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Environmental and
Energy Study Institute

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Funding Opportunities for Nonprofits, Municipalities, and Communities

Thursday, September 26, 2024

About EESI



Non-partisan Educational Resources for Policymakers

A bipartisan Congressional caucus founded EESI in 1984 to provide non-partisan information on environmental, energy, and climate policies



Direct Assistance for Equitable and Inclusive Financing Program

In addition to a full portfolio of federal policy work, EESI provides direct assistance to utilities to develop “on-bill financing” programs



Commitment to Diversity, Equity, Inclusion, and Justice

We recognize that systemic barriers impede fair environmental, energy, and climate policies and limit the full participation of Black, Indigenous, people of color, and legacy and frontline communities in decision-making



Sustainable Solutions

Our mission is to advance science-based solutions for climate change, energy, and environmental challenges in order to achieve our vision of a sustainable, resilient, and equitable world.

Polycymaker Education

Briefings and Webcasts



Live, in-person and online public briefings, archived webcasts, and written summaries

Climate Change Solutions



Bi-weekly newsletter with everything policymakers and concerned citizens need to know, including a legislation and hearings tracker

Fact Sheets and Issue Briefs



Timely, objective coverage of environmental, clean energy, and climate change topics

Social Media (@EESIOnline)



Active engagement on Twitter, Facebook, LinkedIn, and YouTube





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www.eesi.org/survey

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Thursday, September 26, 2024



SCEP

STATE & COMMUNITY ENERGY PROGRAMS

Funding Opportunities for Nonprofits, Municipalities, and Communities

September 26, 2024

Michael Forrester

Senior Advisor

Office of State and Community Energy Programs

U.S. Department of Energy



DOE Secretary Granholm visits Rockingham, NC to announce \$190 million investment from the Renew America's Schools Program



SCEP

STATE & COMMUNITY ENERGY PROGRAMS

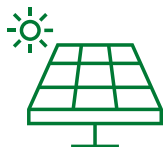
Whole Greater than Sum of its Parts

SCEP's Mission is to partner with State, Local, and Tribal governments and community organizations to catalyze local economic development and job creation through equitable, clean energy solutions.

SCEP does this through the **management and oversight of \$16 billion** in formula grants, competitive grant awards, consumer rebate grants, and technical assistance.



Prioritize
Justice40
Initiative



Deploy clean
energy
technologies



Catalyze local
economic
development



Create
jobs and
increase hiring



Avoid pollution
through place-based
strategies



Reduce
energy costs

28+ Programs Coming Out of SCEP

\$260M for
Building
Efficiency
Workforce
Training

\$750M for
State Energy
Program &
Revolving Loan
Fund

\$3.5B for
Weatherization Assistance Program

\$500M for
Energy Efficiency
& Renewable
Energy in Public
Schools

\$100M for
Energy
Future
Grants

\$50M for
Energy
Efficiency for
Non-Profits

\$550M for
Energy Efficiency
& Conservation
Block Grants
Program

\$1B for
Energy Codes
Technical Assistance

\$8.8B for Home Energy Rebates

Need for Building Upgrades at Nonprofits



There are **1.5 million** nonprofits in the United States, employing more than **10%** of the workforce - more than **12.8 million workers**.



Most nonprofits operate on small budgets, with annual revenues of under **\$500,000**. Since the pandemic, many have struggled to maintain services in the face of greater demand, increased prices, and decreased revenues.



Many nonprofits provide direct services to disadvantaged communities. **Many lack the experience, capacity, and immediate funds** needed to invest in energy upgrades.



Energy consumption is the **second highest operational expense** for nonprofits.



Need for Building Upgrades at Public K-12 Schools



There are **100,000 public K-12 schools**.

Over 50% require major upgrades, earning U.S. schools a **D+** in the 2021 infrastructure report card



There is an **\$85 billion** annual shortfall in maintenance and capital funding needed for school facilities



Capital funding is **37%** lower in **high poverty districts**



Energy consumption is the **second highest operational expense** for schools.



Sources: 2021 State of Our Schools Report, ASCE Infrastructure Report Card, GAO study

SCEP Schools and Nonprofits – BIL Provisions

Renew America's Schools: Competitive grant program for energy improvements at public school facilities (BIL 40541)

Funding: \$500M (\$100M over five years, FY22-FY26), until expended, through competitive grants.

Qualifying Energy Improvements: Energy efficiency upgrades (e.g., HVAC, lighting, controls), renewable technologies (e.g., solar, geothermal), and clean transportation (e.g., electric buses, EV charging).

Eligible Entities: Consortia of 1 Local Educational Agency (LEA; e.g., School Board, Bureau of Indian Education Schools, Educational Service Agencies) and one or more schools, non-profits, for-profits, or community partners.

Renew America's Nonprofits: Competitive grant program for energy improvements at 501(c)(3) nonprofits (BIL 40542)

Funding: \$50 million in FY 2022, available until expended

Qualifying Energy Improvements: Energy-efficiency materials (e.g., HVAC, lighting, controls). Renewable technologies are NOT funded under this provision.

Eligible Entities: Building(s) owned and operated by a nonprofit 501(c)(3) organization(s).

2023 Renew America's Nonprofits Grant

In October 2023, DOE announced \$45 million for 9 prime recipients leading energy efficiency portfolios.

- **Award Impacts:**
 - 9 Primes will support **300+ nonprofit buildings** with efficiency upgrades, to be solar-ready and well-positioned for elective pay
 - Starting new **workforce development** programs
 - Retrofits in **28 states**, DC, and 2 territories.
- **DOE Investment :**
 - Food banks **\$1 in energy savings = at least 10 Meals Served** – *Feeding America*
 - Low-income housing & Unhoused; Healthcare & Emergency Response; Refugee support & Domestic violence; Faith-based organizations

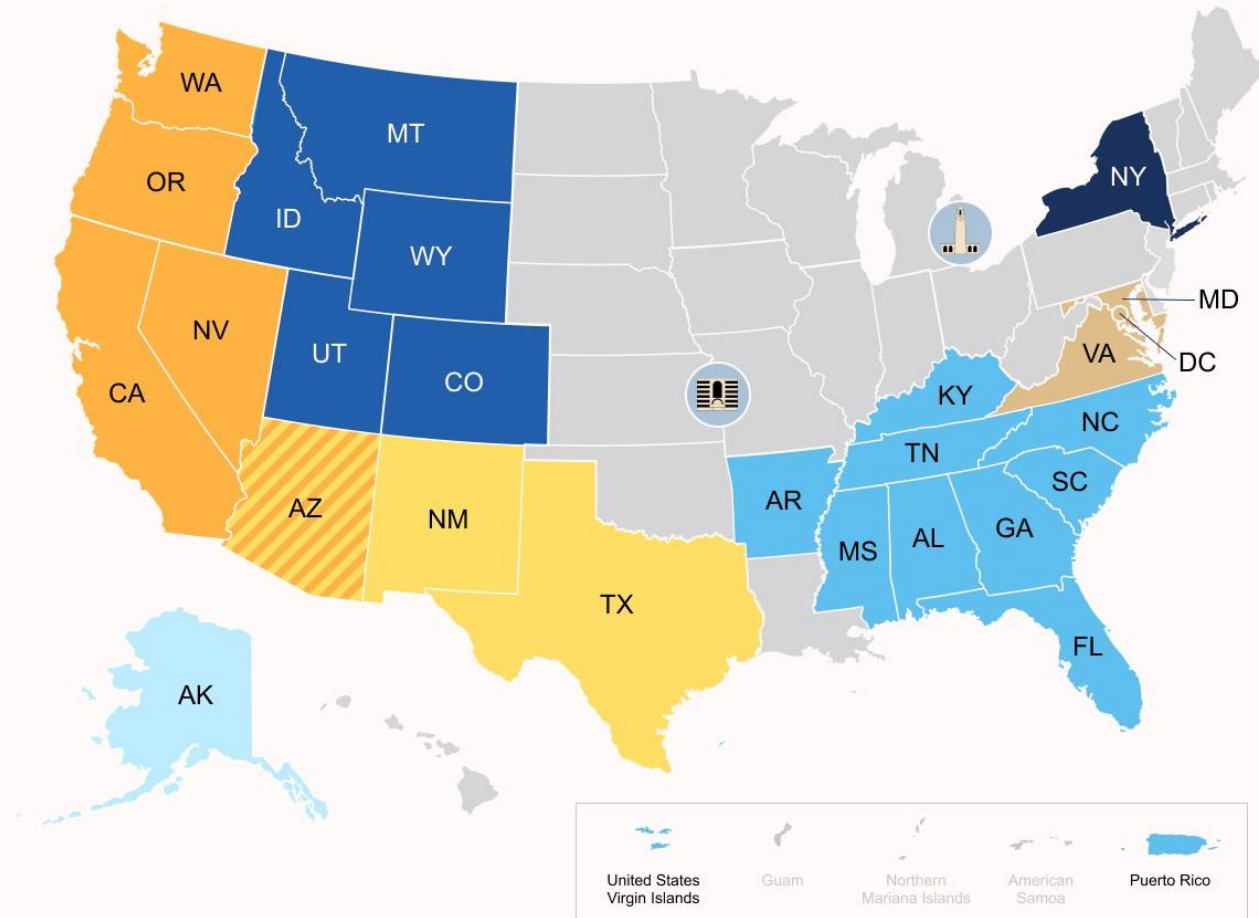


Secretary of Energy Jennifer Granholm at a food bank announcing the selections of Renew America's Nonprofits.

2023 Renew America's Nonprofits Grant – Projected Impact

Renew America's Nonprofits

PRIME SELECTEES 2023



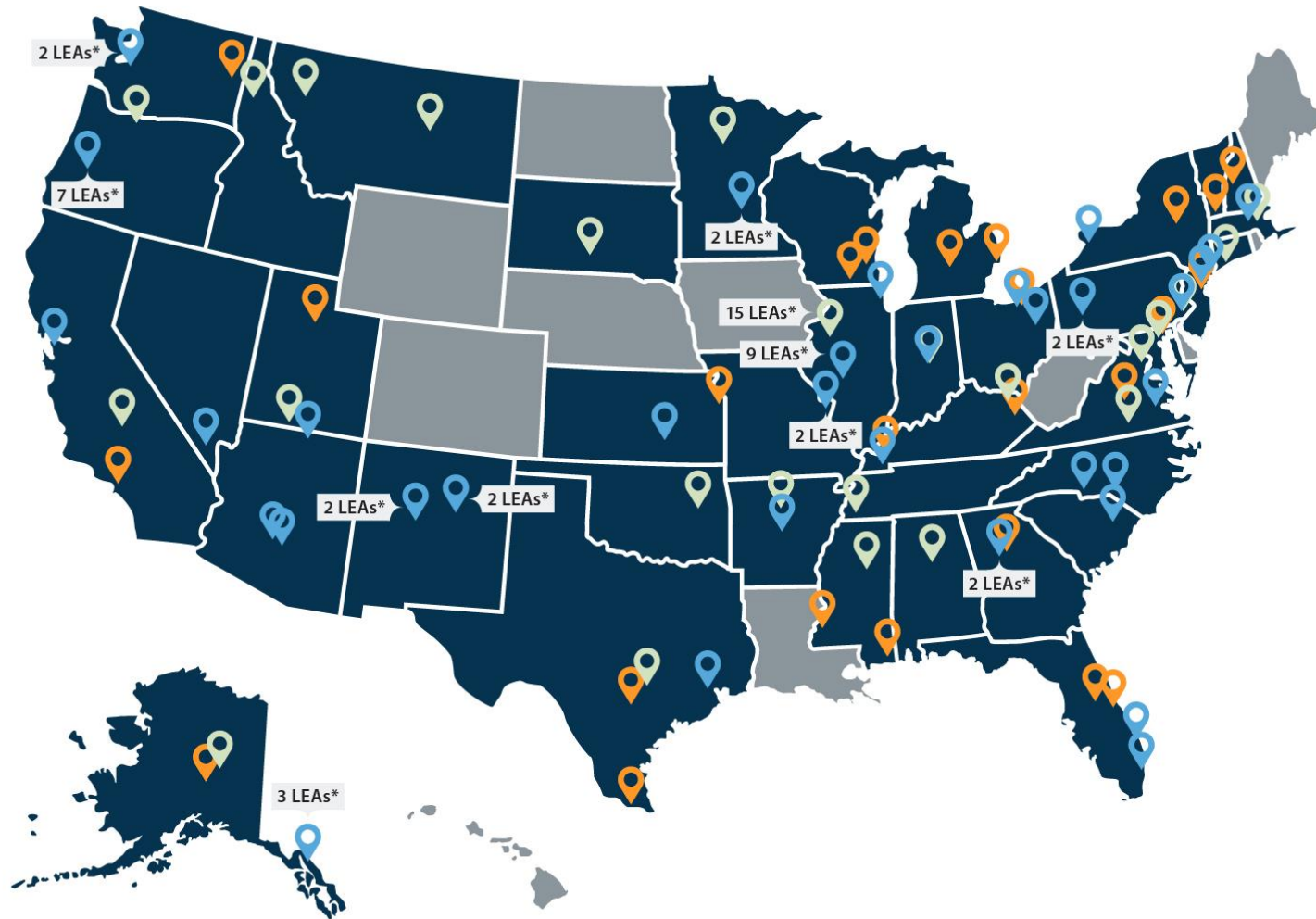
Projected Portfolio Impact of Prime Selectees



-  University of Detroit, Mercy
-  Mid America Regional Council Community Services Corporation

Renew America's Schools Grants – Projected Impact

- **2022-23 Grant:**
 - \$178M
 - 24 grant projects
- **2023 Energy CLASS Prize**
 - \$4.5M
 - 25 school districts
- **2024 Prize to Grant**
 - \$190M
 - 16 grant projects at 320 schools
 - 5 additional prizes of \$300,000



Renew America's Schools Program Funding Distribution

- 2024 Renew America's Schools Prize & Grant
- 2022-2023 Renew America's Schools Grant
- 2023 Energy CLASS Prize
- States that have received funding

*Total number of local educational agencies (LEAs) in this location

SCEP Schools and Nonprofits - Program Demand

- SCEP has seen unprecedented demand from both schools and nonprofits for funding energy efficiency and clean energy:
- Renew America's Schools (\$500M) received federal funding request of
 - **\$1.62B** in full applications for **1,040 school facilities in 2023**
 - **\$1.38B** in full applications for **2,165 school facilities in 2024**
 - Anticipate opening third round of funding in 2025.
- Renew America's Nonprofits (\$50M) received federal funding request of
 - **\$568M** in full applications for **3,300+ nonprofit buildings**
 - With the **\$50M pilot**, the program funded less than 10% of applicants
 - Sustained and growing engagement from **8,700+ nonprofits nationwide**

SCEP Schools and Nonprofits - Program Impact

- DOE Schools has invested \$372.5M in:
 - **400+ schools** benefiting **197,000** students and **14,000** teachers
 - **Capacity building** in schools with new energy management trainings
 - Projects across **36 states and D.C.**
- DOE Nonprofits has invested \$45M for:
 - **300+ nonprofits** across an estimated **28 states**, D.C., and 2 territories
- These first-of-their-kind investments are funded by the Bipartisan Infrastructure Law (BIL) **from FY22-26.**



Undersecretary for Infrastructure David Crane with students at Renew America's Schools recipient in construction in Indianapolis, IN.

Learn More

Visit the Renew America's Schools website for more information

Sign-up for updates

Subscribe for more information about the Renew America's School Program.

Enter Email



Visit the Renew America's Nonprofits page for more information

Sign-up for updates

Subscribe for more information about the Renew America's Nonprofits program.

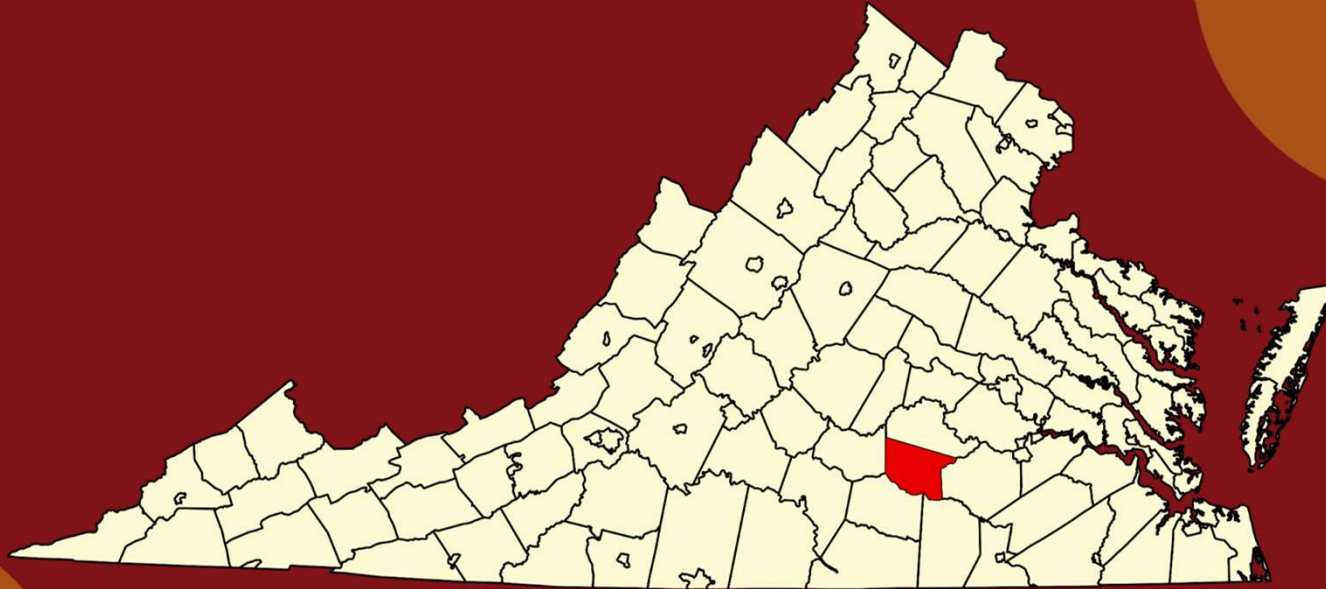
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NOTTOWAY COUNTY PUBLIC SCHOOLS RENEW AMERICA'S SCHOOL RECIPIENT



WHERE IS NOTTOWAY COUNTY?



NOTTOWAY COUNTY, VA



- 2020 Census Data
 - Population of 15,642
 - Median Household Income \$30,866
- Towns
 - Blackstone
 - Burkeville
 - Crewe

NOTTOWAY COUNTY PUBLIC SCHOOLS

- Student Population of 1,725
- 5 schools
 - Blackstone Primary School (PK-4)
 - Crewe Primary School (PK-4)
 - Nottoway Intermediate School (5-6)
 - Nottoway Middle School (7-8)
 - Nottoway High School (9-12)
- Primary Funding Sources
 - 73.04% State
 - 26.96% County



Why did we want to apply for the Renew America's Schools Grant?



OUR WHY!!!



AGING BUILDINGS & SYSTEMS

- Blackstone Primary - built 1969
 - Crewe Primary - built in 1968
 - Nottoway Intermediate - built in 1950
 - Nottoway Middle - built in 1980
 - Nottoway High - built in 1995
-
- Last renovations were in 2004 & 2007 which only included roof replacements at 4 schools





TRANE[®]

TRANE
TECHNOLOGIES

GRANT PROCESS

- Selecting a Partner
- Putting together a list of potential projects
- Assigning duties in order to complete the Concept Application - quick turnaround
- Continued to talk about potential projects
- Notified to complete the full application
- Waiting....Waiting...Waiting





Renew America's Schools Grant

**2022-2023
Selectees**



POST-SELECTEE PROCESS

- Writing the SOPO
- Budget Justification
- NEPA determination
- Other reports
- Waiting...Waiting...Waiting
- April 2024 we finally received the award
- Let's get started
- BABA Compliance & Waivers
- Finally Construction is set to begin



WHAT DOES THIS GRANT MEAN TO NOTTOWAY?

- Much needed funding for building upgrades
- Gives us the momentum to start on a journey towards energy efficiency and better indoor air quality
- Gives us the ability to pull in our students and community to show them what energy efficiency is and how it can be achieved





PROJECTS

- All Schools
 - LED lighting
 - Building Envelope
- HVAC Replacements
 - High School and Primary Schools
- HVAC Control Systems
 - Middle, Intermediate, & Primary Schools
- Boiler Replacement/Addition
 - High School and Crewe Primary
- New Doors
 - Intermediate School & Crewe Primary
- New Windows
 - Intermediate School
- High School Roof Replacement





PROJECT COSTS

- \$11,500,700 Federal Funds
- \$662,900 Cost Share
- Projects for all 5 schools
- Goal/Objective
 - 25-45% estimated energy savings

STUDENT INVOLVEMENT

- Lunch and Learn Sessions with Trane and students to highlight possible career paths
 - Energy, Conservation, HVAC, Sales, Project Management, etc.
- Job Shadowing
- Student-led marketing plan to promote the upgrades and awareness for the community for how they can conserve energy



FUTURE PLANS

- Continue to improve our energy efficiency & indoor air quality
 - Add IAQ monitors
 - Additional HVAC Replacements
 - Additional window and door replacements
 - Roof Replacements
 - Potential Solar Projects
 - Potential Biophilia Projects





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DIRECT PAY: AN INNOVATIVE NEW OPPORTUNITY FOR TAX-EXEMPT PROJECT FUNDING

*Funding Opportunities for Nonprofits, Municipalities, and
Communities*
9/26/2024

IAN GOLDSMITH, CLEAN ENERGY SPECIALIST, WORLD RESOURCES INSTITUTE

ELECTIVE PAY: A NEW PATHWAY FOR GOVERNMENTS TO GET FUNDS FOR PROJECTS

Previously, tax-exempt entities could not directly claim any climate or clean energy tax credits.

However, elective pay, also known as "**direct pay**," allows tax-exempt entities to receive certain clean energy and climate-related tax credits as **direct cash refunds from the IRS.**

Entities eligible for elective pay include:



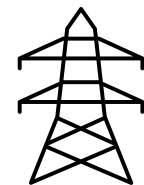
State, local, and tribal governments



Subnational government instrumentalities, including school districts, police, fire authorities, etc.



Any Section 501 tax-exempt entity (501c nonprofits, religious organizations, social clubs)



Public power utilities and rural electric cooperatives

ELECTIVE PAY COVERS 12 NEW AND EXPANDED CLIMATE AND CLEAN ENERGY TAX CREDITS

Section 48
Investment Tax
Credit (ITC)
(through 2024)

Section 48E
Clean Electricity
Investment Credit
(ITC)
(beginning 2025)

Section 45
Production Tax
Credit (PTC)
(through 2024)

Section 45Y
Clean Electricity
Production Tax
Credit (PTC)
(beginning 2025)

Section 45U
Zero-Emission
Nuclear Power
Production Tax
Credit

Section 30C
Alternative Fuel
Vehicle Refueling
Property Credit

Section 45W
Credit for Qualified
Commercial Clean
Vehicles

Section 45Z
Clean Fuel
Production Credit
(beginning 2025)

Section 45V
Clean Hydrogen
Production Tax
Credit

Section 45Q
Credit for Carbon
Oxide Sequestration
(§45Q)*

Section 45X
Advanced
Manufacturing
Production Credit

Section 48C
Advanced Energy
Project Credit

THESE TAX CREDITS ARE RELEVANT FOR MOST ENTITIES

Example Projects:

- EV charging stations in low-income or non-urban areas



Section 30C
Alternative Fuel Vehicle
Refueling Property
Credit

Section 45/45Y
Production Tax Credit
(PTC)



Example Projects:

- Community solar
- Distributed energy at wastewater treatment plants
- Port electrification

Example Projects:

- Municipal light-duty electric vehicles
- Electric school buses



Section 45W
Credit for Qualified
Commercial Clean
Vehicles

Section 48/48E
Investment Tax Credit
(ITC)



Example Projects:

- Rooftop solar on municipal buildings
- Distributed wind
- Solar + Storage
- Geothermal HVAC

PROCESS FOR CLAIMING DIRECT PAY

To claim and receive a tax credit through elective pay, entities must **pre-register their projects** and **file a tax return with the IRS.**

Tax credits are claimed on projects completed in the **previous fiscal year.**

Returns are due **4.5 months after the end of the fiscal year.**

Pre-filing registration

- Each project must be registered and approved by the IRS and receive a unique ID number

Filing

- Entities fill out all applicable tax forms along with supporting documentation and ID numbers

Tax funds received

- Entities receive the tax refunds as a check or a direct deposit.

WHAT MAKES DIRECT PAY UNIQUE?

Direct pay is retroactive.

Direct pay is “stackable” with other sources of funding.

Direct pay is non-competitive and limitless.

Direct pay refunds are unrestricted.

IRA ELECTIVE PAY LIGHTHOUSE COHORT

A collaborative effort to demonstrate the viability and utilization of IRA elective pay as a pathway for local clean energy and electrification, supporting 60+ cities with “lighthouse projects” using elective pay. Lighthouse partners give targeted technical assistance across a cohort of early-adopter local governments and eligible entities.



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LAWYERS FOR
GOOD
GOVERNMENT



Government Finance Officers Association



Electrification
Coalition



SOUTHEAST SUSTAINABILITY
DIRECTORS NETWORK



urban sustainability
directors network



WORLD RESOURCES INSTITUTE

TOP 5 LESSONS FROM THE LIGHTHOUSE COHORT ON DIRECT PAY

1. Most local governments have never dealt with the IRS before and can be hesitant to do so.
2. Strong internal department coordination is key to a successful filing.
3. Various tax credit rules can complicate how much a local government receives.
4. Local governments are eager to plan projects around direct pay.
5. Clear guidance, technical assistance, and product support are invaluable for communities navigating these processes for the first time.

EMERGING SUCCESS STORIES

Because of filing timelines, most local and state governments are filing for direct pay **for the first time right now**, and will be receiving their first check in late 2024 or early 2025.

We expect that local governments across the U.S. will receive **tens to hundreds of millions of dollars in direct pay refunds this year.**



This is a picture of a direct pay check received by RE-volv, a national nonprofit which provides other nonprofits with solar leasing and financing options.

EMERGING SUCCESS STORIES



City of Refuge, Baltimore

A 110 kWdc solar and 372 kWh battery system on a local community nonprofit



San Antonio, Texas

13 MWdc of distributed solar across 42 sites, covering 11% of all electricity used for municipal operations



Pateros, Washington

53.96 kWdc local solar for municipal operations

CLEAN ENERGY TAX NAVIGATOR



Clean Energy **TAX NAVIGATOR** Powered by **L4GG**



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THANK YOU!

Ian Goldsmith
Clean Energy Specialist, US Energy Team
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EESI Briefing: Funding Opportunities for Faith Communities

Presented to Robin Lewis on 9/26/2024

Our religious response to climate change

- ***IPL DMV works with hundreds of congregations of all faiths across Maryland, DC, and Northern Virginia to save energy, go green, and respond to climate change.***
 - ***Learning***
 - ***Going Green***
 - ***Taking Action***

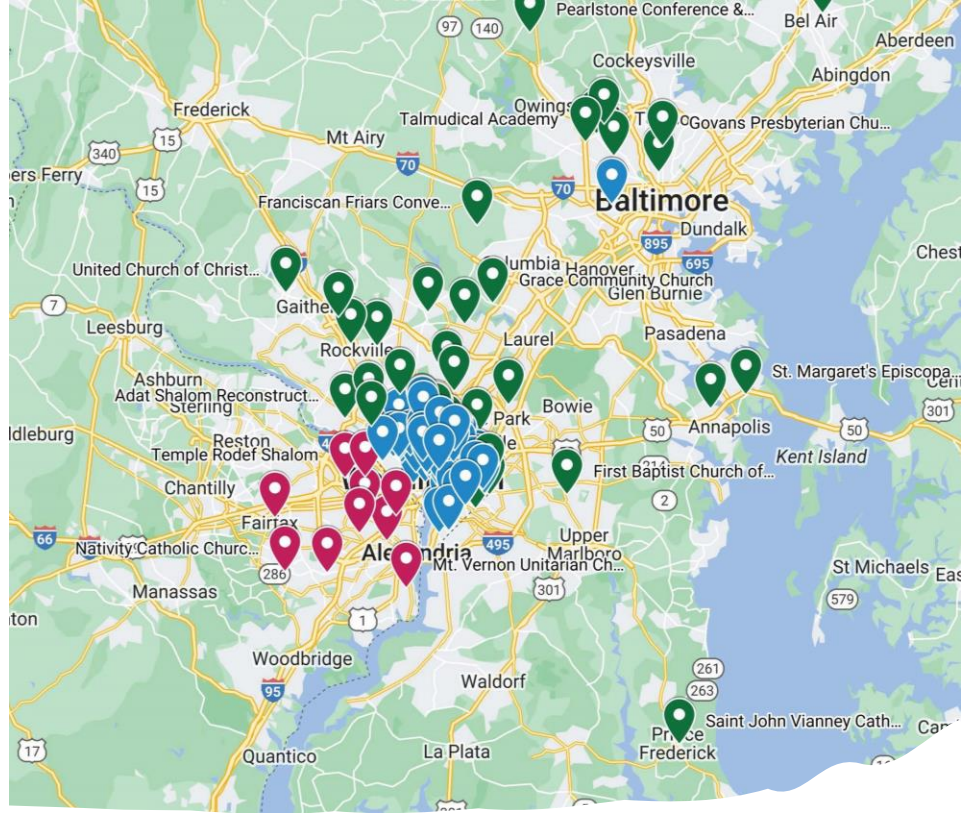
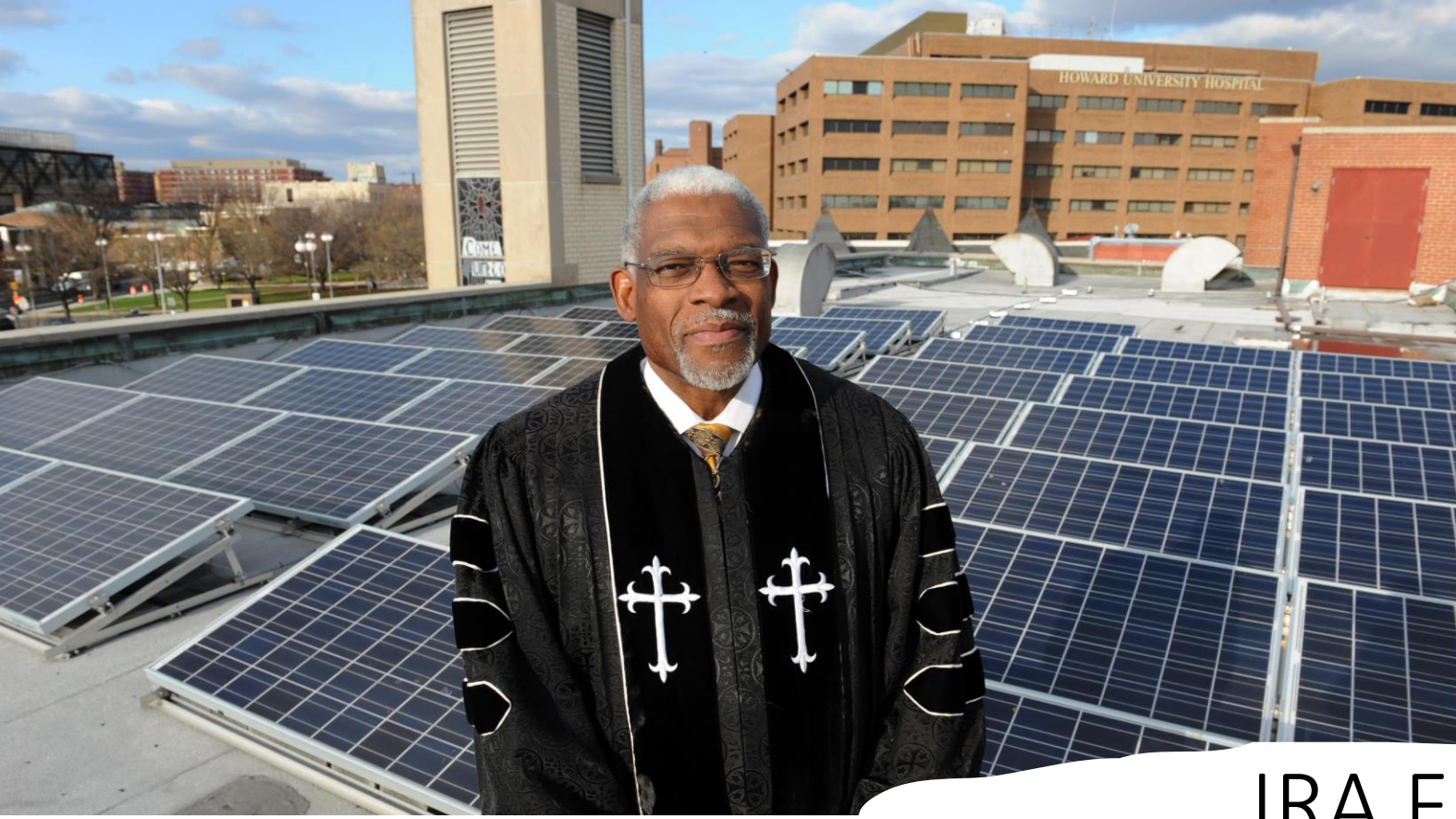




Educate and Advocate

- Solar Shepards Program
- Solar and Climate Justice Workshops
- Green Ministries
- Technical Assistance for Houses of Worship
- Native Plant Program
- Community Science
 - Gas Stove Testing
 - Air Quality Monitoring
- Climate Resilience Projects





IRA Funding Makes Solar More Possible for Congregations



New IRA Programs for Faith Communities

- Direct Pay Tax Incentives
 - Solar, Storage, EV, and Electric Cars
- State and Local Rebates
 - Prioritize LMI residents
- Environmental Justice Thriving Communities Technical Assistance Centers Program (EJ TCTAC)
- Climate Corps Fellowship Program for Youth

IRA Funding Opportunities for Faith Communities

EPA Community Change grants

- Expand our Native Plants, BEPS support, and Beyond Gas programs

EPA's Region 3 Thriving Communities Grantmaker

- Green and Healthy Homes Initiative

Green Bank Lending

- Montgomery County Green Bank, Climate Access Fund, and Maryland Clean Energy Center, DC Green Bank

Solar For All Partnership in DC

- Single and community solar, Up to 50% savings for LMI residents

Innovative Local/State Programs

DC Healthy Homes Act

- Leveraging IRA money to prioritize low-income residents

MD Warmth Act – Neighborhood Geothermal District pilot

- Will benefit from the IRA incentives

Montgomery County Electrification Pilot Program

- Will Use IRA Funding/rebates for Retrofit

Examples of
Congregations using
Direct Pay



[Beth Shalom Congregation](#) in Frederick, MD

Completed in 2024

[Fallston United Methodist Church](#) in Hartford County

Completed in 2023

Robin Lewis
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