



Submitted via www.regulations.gov

November 29, 2022

RE: Clean Energy Group Response to United States Environmental Protection Agency Request for Information on the Greenhouse Gas Reduction Fund (GGRF), Docket # EPA-HQ-OA-2022-0859

Clean Energy Group (CEG), a national nonprofit organization working to advance an equitable and inclusive transition to a clean energy system, appreciates the opportunity to provide this response to the U.S. Environmental Protection Agency (EPA) Request for Information (RFI) seeking public comment on core design aspects of the Greenhouse Gas Reduction Fund (GGRF). These comments reflect the position of CEG and do not necessarily reflect the positions of CEG's partner organizations or funders.

Since 2013, CEG's Resilient Power Project has advanced the deployment of resilient, clean energy solutions—primarily solar PV paired with energy storage (solar+storage)—in critical community facilities serving environmental justice communities, low-income communities, and communities of color across the country. See www.resilient-power.org.

The project's goal is to advance clean energy equity and build energy security by ensuring that all communities have access to the economic, health, and resilience benefits that solar and energy storage technologies can provide. Over the past nine years, CEG has worked with more than 100 community-based organizations to provide technical assistance for the assessment of solar+storage at nearly 300 facilities, including community centers, health clinics, affordable housing, emergency shelters, and fire stations.

These comments are focused on the importance of providing technical assistance funding support through the GGRF, particularly in support of projects being developed by under-resourced organizations and in service of historically marginalized communities. Facilitating access to technical expertise can help to ensure that GGRF resources are equitably distributed and that projects supported through the GGRF are designed to provide the maximum benefit to low-income and disadvantaged communities.

Section 1: Low-Income and Disadvantaged Communities

2. What kinds of technical and/or financial assistance should the Greenhouse Gas Reduction Fund grants facilitate to ensure that low-income and disadvantaged communities can participate in and benefit from the program?

CEG encourages EPA to provide funding opportunities that will allow organizations representing and/or providing essential services to low-income and disadvantaged communities to engage experienced technical services providers. Small, targeted grants for organizations to engage experienced energy services providers and technical consultants enable under-resourced groups to gather the detailed energy information that they need to advance the development of zero-emission technologies and the reduction of greenhouse gas emissions. This can be achieved by providing direct grants to organizations leading these projects and/or by providing larger grants to intermediary organizations that can facilitate the distribution and oversight of technical assistance funding. Direct grant opportunities should be awarded through a simple, non-burdensome application process to ensure equitable access to funding by under-resourced organizations.

CEG's Technical Assistance Fund (TAF) represents one successful example of the intermediary grant distribution model. CEG has awarded more than \$1 million in TAF grants to over 100 affordable housing and nonprofit community organizations, representing resilient solar+storage projects across 26 states, the District of Columbia, and Puerto Rico. To date, the grant awards have resulted in the completion of 43 resilient solar and battery storage projects in low-income communities and communities of color, with more projects advancing toward completion each year. While the majority of these funds have come through private foundations, CEG is currently providing targeted TAF awards to multifamily affordable housing properties in Connecticut through a funding partnership with the Connecticut Green Bank.

The TAF was established to bridge a resource gap contributing to the inequitable distribution of solar and energy storage incentives and lack of solar+storage development in historically marginalized communities. Most owners and developers of affordable housing and community-serving facilities do not have the in-house experience and capacity to develop clean, resilient power projects, or the economic resources to engage third-party technical expertise. There are technical, financial, and operational details that are new to most organizations interested in developing a resilient power project.

The TAF is designed to address these information gaps by providing organizations with one-on-one support and third-party technical services to assess the feasibility of a solar+storage system at a specific facility or facilities. The assessments result in a report overviewing system sizing and cost, as well as any economic and resilience benefits. Property owners learn how solar+storage can generate revenue, provide backup power in the event of an outage, and the details necessary when planning for a system. This information can then be used to begin engaging potential project developers, issue a request for proposals, or inform fundraising efforts. From day one, CEG works with awardees to overview what resilient power is, understand the feasibility assessment process, and answer any questions that arise throughout the process. CEG also offers tailored educational materials, such as webinar and case studies, and support to help inform each organization's staff, membership, community, and board members. Through CEG's role as a trusted ally, community-based organizations receive the support they need to feel empowered throughout the assessment process and beyond.

Organizations can apply to the TAF through a simple online form requesting basic information about the applicant and project to be supported. There is no need for an applicant to have invested significant resources into a potential development project prior to applying for TAF support. Once a form has been submitted, CEG follows up with a brief meeting to learn more about the project, answer questions, and discuss next steps in the TAF process. If the proposed project fits within the TAF guidelines, an award is typically issued within two weeks of the call. CEG remains engaged with TAF recipients throughout the technical assistance assessment process in an advisory role and as a client advocate to ensure that each organization's priorities are heard, and their goals are met.

To learn more about the TAF, see <https://www.cleaneenergy.org/ceg-projects/resilient-power-project/technical-assistance-fund>.

Section 3: Eligible Projects

1. What types of projects should EPA prioritize under sections 134(a)(1)-(3), consistent with the statutory definition of “qualified projects” and “zero emissions technology” as well as the statute’s direct and indirect investment provisions?

CEG encourages EPA to prioritize projects that deliver multiple social, environmental, and health benefits in addition to emissions reduction. Such benefits could include reduced energy burdens, increased energy resilience, and creating wealth building opportunities in low-income communities through direct ownership of zero-emission energy technologies and workforce development opportunities. CEG's experiences working to assess and develop community-benefiting resilient solar+storage projects have shown time and time again that projects providing these types of difficult to monetize benefits often lack access to necessary capital and financing.

2. Please describe what forms of financial assistance (e.g. subgrants, loans, or other forms of financial assistance) are necessary to fill financing gaps, enable investment, and accelerate deployment of such projects.

While financial products such as low-interest loans and loan guarantees can be helpful tools to advance the development of clean energy projects, they are typically not sufficient to bridge the financing gap needed to make a resilient solar+storage project economically viable. For projects that prioritize social benefits over economics, grants are essential to recognize the value of non-monetizable benefits, such as community resilience and improved health outcomes, and close financial gaps. A combination of small grants and low-interest, long-term loans, coupled with technical and advisory assistance, would be an ideal combination of financial assistance to accelerate the deployment of socially beneficial, community-serving projects.

3. Beyond financial assistance for project financing what other supports – such as technical assistance -- are necessary to accelerate deployment of such projects?

As noted in the response to Section 1, technical assistance support is critical to ensure the equitable allocation of GGRF resources. Without access to sufficient technical assistance expertise, only well-resourced entities will be able to access the financial resources offered through the program, leading to inequitable outcomes favoring large organizations and higher wealth communities. Technical assistance funding should prioritize support to under-resourced organizations and projects benefiting low-income and disadvantaged communities. CEG encourages EPA to offer technical assistance support throughout the project development process, from initial outreach and education to technoeconomic assessments to continuing advisory support through the financing, engineering, procurement, and construction phases of implementation. For many under-resourced organizations, having an advocate throughout the project development process whom they can turn to for unbiased expertise can be invaluable to ensure that project outcomes actually meet the needs of the organization.

The GGRF represents a historic opportunity to accelerate the clean energy transition and to do so in a manner that prioritizes equity and investment in historically marginalized communities. CEG looks forward to continued engagement in the program. We would welcome a conversation to discuss these comments further if that would be of interest.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Seth Mullendore', with a long horizontal flourish extending to the right.

Seth Mullendore
President and Executive Director
Clean Energy Group
50 State Street, Montpelier, VT 05602
Email: seth@cleanegroup.org
www.cleanegroup.org