Notice of Fund Availability

New Jersey Board of Public Utilities

Availability of Grant

The New Jersey Board of Public Utilities ("BPU" or "Board"), located at 44 South Clinton Ave, Trenton, New Jersey 08625, hereby announces the availability of a grant using funds from the Department of Energy's Energy Efficiency and Conservation Block Grant ("EECBG") Program.

Name of Program: COMMUNITY ENERGY PLAN IMPLEMENTATION ("CEPI") GRANT PROGRAM

Purpose:

The EECBG is a federal grant program administered by the United States Department of Energy ("DOE"), authorized by Title V, Subtitle E of the Energy Independence and Security Act of 2007 ("EISA"). Section 40552(b) of the Infrastructure Investment and Jobs Act, Public Law 117-58 appropriated \$550 million to the EECBG Program for fiscal year 2022, to remain available until expended. The purpose of EECBG is to assist eligible entities in implementing strategies to reduce fossil fuel emissions, to reduce total energy use, and to improve energy efficiency.

Program funding for states is available through formula funding. New Jersey's allocation under this grant program is \$2,414,180.1

On November 17, 2023, the Board created the Community Energy Plan Implementation ("CEPI") Grant Program to assist municipalities in funding the implementation of projects identified in their community energy plans in order to meet the goals of the state's Energy Master Plan.² New Jersey's Energy Master Plan established that community-level action is necessary to achieve the state's goal of 100% clean energy by 2050.

Goal:

The goal of this grant program is to assist municipalities with implementing clean energy, renewable energy, or energy efficient projects at a local level, which will help New Jersey reach its overall goal of having 100% clean energy by 2050.

GRANT APPLICATION PROCESS

Amount of funds available in the program: A total of \$3,414,180 is available through this program. Of that total, \$2,414,180 is funding received from the DOE, and \$1,000,000 is funding from New Jersey's Clean Energy Program General Fund, as authorized by the Board by order dated November 17, 2023.³ At least 40% of total program funding will be reserved for

¹ US DOE, Office of State and Community Energy Programs (SCEP), Final Allocation of Funds - Table 1a.FINAL EECBG Program Formula Grant Funding Allocations to Local Governments Listed Alphabetically by State and Local Government (2023) at 30-32, https://www.energy.gov/sites/default/files/2023-01/IIJA%20(40552)%20EECBG%20Program Attachment%201a.%20 Local%20Govt.%20Allocations FI NAL.pdf

² New Jersey Board of Public Utilities, 2019 New Jersey Energy Master Plan: Pathway to 2050, https://nj.gov/bpu/pdf/publicnotice/NJBPU_EMP.pdf.

³ In re New Jersey Clean Energy Program Fiscal Year 2024 Community Energy Plan Grant Program & In re New Jersey Clean Energy Program Fiscal Year 2024 Community Energy Plan Implementation Grant Program, BPU Docket Nos. QO23090714 & QO23100729, Order dated November 17, 2023.

Overburdened Municipalities ("OBM" or "OBMs"), in accordance with the federal government's Justice40 Initiative.⁴ Additionally, New Jersey is required to subgrant no less than 60% of funds to local governments which are not eligible for direct formula funding through EECBG.⁵

Eligible Entities: All New Jersey municipalities are eligible to apply for funding, provided they have met certain requirements outlined in the below section.

Qualifications needed by an applicant: In order to be deemed eligible, municipalities must have one of the following:

- 1) Completed a community energy plan ("CEP") through the Board's Community Energy Plan Grant ("CEPG") Program; or
- 2) a plan equivalent to a CEP ("Equivalent Plan") that addresses the following components of CEPG:
 - a. Timeline of implementation
 - b. Implementation plan
 - c. Coverage of the strategies outlined in Sustainable Jersey's Community Energy Plan Workplan Template; and
 - d. Evidence of the plan's adoption by municipal resolution within 60 days of the date of application submission.

In addition to the above, eligible municipalities must submit a complete application, complete the project workbook (described below), submit a notarized application certification (which can be found in the project workbook), and provide an executed municipal resolution in support of the municipality's application under the CEPI Grant Program.

Application Instructions:

To submit a complete application, applicants must submit the application packet consisting of the application form and the project workbook, found on New Jersey's Clean Energy Program website at www.njcleanenergy.com/CEP. The application form provides program background, instructions on how to properly submit an application, a checklist of required attachments, a template for the municipal resolution, and an application certification that must be signed by an authorized official from the municipality. The project workbook contains applicant information and project specific information, and provides space for applicants to provide all necessary application information, as well as proposals for one or several projects.

Applications can be accessed directly at this link. Project workbooks can be accessed at this link.

⁴ Federal Register, Executive Order 14008 (2021) at 7631-7632, https://www.govinfo.gov/content/pkg/FR-2021-02-01/pdf/2021-02177.pdf; US DOE, Justice40 Initiative, https://www.energy.gov/justice/justice40-initiative

⁵ US DOE, Office of the Under Secretary for Infrastructure, Golden Field Office, Administrative and Legal Requirements Document (ALRD) (2023) at 5, https://www.energy.gov/sites/default/files/2023-11/EECBG_ALRD_2023.10.27.vf_.pdf

Completed applications and project workbooks must be submitted to the CEPI program email at community.energy@bpu.nj.gov.

<u>Applications due:</u> All applications must be received no later than 5:00 p.m. Eastern Time on Friday, May 24, 2024.

Application preparation:

This section is designed to guide applicants in organizing their proposals in a consistent fashion so as to facilitate evaluation. Applicants must complete the following sections of the project workbook in order to be deemed administratively complete:

- a) Applicant information, including:
 - a. Municipality information;
 - b. Contact information for:
 - i. The mayor;
 - ii. The primary program contact; and
 - iii. The fiscal point of contact; and
 - c. Consultant information (if applicable); and
- b) Project information (repeat for each project that is proposed):
 - a. Project summary;
 - b. Project type (pre-selected versus custom);
 - c. Project details, including:
 - i. Project maturity;
 - ii. Scope of work;
 - iii. Total project duration;
 - iv. Schedule/Timeline of activities;
 - v. Local priority;
 - vi. Project sustainability; and
 - vii. Innovation and replicability;
 - d. Project team;
 - e. Estimated project cost and sources of funding; and
 - f. Project budget

Reporting requirements:

All awardees are required to submit a final expenditure report and programmatic report within 60 days of the end of the grant term. Further guidance on federal reporting requirements will be provided to awardees after the announcement of awards.

Evaluation criteria:

Project proposals included with applications will be evaluated using the following criteria:

- 1) 40% of funds must be awarded to Overburdened Municipalities ("OBMs"). Municipalities who meet the following requirements are determined to be OBMs:
 - a. The municipality has over 50% of its population living in an Overburdened Community ("OBC") Census Block, as defined by the New Jersey Department of Environmental Protection, pursuant to New Jersey's Environmental Justice Law at N.J.S.A. 13:1D-157 et. seq.; and

- b. The municipality meets **one or both** of the following criteria:
 - Over 35% of the population is living on an income that is an amount that is under 200% of the threshold poverty level income line according to U.S. Census 2021 American Community Survey data; and
 - ii. The municipality has a distress score of 40 or higher according to the New Jersey Department of Community Affairs ("DCA") Municipal Revitalization Index ("MRI").
- 2) In addition to ensuring 40% of funds are awarded to OBMs, a municipality's Municipal Revitalization Index ("MRI") score which ranks New Jersey's municipalities according to eight (8) separate indicators that measure diverse aspects of social, economic, physical, and fiscal conditions in each locality will be a factor in project selection. Points based on MRI score will be awarded on a sliding scale, up to a maximum of 10 points.
- 3) Each project proposal will be evaluated based on review of the following:
 - a. The merits of the submitted project;
 - b. The quality of the municipality's proposal relative to the project submitted;
 - c. Whether the project was listed in the municipality's CEP or Equivalent Plan; and
 - d. Whether the project is an Additional Project

Points based on a project proposal will be awarded up to a maximum of 90 points. Criteria regarding the merits of the project and proposal quality will include:

- a. Impact of the project in lowering energy consumption and greenhouse gas ("GHG") emissions;
- b. Number of people impacted;
- c. Project maturity, i.e. likelihood of the project's successful implementation;
- d. Innovation, i.e. potential for the project to demonstrate new policies, technologies, and programs; and
- e. Local prioritization of strategies through municipality's CEP or Equivalent Plan

Grant award:

All eligible applicants can receive up to \$250,000 in grant funding, which can be used to fund one or several projects. Applicants will have the ability on the application to indicate how much funding they are seeking for each respective project. Applicants can submit proposals that total up to \$500,000 in funding across all projects to allow for more opportunities for project proposals to meet minimum evaluation standards.

In the event that there are program funds remaining after all eligible projects have been evaluated, applicants can receive funding for one (1) additional project above the \$250,000 funding cap.

Successful applicants will be notified that they have received funds under the CEPI Program within 75 days of the application window closing.