



# CLIMATE POLLUTION REDUCTION GRANT UPDATES

SIPRAC  
October 12, 2023

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# OVERVIEW

The 2022 Inflation Reduction Act (IRA) established the Climate Pollution Reduction Grants (CPRG) program, which provides funds in two distinct but related phases:

## **Phase 1 - Planning grants:**

\$250 million for states, U.S. territories, municipalities, air pollution control agencies, tribes, and groups thereof to develop plans to reduce greenhouse gases (GHGs).

- The Priority Climate Action Plan (PCAP) is the first deliverable due under the CPRG planning grants **(Due March 2024)**

## **Phase 2 - Implementation grants:**

\$4.6 billion for competitive grants to eligible applicants to implement GHG reduction programs, policies, projects, and measures (collectively referred to as “GHG reduction measures,” or “measures”) identified in a PCAP developed under a CPRG planning grant.

- Applications are **due April 2024**



# \$3M CPRG PLANNING GRANT REQUIRES 3 DELIVERABLES OVER 4 YEARS

## One planning grant, three deliverables over 4 years



### Priority Climate Action Plan (PCAP)

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- Due **March 1, 2024**
- Near-term, implementation-ready, **priority greenhouse gas (GHG) reduction measures**
- **Prerequisite** for implementation grant



### Comprehensive Climate Action Plan (CCAP)

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- Due in **2025** (later for tribes and territories)
- **All sectors** / significant GHG sources and sinks
- **Near- and long-term** GHG emission reduction goals and **strategies**



### Status Report

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- Due in **2027** (N/A for tribes or territories)
- **Updated** analyses and plans
- **Progress and next steps** for key metrics

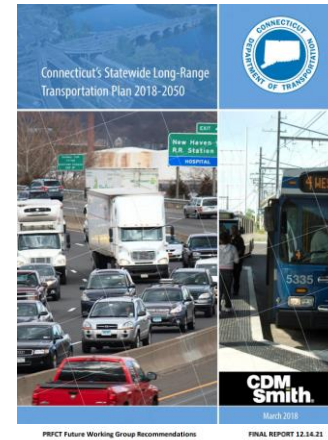
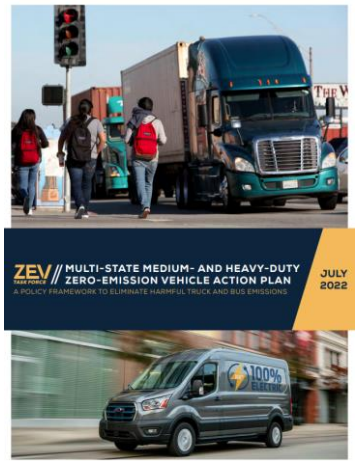
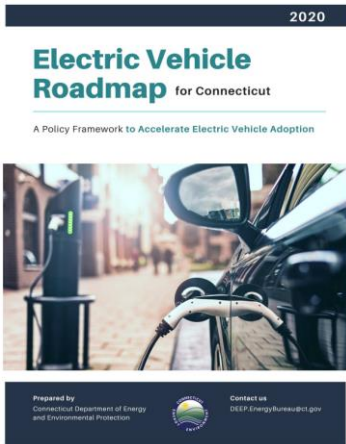
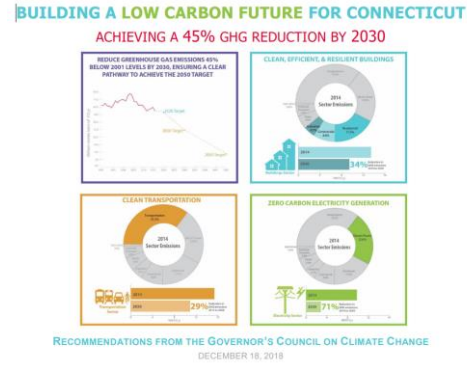
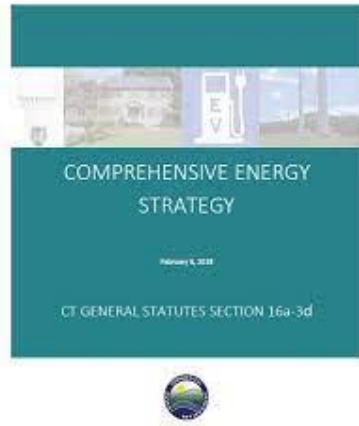
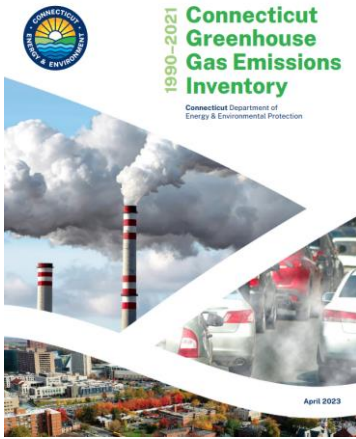
# CPRG PLANNING GRANT



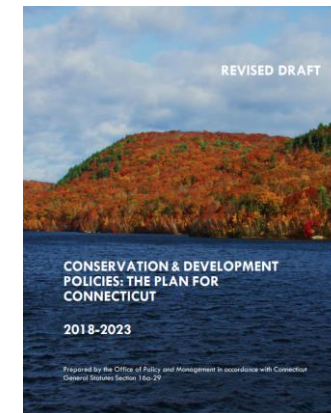
Plan Element	Priority Climate Action Plan	Comprehensive Climate Action Plan	Status Report
GHG Inventory	Required	Required	Update Encouraged
GHG Emissions Projections	Not Required	Required	Update Encouraged
GHG Reduction Targets	Not Required	Required	Not Required
Quantified GHG Reduction Measures	Required (priority measures only)	Required (comprehensive)	Status and Updates Required
Benefits Analysis	Encouraged	Required	Required
Low Income/ Disadvantaged Communities Benefits Analysis	Required	Required	Required
Review of Authority to Implement	Required	Required	Update Required
Intersection with Other Funding Availability	Encouraged	Required	Required
Workforce Planning Analysis	Encouraged	Required	Required
Next Steps/Future Budget and Staffing Needs	Not Required	Not Required	Required



**GCS** Governor's Council on Climate Change  
Phase 1 Report: Near-Term Actions  
January 2021

WORKING GROUP REPORT & RECOMMENDATIONS  
FINAL REPORT 12.14.21



# CPRG IMPLEMENTATION GRANTS

- On September 20, **EPA launched a \$4.3 billion competition** for states, local governments, tribes, and territories to fund policies and programs to cut climate pollution
- **EPA also launched \$300 million competition** for only tribes and territories to fund policies and programs to cut climate pollution
- These implementation grants build on \$250 million in CPRG planning grants EPA awarded this year



# CPRG IMPLEMENTATION GRANTS PROGRAM OBJECTIVES



**Implement ambitious measures that will achieve significant cumulative greenhouse gas (GHG) reductions by 2030 and beyond**



**Achieve substantial community benefits (such as reduction of criteria and hazardous air pollutants), particularly in low-income and disadvantaged communities**



**Complement other funding sources to maximize these GHG reductions and community benefits**



**Pursue innovative policies and programs that are replicable and can be “scaled up” across multiple jurisdictions**

# CPRG IMPLEMENTATION GRANTS



**Electric Power**



**Transportation**



**Industry**



**Residential & Commercial Buildings**



**Waste and Materials Management**



**Agriculture/ Natural & Working Lands**

Applications can include GHG reduction activities from these sectors



# TYPES OF GHG REDUCTION MEASURES

Applications may include multiple measures across one or more sectors.

EPA anticipates applications may seek funding for the following types of measures:

- A new, stand-alone GHG reduction measure that will be implemented solely through CPRG funding;
- An expansion of a GHG reduction measure that is already being implemented, where the expansion of the measure will be funded through CPRG funding; and,
- A new GHG reduction measure for which the applicant has already secured partial funding and needs additional funding from the CPRG program to secure the total funding needed to fully implement the measure.

# EPA'S EXAMPLES OF MEASURES BY SECTOR

## BUILDINGS

- Adoption and implementation of the most up-to-date building energy codes or stretch codes for new commercial and residential buildings
- Implementation of a clean heat standard
- Incentive programs for implementation of end-use energy efficiency measures in existing government-owned, commercial, and residential buildings
- Incentive programs for the purchase of certified energy-efficient appliances, heating and cooling equipment, lighting, and building products to replace inefficient products
- Programs and policies to promote electrification of government-owned, commercial, and residential buildings
- Programs and policies to accelerate the incorporation of efficient electric technologies and electric vehicle charging at new single-family, multi-unit, or affordable residential buildings and commercial buildings, including building codes related to electric vehicle charging
- Implementation of a building energy performance management program for government-owned buildings
- Implementation of a new benchmarking and building performance standards
- Programs to promote recovery and destruction of high-global warming potential (GWP) hydrofluorocarbons (HFCs) used in existing appliances, air conditioning systems, and commercial chillers

# EPA'S EXAMPLES OF MEASURES BY SECTOR

## INDUSTRIAL

- Standards addressing GHG emissions from industrial facilities and from energy production sectors, including emissions from industrial process heat and industrial processes
- Programs to support or incentivize implementation of energy efficiency measures in industry, including energy audits, strategic energy management, equipment upgrades, and waste heat utilization
- Programs to support or incentivize GHG reductions in industrial energy use and industrial processes, including use of low/no carbon fuels, electrification, renewable energy, and process improvements
- Programs to develop, expand, and support markets for low-embodied carbon materials and products, such as cement and steel



# EPA'S EXAMPLES OF MEASURES BY SECTOR

## TRANSPORTATION

- Programs to increase the share of electric light-, medium-, and heavy-duty vehicles, and to expand electric vehicle charging infrastructure
- Electrification requirements for state, municipal, territorial, and tribal vehicle, transit, or equipment fleets
- Transportation pricing programs that reduce vehicle miles traveled (VMT), such as parking pricing and congestion and road pricing
- Policies to support transportation management incentive programs to reduce vehicle trips or travel and expand transit use, such as van-pool programs, ridesharing, transit fare subsidies, and bicycle facilities
- New or expanded transportation infrastructure projects to facilitate public transit, micro-mobility, car sharing, bicycle, and pedestrian modes
- Incentive programs to purchase zero-emission vehicles and equipment to replace older heavy-duty diesel vehicles and equipment
- Programs to increase efficiency and reduce GHG emissions at ports and freight terminals, such as vehicle or equipment idle reduction, vessel-speed reduction, equipment electrification, and shore power
- Update building and zoning codes to encourage walkable, bikeable, and transit-oriented development
- Encourage mode shift from private vehicles to walking, biking, and public transportation (e.g., complete streets, bike share programs, bike storage facilities, low-speed electric bicycle subsidies, public transit subsidies)

# EPA'S EXAMPLES OF MEASURES BY SECTOR

## ELECTRIC POWER

- Renewable portfolio standards and/or clean electricity standards
- Energy efficiency portfolio standards
- Emission trading systems (e.g., cap-and-trade programs) and carbon pricing measures
- GHG performance standards for electric generating units
- Installation of renewable energy and energy storage systems on municipal facilities
- Programs to support smart-grid and/or behind-the-meter technologies to reduce power losses, reduce peak demand, and enable consumer participation in distributed generation
- Targeted incentives for installation of renewable energy and energy storage systems on commercial and residential buildings, such as net metering, tax credits, rebates, and streamlined interconnection standards
- Policies and measures to streamline permitting for renewable energy projects
- Development of distributed or community-scale renewable energy generation, microgrids, or vehicle-to-grid infrastructure in disadvantaged communities, including remote and rural regions

# EPA'S EXAMPLES OF MEASURES BY SECTOR

## WASTE, WATER, AND SUSTAINABLE MATERIALS MANAGEMENT

- Standards and incentives to reduce methane emissions from landfills and wastewater treatment facilities, including through collection for use or destruction
- Programs and incentives to reduce or divert waste (including food and/or yard waste) through improved production practices, improved collection services, and increased reuse or recycling rates
- Programs and incentives to reduce GHG emissions associated with plastics production, use, and waste management
- Programs to expand composting and bio-digestion infrastructure to reduce GHG emissions and increase beneficial use of organic waste
- Policies and programs to reduce construction and demolition waste through building reuse, deconstruction, and material diversion and reuse
- Installation of renewable energy and energy efficiency measures at wastewater treatment facilities



# EPA'S EXAMPLES OF MEASURES BY SECTOR

## AGRICULTURAL

- Incentive programs to fund electric agricultural equipment technologies
- Incentives for technologies and techniques that reduce nitrous oxide emissions from fertilizer application
- Incentives to promote anaerobic digesters to capture methane and generate renewable energy or produce renewable fuel

# FUNDING TIERS

Applications will be evaluated and selected for award on a tier- by tier basis.

Tier	Grant Ranges (million)	Funds Targeted for Each Tier (billion)	Anticipated Number of Grants to be Awarded
Tier A	\$200 to \$500	\$2	4-10
Tier B	\$100 to <\$200	\$1.3	6-13
Tier C	\$50 to <\$100	\$0.6	6-12
Tier D	\$10 to <\$50	\$0.3	6-30
Tier E	\$2 to <\$10	\$0.1	10-50
	<b>TOTAL</b>	<b>\$4.3 billion</b>	<b>30-115</b>

- ❑ EPA may increase or decrease (including decreasing to zero) the total dollar amount for awards under each tier.
- ❑ EPA may partially fund applications by funding discrete portions or phases of proposed GHG reduction measures in overall applications.
- ❑ Period of performance for awards resulting from this solicitation will be up to five years.
- ❑ The estimated project start date for awards is October 1, 2024

# IMPLEMENTATION GRANTS: KEY DATES



\*Anticipated Dates