



STAFF REPORT
Board Meeting of October 25, 2023

AGENDA ITEM: 4-B

PREPARED BY: Sandy Ebersole, Administrative Analyst

SUBJECT:

EPA Climate Pollution Reduction Grants (CPRG) Program Implementation Grants

Enclosure: No

Action: Information and Discussion Only

SUMMARY:

The U.S. Environmental Protection Agency (EPA) issued a Notice of Funding Opportunity (NOFO) for **Climate Pollution Reduction Grants (CPRG) Program Implementation Grants** authorized by the *Inflation Reduction Act of 2022* (P.L. 117-169). The purpose is to support the implementation of one or more greenhouse gas (GHG) reduction programs, policies, projects, or measures as identified in the Priority Climate Action Plan (PCAP) developed with CPRG Planning Grants. There is \$4.3 billion in total program funding available for eligible applicants. Optional Notices of Intent (NOIs) are due by **February 1, 2024**. The full application deadline is **April 1, 2024** at 11:59 p.m. Eastern Time (ET).

CPRG Implementation Grants can be used to support new GHG reduction measures, expand existing measures, or supplement new measures for which partial funding has already been secured. Grants should be used to accelerate the decarbonization of one or more sectors accountable for the majority of GHG emissions. Those sectors may include industrial, electric power, transportation, commercial and residential building, agriculture/natural and working lands, and water, waste, and materials management. Proposed solutions should be scalable and replicable across multiple jurisdictions.

EPA notes that the total grant amount requested in an application will determine the tier within which the application will be evaluated. Applications will be evaluated against other applications within the same tier.

There is no cost share requirement. EPA notes that funds awarded through this program cannot be applied to satisfy match requirements for other federal grants. CHRP Implementation Grants should complement various funding streams administered by other federal agencies as authorized by the IRA, *Bipartisan Infrastructure Law* (P.L. 117-

58), *American Rescue Plan Act* (P.L. 117-2), and *CHIPS and Science Act* (P.L. 117-167). The five-year period of performance will begin October 1, 2024.

EPA will evaluate proposals based on criteria outlined across several sections including: 1.) project summary with descriptions of the measures, demonstrated need, the transformative impact; 2.) the quantifiable impact of the measures including magnitude of the reductions measures (2025-2030 and 2025-20250), cost effectiveness, and documentation of assumptions; 3.) environmental results with expected outputs and outcomes, performance measures and plans, and authorities, implementation timeline, and milestones; 4.) benefits for low-income and disadvantaged communities outlining communities benefits and plans for public engagement; 5.) job quality; 6.) programmatic capability and past performance with staff expertise and reporting requirements; 7.) budget with narrative and plans for expenditures and reasonableness of costs.

GHG reduction measures may include transportation policies to support transportation management incentive programs to reduce vehicle trips or miles traveled expand transit use; transportation infrastructure projects to facilitate multi-modal public transit or micro-mobility options, pedestrian and cyclist improvements, or transit-oriented development; up-to-date building energy and zoning code updates; scalable distributed or community-scale renewable energy generation, microgrids, or vehicle-to-grid infrastructure in disadvantaged, remote, and rural communities; programs to promote end-use energy efficiency measures in existing government-owned, commercial, and residential buildings; and programs to support the transition to electric equipment technologies in the agriculture sector.

In support of the Justice40 Initiative, EPA will consider how measures benefit low-income and disadvantaged communities and accelerate the delivery of environmental justice (EJ). According to EPA, a low-income and disadvantaged community consists of any census tract that is listed as disadvantaged in the [Climate and Economic Justice Screening Tool \(CEJST\)](#) or “any census block group that is at or above the 90th percentile for any of [EJScreen’s](#) Supplemental Indexes when compared to the nation or relevant state.” Tribal lands also qualify.

Generally, eligible applicants are states, municipalities, air pollution control agencies, tribes, territories, and groups of those entities. EPA explains that “More specifically, states, municipalities, tribes, and territories that directly received a CPRG planning grant are eligible to apply [...] In addition, municipalities, air pollution control agencies, and tribes that did not directly receive a planning grant but that seek funding to implement one or more GHG reduction measures that are included in an applicable PCAP (submitted to EPA by March 1, 2024) are eligible.”

EPA has issued a separate \$300 million [NOFO](#) exclusively for Tribes and territories, although they are also eligible for this funding.

Coalitions comprised of eligible entities listed above may apply to “jointly implement one or more measures included in an applicable state, MSA, tribal, or territorial PCAP.” Eligible applicants may apply individually or as a “lead applicant” in a coalition, and both may use funds to issue subawards to partners Applicants applying as a coalition must provide a Memorandum of Agreement (MOA) demonstrating commitments by all coalition members. EPA encourages lead organizations to publish drafts of PCAPs for other interested eligible

entities within their jurisdiction to begin developing their applications. For applicants to be considered eligible for this opportunity, lead organizations from the planning grant must submit PCAPs for those measures by March 1, 2024.

All applicants may submit no more than two grant applications – one as the individual applicant and one as the lead applicant. Applicants may participate in multiple coalitions, but they may only serve as the lead applicant for one application. Applicants are encouraged to apply as a coalition to spread GHG reduction measures and benefits across jurisdictional boundaries. EPA will avoid duplicative efforts and not fund implementation of the same measure in the same location. Funds cannot be used to aid regulated entities to comply with regulatory requirements.

For more information, please see the [NOFO](#) or [Program Website](#). The deadline to submit questions is March 15, 2024. For questions or assistance, you can contact EPA at CPRG@epa.gov.

FISCAL IMPACT:

No fiscal impact to the approved 2023-24 Overall Work Program and Budget.