

Bipartisan Infrastructure Law – Energy Efficiency and Conservation Block Grant

**INCREASING ENERGY EFFICIENCY MEASURES AND REDUCING FOSSIL FUEL USE
IN SMALL LOCAL GOVERNMENTS**

Delaware
3/28/2024

Program Narrative



PHASE ONE

1. Overview

The Energy Efficiency and Conservation Block Grant (EECBG) Program, as part of the Bipartisan Infrastructure Law, is a formula grant program designed to assist states, local governments, and Tribes in implementing strategies to reduce energy use and fossil fuel emissions as well as improve energy efficiency. Administered by the U.S. Department of Energy (DOE), EECBG will be utilized for projects occurring within small local governments and within Tribal communities in Delaware that aim to holistically reduce energy consumption while improving efficiency and conservation.

Delaware's grant allocation is \$1,615,060. Approximately \$1M of this funding will be used for small local governments and Tribal communities not within the top 10 populous cities in Delaware as those 10 have received their own EECBG award.

2. Goals

- a. **Reduction of Fossil Fuels and Energy Use:** Addressing direct issues relating to greenhouse gas emissions and energy consumption, as outlined in the Delaware Climate Action Plan.
- b. **Advancements in Energy Efficiency:** Promoting fuel-switching and electrification through the implementation of equipment and machinery that operates more efficiently, saving energy and reducing the financial burden of energy costs.
- c. **Equity and Environmental Justice:** Ensuring engagement and involvement with disadvantaged and Tribal communities as well as supporting widespread distribution of funding to as many eligible entities as possible.
- d. **Workforce Development:** Encouraging the increase of clean energy and energy efficiency jobs to fully execute our state's goals towards a more sustainable future.

3. Eligibility

Eligible entities are small local governments and Tribal communities not within the top 10 populous cities in Delaware. Those NOT eligible include Elsmere, Georgetown, Dover, Middletown, Milford, Millsboro, Newark, Seaford, Smyrna, and Wilmington.

In addition, eligible entities are those who submit a concept paper adhering to the supplied [Concept Paper Rubric](#) and aspire to meet the goals and metrics provided to ensure that their proposed project meets the requirements of the EECBG Program.

4. Allowable Projects

Grant awards through EECBG will be provided to small local governments or Tribal communities that meet DOE-defined measures pertaining to energy efficiency and renewable energy projects. Applicants must identify the measures they are proposing to

implement, including a combination of measures if their project allows. Local governments and Tribal communities will submit concept papers to the Division of Climate, Coastal and Energy (DCCE) which will describe the intended project and the ways that the intended project meets any number of goals per the metrics provided by DCCE and any other supplemental information. The following are examples of eligible projects under the EECBG Program:

- 1) Solar installation and battery storage
- 2) Energy audits
- 3) Building Upgrades
 - a. Retrofitting aging, inefficient lighting with new, efficient lighting
 - b. Installing a heat pump (air source and geothermal)
 - c. Replacing high Global Warming Potential (GWP) refrigerants with low GWP refrigerants
 - d. Fuel switching/electrification efforts
- 4) Solar street light installation
- 5) EV charging infrastructure
- 6) Renewable resource planning efforts for rural and Tribal communities
- 7) Community solar

For more project examples, please see the [Eligible Projects List](#).

5. Application Overview

To apply for funding, an eligible local government must submit a concept paper to DCCE via chloe.hennig@delaware.gov. This concept paper must include the project type, the funding request, projected metrics, and community benefits resulting from the project. In addition, the [Concept Paper Rubric](#) will guide applicants in their proposal development process. If an applicant requires assistance with their concept paper, they may reach out to DCCE via Chloe Hennig at the email above or at (302) 241-2846.

6. Funding Distribution

The goal of DCCE is to distribute funding to multiple small local governments and Tribal communities in Delaware, dependent on the overall projects submitted and the assessment of each individual project. The goal to disburse funding widely allows for the most communities to be impacted by these funds. In addition, the collaboration between DCCE and the small local governments and Tribal communities in Delaware will ensure communication about additional program that we offer, allowing for holistic service delivery.

7. Equity and Environmental Justice

The Federal Government has established the goal to allocate 40 percent of the overall benefits of EECBG to disadvantaged communities (DACs). This national effort is called

the Justice40 Initiative. A surplus of benefits can flow to DACs because of EECBG Program funding and are not limited to measurable direct, indirect, or positive project outcomes that achieve or contribute to the following:

- 1) A decrease in energy burden;
- 2) A decrease in environmental exposure and burdens;
- 3) An increase in access to low-cost capital;
- 4) An increase in job creation, the clean energy job pipeline, and job training for individuals;
- 5) Increases in clean energy enterprise creation and contracting (e.g., minority-owned or disadvantaged business enterprises);
- 6) Increases in energy democracy, including community ownership;
- 7) Increased parity in clean energy technology access and adoption; and
- 8) An increase in energy resilience.

In addition, the EECBG Program encourages eligible entities to include the participation of underserved communities and underrepresented groups in the concept paper submissions for their proposed project. The inclusion of contractors and sub-contractors from historically underrepresented groups is also encouraged.

8. Additional Requirements

The Department of Energy (DOE) requires that the projects completed under the EECBG Program adhere to both the Davis-Bacon Act (DBA) and the Build America, Buy America (BABA) Act. The DBA requires contractors and subcontractors to pay laborers and mechanics employed on federally supported contracts for construction, alteration, or repair work no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area as established by U.S. Department of Labor (DOL). Contractors must maintain an accurate record of hours worked and wages paid, including fringe benefit contributions, and submit certified payrolls on a weekly basis to the DOE.

The Build America, Buy America Act states that an agency may not obligate funds for an “infrastructure project” unless all the iron, steel, manufactured products, and construction materials used in the project are produced and manufactured in the United States. BABA only applies to articles, materials, and supplies that are consumed in, incorporated into, or permanently affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought into the construction site and removed at or before the completion of the infrastructure project. For iron and steel, all manufacturing processes, from the initial melting stage through the application of coatings, must occur in the United States. For manufactured products, two criteria apply:

- 1) The manufactured product was manufactured in the United States.

- 2) The cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55% of the total cost of all components of the manufactured product.

For construction materials, all manufacturing processes must occur in the United States.

9. Technical Assistance and Administration

DCCE will be available to assist throughout the public engagement sessions, during the application period, as well as when the disbursement of funds occurs to awarded projects. DCCE will assist with the creation of concept papers and proposals as needed. DCCE will follow up with any concept paper submissions that may need additional information or clarification for final consideration.

10. Public Notice and Engagement

DCCE will hold three public engagement sessions within the first 60 days of the grant period. These engagement sessions will be held at a location within each of the three counties – New Castle County, Kent County, and Sussex County. Exact locations, dates, and times will be posted on the EECBG webpage.

PHASE TWO

11. Overview

The Division of Climate, Coastal, and Energy plans to utilize the remaining grant amount to fund solar shelters across the state, with one solar installation intended for a government location within each of the state's three counties. This phase of the EECBG will not occur until the first phase is complete. Information will become available on the website at that time.