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Attorney Work Product

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| To: | Tribal Energy Clients |
| From: | Pilar M. Thomas |
| Re: | Status Update on Federal Energy Programs |
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This client alert provides up to date information about various federal energy, infrastructure, and other programs that may be relevant to your energy development projects and opportunities. The information includes: upcoming agency consultations or requests for comments, current funding opportunities, and a summary and status of Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA) implementation for energy programs. Should you have any questions about any specific program, please feel free to contact me.

**Recent Government Actions, Consultation and Request for Comments**

DOE announced the final program guidance and applications for the Tribal Home Electrification Rebate Program. This program, funded under the IRA, provides $225 million in funding for tribes to implement electrification technologies rebate programs for low-income tribal member households. Every tribe has received an allocation, which can be found here: <https://www.energy.gov/sites/default/files/2023-11/Tribal-Allocations-11.9-1.pdf>. Applications to receive tribal funding will be reviewed on a rolling basis and remain open until May 31, 2025. We will have a separate summary of the application, legal and administrative requirements in the near future.

DOE will hold its annual Tribal Energy Summit in February 2024. The Summit will take place Feb. 27-28 at Pechanga Resort in California. Summit information, and registration, is here: <https://www.energy.gov/indianenergy/2024-tribal-clean-energy-summit>

DOE announced an additional second round of $3.4 billion in funding through the Grid Resiliency and Innovation Partnerships program. Concept papers are due January 12, 2024 and full applications are due April 17, 2024. Application information is here: <https://infrastructure-exchange.energy.gov/Default.aspx#FoaId55babff9-cbbc-4df6-b5c0-ed8fdab60492>. Tribes are eligible to apply for two topic areas: Smart Grid Grants program that will advance “innovative and ambitious uses of cutting-edge, market-ready technologies” using new devices, materials, engineering designs, or software tools; and Grid Innovation Grant program that will focus on technical and/or non-technical approaches that improve grid reliability and resilience on the local, regional, and interregional scales.

IRS has published proposed rules for implementing the new investment tax credit provision in the IRA. The proposed rule provides definitions for energy property eligible for the ITC tax credits. The IRS is accepting comments until January 2024. We will have a separate summary of the proposed rule in the new future.

EPA Climate Pollution Reduction Grant application for implementation funds has opened. Tribes that received a CPRG planning grant are eligible to apply for implementation grants. Funds can be used for programs, policies and measures to achieve or facilitate GHG emission reductions. Applications are due May 2024.

EPA also announced $2 billion in funding available to support community-driven projects that deploy clean energy, strengthen climate resilience, and build capacity for communities to tackle environmental and climate justice challenges. The Community Change Grant application period is open until November 2024, and EPA will review applications on a rolling basis. $150 million is set aside for Alaska Native villages and $300 million is set aside for lower 48 Tribes. EPA will also provide technical assistance. EPA will conduct informational webinars, starting Dec. 7. More information about the grant program is here: <https://www.epa.gov/inflation-reduction-act/inflation-reduction-act-community-change-grants-program>

The Alliance for Tribal Clean Energy announced its upcoming 2024 Tribal Energy Equity Summit, scheduled for March 18 – 22 in Tulsa, OK.

**Current Funding Opportunities**

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| **Agency / Amount** | **Program & Description** | **Key Dates** | **Project Type** |
| DOE Grid Resiliency and Innovation | Smart Grid Grants program that will advance “innovative and ambitious uses of cutting-edge, market-ready technologies” using new devices, materials, engineering designs, or software tools  Grid Innovation Grant program that will focus on technical and/or non-technical approaches that improve grid reliability and resilience on the local, regional, and interregional scales. | Concept paper due Jan. 12  Application due Apr. 17 | Transmission |
| EPA Climate Pollution Reduction Grant | Funding to implement measures identified in climate pollution reduction plans. Measures related to the transportation, building, residential, agricultural, water, industrial and commercial sectors are included.  $300 million tribal set aside  $4.3 billion for general program | Tribal program optional notice of intent due Mar. 1;  applications due May 1, 2024  General program optional notice of intent due Feb. 1, applications due Apr. 1 | Rooftop solar; distributed energy; transportation; electrification |
| DOE – Tribal Home Electrification Rebate Program (IRA) | Grants to Tribes for appliance upgrades, energy efficiency, electric wiring; limited to LMI (max 150% of AMI); rebate amounts by type of upgrade; maximum $14,000 per home | Applications accepting on rolling basis until May 2025 | Home electrification |
| EPA Environmental and Climate Justice Grants | $2 billion in funding available to support community-driven projects that deploy clean energy, strengthen climate resilience, and build capacity for communities to tackle environmental and climate justice challenges.  Tribes in Alaska: $150 million for projects benefitting Indian Tribes in Alaska including funds for cleanup of contaminated lands.  Tribes: $300 million for projects benefitting Tribal communities in the other states. | NOFO will be open for a year, closing on November 21, 2024, and EPA will review applications on a rolling basis  Eligible entities: partnerships between community-based non-profit and tribal governments | Planning, buildings |
| USDA REAP | $1 billion available for loan and grant program for renewable energy and energy efficiency projects for agricultural and rural enterprises; grant program for energy efficiency audits and development support  Tribal utilities and enterprises are eligible if meet SBA size standards  50% cost match required for grant  75% loan guarantee  75% of project costs if both grant and loan | Applications due quarterly, starting June 30  Max grant $1 million for energy project  Max grant $500,000 for energy efficiency | Rooftop solar; distributed wind; energy storage  Enterprise buildings; maybe housing |

**Summary and Status of Energy Programs in BIL and IRA – By Sector (Housing, Government, Enterprise, Transportation, Infrastructure)**

**Housing**

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| Agency / Program | Description | Amount | Status of  Implementation |
| DOE - Home energy and electrification rebate program (IRA) | Grants to Tribes and States for appliance upgrades, energy efficiency, electric wiring; limited to LMI (max 150% of AMI); rebate amounts by type of upgrade; maximum $14,000 per home  State "whole home" rebate programs - $2000 - $4000 per home; $400,000 for multi-family. | States - $9 billion  Tribes - $225 million | DOE announced updated tribal allocation formula and allocation amounts  Tribal applications open until May 2025 |
| DOE - Energy Efficiency and Conservation Block Grant (EECBG) (BIL) | Additional program authorities to include:  financing energy efficiency, renewable energy, and zero-emission transportation (and associated infrastructure), capital investments, projects, and programs, which may include loan programs and performance contracting programs, for leveraging of additional public and private sector funds, and programs that allow rebates, grants, or other incentives for the purchase and installation of  energy efficiency, renewable energy, and zero-emission transportation (and associated infrastructure) measures | $550 million  Statutory 2% set aside for tribes ($8.8 million) | Program closed in July 2023 |
| DOE Rural and Remote (BIL) | Federal financial assistance to rural or remote areas (cities, towns, unincorporated area less than 10,000) for the purpose of (A) overall cost-effectiveness of energy generation, transmission, or distribution systems; siting or upgrading transmission and distribution lines; reducing greenhouse gas emissions from energy generation by rural or remote areas; providing or modernizing electric generation facilities; developing microgrids; and increasing energy efficiency. | $1 billion  Split between community-scale and large-scale projects  $50 million focused on community-driven projects, between 10 – 100 grants for $500k - $5 million | First round of funding completed |
| DOI - Electrification program (IRA) | Grants through PL 638 contracts to: (i) provide electricity to homes lacking electricity; (ii)  transition to zero-emissions energy systems; and/or (iii) complete home repairs and retrofitting necessary  to install and prepare for zero-emissions energy systems. | $145 million | First round of funding opportunity closed |
| EPA - GHG Emission Reduction Fund | Authorizes EPA to invest - through non-profit, state and local financial institutions - in projects the reduce greenhouse gas emissions, include clean energy project  States, tribes, municipalities, and non-profits are eligible for $7 billion in competitive grants to fund projects | $27 billion =  $14 B for National Clean Investment Fund  $6 B for Clean Communities Investment Accelerator  $7 B for Solar for All | Application closed on Oct. 12  Multiple tribes and inter-tribal orgs filed notices of intent |
| EPA - Environmental and Climate Justice Block Grant | Funds projects in disadvantaged communities to address environmental and public health harms; for pollution monitoring and reduction technologies; mitigation of climate and  health risks from extreme heat; climate resilience and adaptation; reducing indoor toxics and pollution | $ 2.8 billion  $150 million for Alaska Native villages  $300 million for lower 48 tribes | NOFO announced, application period open until Nov. 2024 |
| HUD ONAP ICDBG | Competitive grant program that supports community development efforts in tribal communities. Supports various types of projects, including rehabilitation (energy efficiency/electrification), climate change resiliency and carbon reduction efforts. | $75 million for FY 2023  Min. $500k – max $2/$5 million | Applications closed on October 5, 2023 |
| Treasury - Tax Credits | Investment Tax Credits  Elective Pay  Residential Tax Credits  Electric Vehicle Tax Credits  EV Charging Station Tax Credits | Tax Credits can range from 6% - 70% for tribal housing projects | Treasury has issued final/rules for:   * Low Income Bonus Credit * Prevailing market wage * Energy Communities * Domestic Content * Investment Tax Credit |
| DOT Thriving Communities Technical Assistance (BIL) | Technical assistance, planning, and capacity building support to teams of community partners that may lack the staffing or technical expertise to scope, fund, and develop infrastructure projects that advance broader community goals.  Plan and develop a pipeline of comprehensive transportation, housing, and community revitalization activities. | No cost TA  2 years of deep-dive assistance and 3 years of facilitated peer learning support | 2nd round of implementation  Notice of Interest was due Nov. 15  Annual TA program |

**Government / Community Buildings**

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| Agency / Program | Description | Amount | Status of  Implementation |
| DOE Rural and Remote (BIL) | Federal financial assistance to rural or remote areas (cities, towns, unincorporated area less than 10,000) for the purpose of (A) overall cost-effectiveness of energy generation, transmission, or distribution systems; siting or upgrading transmission and distribution lines; reducing greenhouse gas emissions from energy generation by rural or remote areas; providing or modernizing electric generation facilities; developing microgrids; and increasing energy efficiency. | $1 billion  Split between community-scale and large-scale projects  $50 million focused on community-driven projects, between 10 – 100 grants for $500k - $5 million | First round of funding completed |
| DOE - Transmission Siting Permitting Support | Grants to State and Tribes to support regulatory and administrative permitting processes for transmission lines. | $745 million | DOE announced $300 million funding opportunity; concept papers were due Nov. 17; full applications due Apr. 5, 2024 |
| DOE- Energy Efficiency-Building Codes | Secretary shall award grants on a competitive basis to eligible entities to enable sustained cost-effective implementation of updated building energy codes  Grant used to implement updates in energy codes for new residential and commercial buildings (including multifamily buildings); and additions and alterations to existing residential and commercial buildings (including multifamily buildings) | $ 225 million | First round of funding completed |
| DOI - Climate resilience fund (IRA) | Grants for climate resilience and adaptation programs | $220 million | Conducted tribal consultation in January. |
| EPA - GHG Emission Reduction Fund | Authorizes EPA to invest - through non-profit, state and local financial institutions - in projects the reduce greenhouse gas emissions, include clean energy project  States, tribes, municipalities, and non-profits are eligible for $7 billion in competitive grants to fund projects | $27 billion =  $14 B for National Clean Investment Fund  $6 B for Clean Communities Investment Accelerator | Applications closed Oct. 12 |
| EPA - Environmental and Climate Justice Block Grant | Funds projects in disadvantaged communities to address environmental and public health harms; for pollution monitoring and reduction technologies; mitigation of climate and  health risks from extreme heat; climate resilience and adaptation; reducing indoor toxics and pollution | $ 2.8 billion  $150 million for Alaska Native villages  $300 million for lower 48 tribes | NOFO opened, applications accepted until Nov. 2024 |
| EPA - Climate Pollution Reduction Grants | Funding to implement grants for programs, policies and measures to achieve or facilitate GHG emission reductions.  Only Tribes that received planning grants are eligible to apply for implementation grants | $4.75 billion  $300 million set aside for tribal implementation grants; $4.3 billion for general grant program | NOFO issued Sept. 20  Tribal applications due May 1, 2024 |
| USDA - RUS Loan Forgiveness (PACE) | $1 billion RUS loan program for renewable energy projects, including wind, solar, hydropower, geothermal, biomass, renewable energy storage projects. Energy must be used to serve rural areas. Loans are partially forgivable.  Tribes or tribal enterprises are eligible to apply, and may qualify for up to 60% loan forgiveness. Up to $300 million is committed to tribal loans. | $1 billion  Tribes eligible, can receive up to 60% loan forgiveness  $1 million minimum; $100 million maximum loan size | Letter of Intent was due Sept 29 |
| DOE - Energy Efficient Schools (BIL) | Grant program for K-12 schools for energy efficiency, renewable energy, alternative fuel/EV infrastructure, indoor air; Eligible Uses: Energy efficiency (envelope, HVAC, lighting, controls, etc.), ventilation, renewable energy, alternative vehicles, and alternative fuel vehicle infrastructure improvements | $500 million | Second round of funding expected in Spring 2024 |
| HUD ONAP ICDBG | Competitive grant program that supports community development efforts in tribal communities. Supports various types of projects, including rehabilitation (energy efficiency/electrification), climate change resiliency and carbon reduction efforts. | $75 million for FY 2023  Min. $500k – max $2/$5 million | Applications closed Oct. 5, 2023 |
| Treasury - Tax Credits | Investment Tax Credits  Production Tax Credits  Commercial EV Tax Credits  EV Charging Station Tax Credits  Elective Pay | Tax credits can range from 6% - 60% | Treasury has issued final rules for:   * Low Income Bonus Credits * energy communities   Proposed rules for:  • elective pay   * prevailing wage requirements and safe harbor * domestic content * investment tax credits |

**Enterprise**

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| Agency / Program | Description | Amount | Status of  Implementation |
| DOE Rural and Remote (BIL) | Federal financial assistance to rural or remote areas (cities, towns, unincorporated area less than 10,000) for the purpose of (A) overall cost-effectiveness of energy generation, transmission, or distribution systems; siting or upgrading transmission and distribution lines; reducing greenhouse gas emissions from energy generation by rural or remote areas; providing or modernizing electric generation facilities; developing microgrids; and increasing energy efficiency. | $1 billion  Split between community-scale and large-scale projects  $50 million focused on community-driven projects, between 10 – 100 grants for $500k - $5 million | First round of funding completed |
| DOE - Energy Efficient Transformer Rebates (BIL) | To provide rebates to industrial or manufacturing facility owners, commercial building owners, multifamily building owners, utilities, or energy service companies for the replacement of a qualified energy inefficient transformer with a qualified energy efficient transformer. | $10 million  Prioritize disadvantaged communities  Max $25,000 per year | Issued final guidance on Dec. 28  Application period now open |
| EPA - GHG Emission Reduction Fund | Authorizes EPA to invest - through non-profit, state and local financial institutions - in projects the reduce greenhouse gas emissions, include clean energy project  States, tribes, municipalities, and non-profits are eligible for $7 billion in competitive grants to fund projects | $27 billion =  $14 B for National Clean Investment Fund  $6 B for Clean Communities Investment Accelerator | Applications closed Oct. 12 |
| USDA – REAP | Loan and grant program for renewable energy and energy efficiency projects for agricultural and rural enterprises  50% cost match required for grant | $2 billion  Max grant $1 million for energy project; max $500,000 for energy efficienty | Applications due quarterly, starting July 15 through Sept. 30, 2024 |
| USDA – PACE RUS Loan Forgiveness | $1 billion RUS loan program for renewable energy projects, including wind, solar, hydropower, geothermal, biomass, renewable energy storage projects. Energy must be used to serve rural areas. Loans are partially forgivable.  Tribes or tribal enterprises are eligible to apply, and may qualify for up to 60% loan forgiveness. Up to $300 million is committed to tribal loans.  $1 million minimum loan amount; $100 million maximum loan amount | $1 billion  Tribes eligible, can receive up to 60% loan forgiveness | Letter of Intent was due Sept 29. |

**Transportation**

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| Agency / Program | Description | Amount | Status of  Implementation |
| EPA - GHG Emission Reduction Fund | Authorizes EPA to invest - through non-profit, state and local financial institutions - in projects the reduce greenhouse gas emissions, include clean energy project  States, tribes, municipalities, and non-profits are eligible for $7 billion in competitive grants to fund projects | $27 billion =  $14 B for National Clean Investment Fund  $6 B for Clean Communities Investment Accelerator | Applications closed Oct. 12 |
| DOT - EV Charging Station infrastructure (BIL) | Charging station grant program: establish a grant program to strategically deploy publicly accessible electric vehicle charging infrastructure, hydrogen fueling infrastructure, propane fueling infrastructure, and natural gas fueling infrastructure along designated alternative fuel corridors or in certain other locations that will be accessible to all drivers of electric vehicles, hydrogen vehicles, propane vehicles, and natural gas vehicles | $ 5 billion to states  $1.25 billion to underserved communities and tribe  $1.25 billion for alternative fuel corridors  Max grant $15 million  20% cost share | States submitted plans; DOE/DOT has approved all state plans  First round of funding for communities is complete. |
| Treasury – IRA Tax Credits | Commercial EV Tax Credits  EV Charging Station Tax Credits  Elective Pay | 30% tax credit or $7500 - $40,000 for vehicles  30% tax credit or $100,000 per charging station | IRS has issued guidance for commercial vehicle tax credit and proposed rules for Elective Pay |
| DOT Thriving Communities Technical Assistance (BIL) | Technical assistance, planning, and capacity building support to teams of community partners that may lack the staffing or technical expertise to scope, fund, and develop infrastructure projects that advance broader community goals.  Plan and develop a pipeline of comprehensive transportation, housing, and community revitalization activities. | No cost TA  2 years of deep-dive assistance and 3 years of facilitated peer learning support | Annual TA program  Current year notice of interest was due Nov. 15 |

**Infrastructure**

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| Agency / Program | Description | Amount | Status of  Implementation |
| DOE - Grid Resiliency (BIL) | Grant program to:  Supplement existing hardening efforts of the eligible entity planned for any given year; and  reduce the risk of any power lines owned or operated by the eligible entity causing a wildfire; or increase the ability of the eligible entity to reduce the likelihood and consequences of disruptive events.  Grants to Tribes, based on the statutory formula, which can then grant to eligible entities; 15% match requirement; 5% admin/TA costs | $ 5 billion  50% to eligible entities  50% to states/tribes  DOE has issued allocations for every tribe for Year 1 and Year 2. | Applications period closed Aug. 31, 2023 |
| DOE Transmission Line Siting, Permitting and Econ Dev Projects | Funding to support state, local and tribal governments in siting, permitting and economic development projects associated with transmission line development and deployment | $300 million  $100 million for siting, permitting  $200 million for economic development projects | NOFO open; concept paper was due Nov. 17; application due Apr. 5, 2024 |
| DOE – Transmission Facilitation Program (BIL) | Transmission Facilitation Program - ‘‘eligible project’’ means a project (including any related facility—  to construct a new or replace an existing eligible electric power transmission line; to increase the transmission capacity of an existing eligible electric power transmission line; or to connect an isolated microgrid to an existing transmission, transportation, or telecommunications infrastructure corridor located in Alaska, Hawaii, or a territory of the United States.  Loan program - can be forgivable | $2.5 billion  DOE can use funds for “capacity contracts”, public-private partnership projects, and direct loans | DOE announced “capacity contracts” for three power lines |
| DOE Grid Resiliency and Innovation | Smart Grid Grants program that will advance “innovative and ambitious uses of cutting-edge, market-ready technologies” using new devices, materials, engineering designs, or software tools  Grid Innovation Grant program that will focus on technical and/or non-technical approaches that improve grid reliability and resilience on the local, regional, and interregional scales. | $3.4 billion | Concept paper due Jan. 12, 2024  Applications due Apr. 17, 2025 |
| DOE Rural and Remote (BIL) | Federal financial assistance to rural or remote areas (cities, towns, unincorporated area less than 10,000) for the purpose of (A) overall cost-effectiveness of energy generation, transmission, or distribution systems; siting or upgrading transmission and distribution lines; reducing greenhouse gas emissions from energy generation by rural or remote areas; providing or modernizing electric generation facilities; developing microgrids; and increasing energy efficiency. | $1 billion  Split between community-scale and large-scale projects  $50 million focused on community-driven projects, between 10 – 100 grants for $500k - $5 million |  |
| DOE - Clean Hydrogen Manufacturing and Recycling (BIL) | Secretary shall award multiyear grants to, and enter into contracts, cooperative agreements, or any other agreements authorized under this Act or other Federal law with, eligible entities for research, development, and demonstration projects to advance new clean hydrogen production, processing, delivery, storage, and use equipment manufacturing technologies and techniques.  Shall give priority to clean hydrogen equipment manufacturing projects that—operate in partnership with tribal energy development organizations, Indian Tribes, Tribal organizations, Native Hawaiian community-based organizations, or territories or freely associated States | $1 billion |  |