of application would be a resilience-first solution to mitigate against power outages and to ensure residents would have the confidence knowing that they could have a location to store medications that need refrigeration, use the facility for in-home medical equipment therapy, or recharge medical equipment and recharge personal communication devices. Through our application process, we'll ask potential applicants to tell us about their approach to prioritizing these proposed facilities based on the need for the most vulnerable populations they house and serve. We'll have some evaluation criteria and resources that can help GDO review the relative merits of their proposed prioritization, and we have a slide later in the presentation that will review our thinking on the evaluation criterion.

So we have a couple examples of sample projects. Just wanted to reiterate here that this is a non-exhaustive list of illustrative examples. We have a community center located within a public or privately-owned subsidized multifamily property that would allow residents to charge communication devices, refrigerate medication, and power medical devices after a natural disaster. We have elevators in a public or privately-owned subsidized multifamily property with a high percentage of elderly residents or individuals with disabilities that would ensure access to and from their residents in case of an emergency. And then last, we have an example of a recreational room within public or privately-owned subsidized

multifamily property with a communal kitchen that would provide residents access to food and refrigeration during an outage. Next slide please.

For our second topic area, we're looking, again, to incentivize solar and storage installations at community-based health care facilities. So on the screen here, we have eligibility, which includes community health care centers, also known as Centro 330, or federally qualified health care centers, diagnostic and treatment centers, and dialysis centers. These facilities are the frontline health providers located in low and moderate income communities, and without power, these facilities cannot provide critical services, electronic records are not accessible, and life-saving and sustaining medications spoil. So we want applicants to design the systems to cover critical loads unique to each facility. In some cases, this may be an emergency room that's adjoined to the rest of the primary care facility. For others, it may be a vaccination refrigeration system, communication assets, or some combination of both. Applications should focus their needs on facilities that are serving the most vulnerable populations and have faced the most unique energy challenges. For the next two slides please--

We're going to look at some types of eligible investments here. So applicants may propose a wide range of business models to deploy and maintain solar PV and battery storage systems including but not limited to direct ownership and third-party ownership. This can include, of course, brand new solar and storage systems, upgrades or expansions of existing systems, and the integration of batteries for an existing system that is in a good functioning condition.

We will also consider financing certain system upgrades that may be necessary to interconnect-- on the next slide here we detail that-- along with certain energy efficiency measures that may be identified through an audit that would impact any prioritized critical loads. You can just switch to the next slide. Perfect.

And then project teams may propose a structure in which DOE-- in which the DOE payment is used to defray the upfront costs incurred by an installer with the value of the DOE payment reflected to the site in the form of a reduced power purchase agreement payment or similar approaches. So a couple of types of eligible investments here on these past two slides. You can move to the next slide.

We'll talk a little bit about the applicant teaming partnership. Potential applicants may include individual organizations for this FOA or teams of organizations based in Puerto Rico that can coordinate the deployment of projects across many community health care facilities or public housing and privately-owned subsidized multifamily properties here. Again, we have an example here. We're talking about 100 or so in partnership with local stakeholders. Teams should include members that have an existing physical presence in Puerto Rico and are also in financial and regulatory good standing.

If the owners, the managers, and the administrators of eligible facilities upon which the solar PV and battery storage systems will be installed are not submitting the application as a prime applicant, a letter of commitment from the facility owner and or representation through a teaming partnership will be necessary to ensure facility owners, managers, or administrators have a vested interest in and operational control of any installed systems.

So a teaming arrangement allows applicants to combine their complementary capabilities and resources that a single entity could not perform on its own to apply for this competitive solicitation. The arrangement may include but it's not limited to a couple examples on the right side of the slide-- community-based organizations, consultants, energy auditors, engineering procurement and construction firms, grassroots organizations, non-profit organizations, and renewable technology installation companies. Next slide please.

Organizations that are interested in this funding opportunity can access a teaming partner list, which is located on the Department of Energy's infrastructure exchange website. The teaming partner list aims to facilitate the formation of project teams, allowing organizations that may wish to participate in a project to express their interest to other applicants and to explore potential partnerships.

On this web page, an interested entity can enter general contact information along with the type of entity they are, areas of expertise, and the specific role that they would be interested in playing on the team.

Teams may submit to the teaming partner list in either English or Spanish. And just one note here that by facilitating this teaming partner list, the Department of Energy is not endorsing, sponsoring, or otherwise evaluating the qualifications of the individuals and organizations that are identifying themselves for placement on the list. Next slide please.

So want to talk a little bit about the award structure. So here's our design scenario for how the program can offer a level of flexibility to meet applicants where they are while taking various steps to mitigate some of the risks that exist with this type of approach. Selected applicants will enter a design phase upon successful award negotiation. So this will allow the department to have an understanding of the landscape of the proposed projects before getting into a time period where fully developed proposals are evaluated against a robust set of criteria with the outcome being a go or no go an award.

Applicants should provide us with an estimate of time they will need to complete phase one deliverables, which is our design phase. Applicants will get a fixed cost payment to help defray the costs of completing the required deliverables during this design phase. At the end of the design phase, applicants will be evaluated against a set of criteria such as the likelihood that a proposed project will function as designed in the specific community. The likelihood that the project will be operationally-- operational within three years, the extent to which the costs for the phase 2 construction are reasonable within the total award, and the likelihood that the project will be-- be able to obtain permits or agreements needed for construction and operation. Please see page 61 of the funding opportunity announcement for a complete list of this criteria.

The phased approach is designed to guide projects through the project development process incrementally and allow DOE to evaluate project's merit and progress at a set point in time to ensure broad goals remain achievable. Having the two phases ensures that the project meets a level of maturity, employs a robust execution approach, and that technical and non-technical project risks are adequately and appropriately managed. Next slide please.

Now we're going to talk a little bit about the criterion for this FOA. So for this funding opportunity announcement, applications will be evaluated against a set of four criterion in order to select the best projects that have a high likelihood of meeting the objectives of the FOA, the first of which is the project's benefits and impact worth 35%. Applicants should tell us about the communities where the proposed facilities are located and describe the benefits these investments would make and the impact on the surrounding communities. Next slide please.

The second criterion is the preliminary work plan also worth 35%. Applicants should provide details on how they will clearly get to the implementation of the projects within a timely manner while demonstrating the understanding of key technical construction, regulatory, permitting, safety and occupational health, scale up and infrastructure integration risks that may exist with the process. Next slide please.

Our third criterion is focused on commercial and financial viability worth 15%. Applicants should be able to demonstrate the proposed budget and spend plan is supported by evidence that the project's overall economics are viable. Next slide please.

And our last review criterion is worth 15% is focused on the teaming structure. Applicants should be able to demonstrate how their proposed teams are constructed and provide evidence of past successful project execution. Applicants should also tell DOE about their long-term plans for the operations and maintenance of installed systems. For more comprehensive information, you can see the review criteria listed in the FOA.

For our last slide, I want to cover the application submission, timing, and schedule. Applications are due by 5:00 PM eastern standard time on October 22nd. In December, the program plans to announce applications selected for negotiation. By March 2025, the program plans to have negotiated all awards. For more information on how to apply to this funding opportunity announcement, watch the second video in this webinar series. Thank you so much for watching.