Energy Efficiency and Conservation Block Grant (EECBG) Program Frequently Asked Questions – June 2023

Office of State and Community Energy Programs

Have a question about the EECBG Program Formula Grant? Check below to see if we've answered it. If you don't see it below, try checking out our Program Guidance or Application Instructions. You can also always email our team at EECBG@hq.doe.gov.

Application Format & Structure

We have multiple project ideas across departments. Should we submit multiple EECBG Program applications to DOE?

- A municipality can apply to use EECBG Program funds for multiple projects and activities, as long the total cost fit within the award allocation.
- However, only one application may be submitted per eligible entity. The application should encompass all of the planned or anticipated projects. If additional projects are identified at a future date, an award modification request may be submitted for DOE review and approval.
- Each eligible entity should have *one* business officer reporting to DOE.

If we received EECBG under ARRA in 2008, will we need to re-register for FedConnect, PAGE, etc?

- Eligible entities may use existing system accounts. If the authorized users for the EECBG account are the same for the existing PAGE account, the same login may be used.
- However, they may need to update their account information to add or update authorized contacts in each system. Additional authorized users may be added to PAGE by contacting the PAGE help desk.

We submitted our Pre-Award Information Sheet. How long should we wait to hear from PAGE?

- If you do not hear from the PAGE within six weeks of a confirmation of receipt from DOE, please email the PAGE Hotline to inquire about your status: PAGE-Hotline@hq.doe.gov.

Federal Compliance Requirements (e.g., David-Bacon, NEPA)

Does Davis Bacon prevailing wage apply to EECBG Programs?

- Yes. Compliance with the Davis-Bacon Wage Act (DBA) is required to receive EECBG Program funds. DBA applies to contracts in excess of $2,000 for the construction, alteration, and/or repair of public buildings or public works, including painting and decorating, where the United States or the District of Columbia is a direct party to the contract. Specifically, where DBA is applicable, all laborers and mechanics, subrecipients, contractors, or subcontractors must be paid wages at rates not less than those prevailing on similar projects in the locality. This rate is determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code commonly referred to as the "Davis-Bacon Act" (DBA). You can find more information on Davis-Bacon in Part V, Section D of the EECBG Program Administrative and Legal Requirements Document, and in the DOE Desk Guide to the Davis-Bacon Act.

We are purchasing equipment with EECBG Program funds, but plan to install this equipment with other funding...

Question continued: Does the installation work need to comply with DBA anyway? What about NEPA review or BABA compliance?

- No. When grants are only used for the purchase of equipment and not installation Davis-Bacon Act requirements likely would not apply. However, if the installation would cause a Ground Disturbance, then it would likely require NEPA review. Most equipment purchases are also required to comply with Build American, Buy American.

What will be our NEPA reporting responsibilities?

- Compliance with the National Environmental Protection Act is required to receive EECBG Program funds.
- Entities should review and follow the NEPA determination in their award documents for restrictions and the list of activities that have been categorically excluded from further NEPA review.
  - For most applicants, there are three paths to complete a NEPA review for EECBG Program activities:
    1. Entities determine and document that a project falls within a Blueprint
    2. Entities determine and document that a project falls within a Bounded Category (see your NEPA determination for the complete list of Bounded Categories and restrictions, and documentation requirements), or
    3. Entities determine a project does not fit within a Bounded Category and submits an Environmental Questionnaire (EQ-1) in the Project Management Center for DOE to complete a NEPA review.
- More information on NEPA reporting requirements can be found in Section 6.3, Part G of the EECBG Program Administrative and Legal Requirements Document.

Formula Program Eligibility & Allocation Determination

How is eligibility determined?

- For a detailed explanation about the formula design and funding allocations, please see the EECBG Program's [Application Instructions]. There are over 2,700 States, territories, local governments, and Tribes eligible for EECBG Program funding.
- [State & Territory Eligibility]: There are 56 entities eligible for state formula grants. These are the 50 States, the District of Columbia, and the following five U.S. Territories: The Commonwealth of Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.
- [Local Government Eligibility]: *Section* 541(2) of EISA divides eligible units of local government into two categories, defined as ''local government-alternative 1'' and ''local government-alternative 2'.' DOE determined that 1,878 local governments are eligible for EECBG Program formula grants.
- *Local Government – Alternative 1*: There are 1,878 local governments eligible under this category. These are the cities that are one of the top 10 most populous cities within their state or that have a population of at least 35,000; and counties that are one of the 10 most populous counties within their state or that have a population of more than 200,000.
- *Local Government -- Alternative 2*: There are 1,032 local governments eligible under the definition of the Local Government - Alternative 2. These are the cities with populations of at least 50,000; or counties with populations of at least 200,000.
- [Indian Tribes]: There are 774 Indian tribes eligible for a formula grant through the EECBG Program. These include 574 federally recognized Indian tribes listed by the Bureau of Indian Affairs in the 2022 Federal Register Notice; 6 additional Indian tribes because 8 bands of Indian tribes comprise two of the federally recognized Indian tribes, 12 Alaska Native Regional Corporations (ANRC), and 182 Alaska Native Village Corporations (ANVC), group corporations, and urban corporations.

How were allocations determined?

- The Infrastructure Investment and Jobs Act (IIJA) (Public Law 117-58), Sec. 40552 provides $550 million for EECBG Program for fiscal year 2022, to remain available until expended. DOE will distribute $440 million in formula and competitive EECBG Program funding to eligible units of local government, states, and Indian tribes.
- Of the amount appropriated by IIJA, DOE will allocate funds as prescribed in section 543 of EISA:
  - 34% to eligible units of local government-alternative 1 through formula grants
  - 34% to eligible units of local government-alternative 2 through formula grants
  - 28% to states through formula grants
  - 2% to Indian tribes through formula grants; and
  - 2% for competitive grants to ineligible local governments and Indian tribes.
- IIJA allocations for EECBG Program direct formula awards from the DOE are based on the following funding amounts:
  - $299,200,000 for formula awards to eligible units of local government
  - $149,600,000 to eligible units of local government-alternative 1
  - $149,600,000 to eligible units of local government-alternative 2
- $123,200,000 for formula awards to states

- o   Each state (except for those noted as exempt in section 6.3 E.) is required to pass not less than 60% of its allocation through to cities and counties within the state that are ineligible for direct formula grants from DOE
- $8,800,00 for formula grants to eligible Indian tribes
- See the **Federal Register Notice 2022-13859**

- issued on June 29, 2022, for the allocation process.

What should I do to access EECBG Program funding if I am not eligible for a formula grant?

- Each State is also required to distribute at least 60% of their formula allocation funds to local governments that are ineligible for formula funding. We encourage engagement between these jurisdictions at the state-level.
- Ineligible entities were also able to apply for the EECBG Competitive Program. However, the application for that program has now closed. See here for more information about the EECBG Competitive Program.

High-Level Project & Program Design Questions

Can EECBG Program funds be used to advance existing construction projects or plans?

- EECBG Program funds *may* be allocated towards the implementation of existing projects or plans.

Can EECBG Program funds be used for new, energy efficient builds?

- ECBG Program funds *may not* be used toward *new buildings* or construction. Instead, they must be used for efficiency improvements and retrofits to existing structures.
- For example, an eligible entity may not install new solar streetlights in locations where you currently have no streetlights.

Is ancillary equipment required to perform energy efficiency upgrades eligible for EECBG Program Funds?

- Ancillary equipment that would be necessary for installation of energy efficiency upgrades that is necessary for the proper functioning and safety of systems, such as electric system upgrades and wiring upgrades required by electrical codes to enable EV infrastructure installations, would be considered an eligible use of EECBG Program funds. Similarly, modification of structures or equipment necessary for proper installation and function of energy efficient equipment (e.g., modification of street light poles or mast arms) may be eligible, with prior approval from DOE.

Justice40

Is Justice40 a legal requirement for the EECBG Program?

- EECBG is considered a Justice40 covered program, and therefore DOE is responsible for reporting on progress toward meeting Justice40 goals. For EECBG, DOE actions include: 1) identifying the Justice40 benefits of the EECBG Program, 2) determining how the EECBG Program distributes benefits, and 3) calculating and reporting on reaching the 40-percent goal of the Justice40 Initiative.
- While directing a minimum of 40 percent of benefits to disadvantaged communities is not a legal requirement under the EECBG statute, DOE strongly encourages all eligible entities to pursue the Justice40 goals in their EECBG Program projects.

Does a project have to be located in a designated "Disadvantaged Community" census tract to count towards Justice40?

- DOE's definition of disadvantaged communities (DAC) is based on is based on cumulative burden and includes data for thirty-six (36) burden indicators collected at the census tract level. Therefore, for a project to be reported on as providing funding to a DAC, the zip code location of the project will need to be located in a census tract designated as a DAC.
- However, EECBG grantees can also perform projects serving low-income households not located in DACs, even if it does not technically fall within a designated "Disadvantaged Communities (DAC)."

- DOE encourages EECBG grantees to engage a diverse range of community stakeholders in determining how to most effectively utilize their award funds toward Justice40 goals.

Note: Federally recognized tribal lands and U.S. territories, in their entirety, are categorized as DACs in accordance with OMB's Interim Guidance "common conditions" definition of community. For more information on designation of disadvantaged communities, see: Justice40 Initiative.

Blueprints

How do the blueprints work?

- The EECBG Program Blueprints are model projects and programs designed to help EEBCG participants achieve high impact results with limited grant dollars. Blueprints offer ideas in energy efficiency, renewable energy, transportation electrification, clean energy finance, and workforce development.
- **Each Blueprint contains:**
  - *Key Activities:* Step-by-step guide for communities to follow. Each activity is an essential action to implement the Blueprint, and EECBG participants should commit to pursuing at least one key activity.
  - *Resources:* Each blueprint highlights the most relevant tools, case studies and resources that go into much more detail to help as you implement the projects and programs.

- o *Technical Assistance:* Opportunities to connect with offices at DOE and elsewhere to gain expert guidance on relevant topics.
- o *Opportunity to join Blueprint Cohort:* DOE will convene cohorts along each of the blueprint topics on a regular basis starting in mid-2023. DOE will host regular virtual meetings to give EECBG grantees the chance to ask questions, meet one another, hear some best practices and success stories, and do some troubleshooting.
  - ▪ Sign up to join a Blueprint cohort by emailing us at technicalassistance@hq.doe.gov or fill in this Form.

Do I have to follow all of the key activities listed under a Blueprint?

- No. You need to pick at least one key activity to complete, but do not need to complete all of them.

Can I sign up for more than one Blueprint in my application?

- Yes! If you are pursuing multiple different projects with your EECBG Program funds, feel free to note each Blueprint in your Energy Efficiency and Conservation Strategy and application.

How should I let DOE know that I intend to follow a Blueprint?

- In your Energy Efficiency and Conservation Strategy, you will indicate that you will be using the blueprint. After that, you may also need to indicate the blueprint choice in your application (either in PAGE or in the voucher application).
- If you choose a blueprint, you'll need to commit to at least one key activity. Review the EECBG National Environmental Protection Act (NEPA) statements of work to ensure your plan aligns with the limitations described therein.

Sub-granting and Sub-contracting

What are the subgranting limitations? How is this different from subcontracting?

- *Summary:* Grantees may issue subgrants or subcontracts to public, nonprofit, and private sector organizations for purposes of implementing their EECBG Award, within limits established by the EECBG statute (see next bullet below). All eligible entities are required to comply with the Code of Federal Regulations concerning procurement methods, found at 2 CFR 200.317 – 200.320, which outline procurement procedures and policies, in addition to federal requirements.

- *Sub-granting:* Local governments or tribes may spend a cumulative total of 20% or $250,000 (whichever is larger) on **sub-grants** to non-profit organizations for the purpose of assisting in implementation of the local government or tribal energy efficiency and conservation strategy. If a grantee plans to make multiple subgrants to nonprofits, the total amount of all subgrants made must not exceed the 20% or $250,000 limit.

- **Sub-contracting:** However, this limitation applies only to subgrants. Sub-contracts to address specific needs of the recipient to fully implement its energy efficiency and conservation strategy are not bound by this limitation, subject to approval by DOE. Recipients must ensure that the majority of the grant funding is used to achieve the objectives of their EECBG Program grant.

Can a State limit who would be eligible for sub-granted funds across the state (e.g., to advance Justice40 goals)?

- Yes. It is up to the state to determine how they wish to sub-grant the required 60% of their funds. For example, they may subgrant funds via a competitive process or limit their subgrants to jurisdictions with a certain density of Justice40 communities. States must submit their plans for DOE via the Energy Efficiency and Conservation Strategy by July 31, 2023.

Can a State place conditions (e.g., limit eligible activities or require an energy audit) for subgrantees?

- States **can** limit the eligible activities for sub-grants under their EECBG formula awards. States can also add their own program design requirements, such as an audit prior to performing upgrades. States should not, however, overly restrict use of EECBG funds, such as limiting use of funds to one activity (e.g., audits) but rather identify categories of activities eligible for funding. States can also incorporate the DOE Blueprints and other tools and resources (such as areas with high energy burdens, as identified by the LEAD tool).

Leveraging Additional Funds & Cost Matching

Can EECBG Program funds be used as a federal cost-match?

- No, EECBG Program funds may not be used as a federal cost match. There is no cost-matching requirement to access the EECBG Program funds.

Are there any restrictions with regard how this funding leverages other federal funding (i.e., IRA Rebates)?

- EECBG funding maybe used for activities that leverage other federal awards, as long as funds are separately tracked and there is no duplication of incurred expenditures. EECBG recipients should separately account for and report on the activities paid for by each federal grant to ensure no duplication or "double dipping."

Application Timelines

When are applications due?

- States and territories can apply through July 31, 2023.

- Local governments and Tribes can apply through January 31, 2024.
- However, all eligible entities that intend to apply must submit their Pre-Award Information Sheet by July 31, 2023. See link to EECBG Program Information Sheet: EECBG Program Pre-Award Information Sheet (energy.gov)

How long do I have to spend EECBG Program funds?

- Grants will consist of a 3-year Project and Budget Period for States, and a 2-year Project and Budget Period for Local Governments and Indian tribes.
- Recipients may request a no-cost time extension (or a modification to shorten the period of performance) of their grant or voucher.

Can applications include a request for a 3-year budget period? Or must it be a 2-year budget and...

Question continued: we request an extension at a later date?

- No-cost time extensions may not be submitted until after the assistance agreement is awarded. While the EECBG Program encourages applicants to design their programs to utilize funds within the two-year award period, adjustments to the initial award period of performance will be considered on a case by case basis (up to a three-year award period).

Is there a benefit to applying earlier rather than later in the application window?

- We encourage applicants to take their time developing robust, thoughtful strategies that inform detailed applications. Because this is not a competitive grant, all eligible governments and Tribes are entitled to the full allocation indicated in the allocation tables available on the EECBG Program website. However, the sooner that you submit your application, the sooner you will have access to your funding.

States are required to provide subgrants to local governments within 180 days of DOE's approval of their EECS...

Question continued: Can they apply for an extension?

- The 180-day period begins when DOE has approved a State's energy efficiency and conservation strategy, i.e., the date on which the Contracting Officer signed the award.
- If a State is unable to meet this deadline, the State must submit to the Project Officer for approval by DOE an action plan that identifies specific activities and responsible parties to allow for providing the sub-grants as expeditiously as possible.
- DOE may approve the action plan and provide additional time for the State to provide the required subgrants. Additional time provided, if any, will be dependent on the circumstances of the State. In most instances DOE will seek to limit extensions to between 15 and 60 days. DOE will not be able to accommodate an extension of up to 1 year for making the state-sub awards.

What is the turnaround time on applications/when can I expect to receive my award?

- To assist applicants with planning, DOE is providing estimated award processing timeframes for each financial instrument below. Note that these timeframes are estimates and are subject to change based on total volume of applications received, completeness of submitted applications, and award negotiation requirements. Applications may be subject to additional review prior to award or release of funds, including financial, legal, programmatic, or NEPA review.

Award Instrument	Vouchers	Grants Following Blueprints	Grants Not Following Blueprints
Typical award processing timeframe*	30-60 days	Up to 60 days	Minimum of 90 days
Additional application requirements or award conditions	Comply with Voucher Terms and Conditions	May be subject to additional review (e.g., indirect cost rates, sub-grants, accounting system and financial controls)	May be subject to additional review and award conditions (e.g., NEPA)**
Application method	Submit voucher application by January 31, 2024***	Submit grant application in Period 1 or 2 (select one or more blueprints)	Submit grant application in Period 3 or 4.

Table notes:

*Award processing times shown are estimates, based on submission of a complete application that is responsive to all required application materials and system registration requirements. Award processing times may vary depending on multiple factors, including the number of applications submitted, complexity of award applications, and additional review required to process applications (such as NEPA review and approval of proposed projects). The above timeframes do not include the time required for applicants to prepare and submit an application to DOE.

**Awards requiring NEPA review will require extended time to review applications, including completion of environmental assessment or an EIS, depending on the scope of the proposed activity. Awards may be partially or fully conditioned (funds restricted from expenditure) until completion of required NEPA reviews.

*** Additional information on the Voucher application process will be forthcoming.

Energy Efficiency and Conservation Strategy (EECS)

The EECS process requires eligible entities to notify adjacent entities and the state about our plans. What does that mean?

- DOE does not have specific guidance on determination of the adjacent local governments to coordinate with or how to coordinate with them. Generally, for metropolitan areas this could include communities that are part of regional organization, such as a metropolitan planning organization (MPO) or council of governments (COG). Local governments should primarily focus coordination on other local governments with formula allocations, but should consider other municipalities that may receive EECBG sub-grants through the state agency receiving EECBG formula funds as well. DOE asks eligible entities to work to make sure that their proposed projects are not in conflict with the plans of the other jurisdictions.
- By coordinate and share information with the State, DOE means notifying the state energy office their plans for use of funds and inquiring about State priorities in order to leverage and align activities where there is an opportunity to do so. For example, some states are considering setting up financing programs with their EECBG state funds (non-40% share), which local governments could participate in, or they may have TA available for certain activities, such as community solar.
- See Section 6.3.C. of the Application Instructions for more information about what is required in an EECS.

We are applying as a team. Must each eligible entity submit an EECS?

- Per statute, every single eligible entity is required to submit their own EECS to receive funding. This means that, eligible entities teaming up on a project with others must each submit their own EECS. DOE understands and expects that these documents will be similar to one another, as they will describe similar uses of EECBG Program funds.
- Separate EECS templates for states, local governments and tribes are available on the EECBG Application Hub.

When is the Energy Efficiency and Conservation Strategy due?

If you are applying for a grant, your EECS is due with your application unless you are planning to use your grant funds to develop an EECS. If you are using your grand funds to develop an EECS, it is due within one year of application approval. If you are applying for a voucher, the EECS is due with your application. Voucher funds *may not* be used to develop an EECS.

Does the Energy Efficiency and Conservation Strategy need to approved by our city/county council?

- No, the EECS does not need to be approved by your city/county council unless this is required by your locality. Please follow existing rules and procedures of your locality when applying for federal grant funds.

Teaming

Can we pool our funds between eligible entities (e.g., tribes and native corporations, cities and counties) for the same project?

- Eligible tribes, corporations, and local governments are encouraged to team up to pool their funds and activities. A lead applicant may be designated, with approval of the other participating party (or parties) that will be responsible for administering the award, including reporting.

Does a single team need to submit one application per entity? Or one application for the full team?

- Each team is required to submit *one application* on behalf of the full team. Each team is required to name a lead applicant that submits the application and further reporting material to DOE.

How does reporting work on a team? Does each individual entity need to report directly to DOE?

- Teams are only required to submit one report to DOE. However, each eligible entity is required to track their own individual activities that are then included in this report. The lead applicant submits this report information to DOE.

Eligible Uses: Revolving Loan Funds (RLF)

Are RLFs only to establish the revolving loan program, or could they be used to add to an existing RLF?

- The funds may be contributed to existing revolving loan funds or to new ones, but EECBG funds will need to be tracked and reported on separately. Revolving loan funds may continue past the EECBG Program grant reporting period.

Will our RLF be able to extend beyond the two-year grant period and expand their grantmaking processes to advance other goals?

- Yes, the RLF will be able to extend beyond the two-year grant period. After that time, the RLF may be expanded to advance other goals (e.g., housing upgrades in new communities).

Eligible Uses: Energy Efficient Equipment & Installation

Our community is interested in installing solar panels on the roofs of parking structures...

Question continued: (surface lot shade structures and/or the top floors of a garages. Would the construction of the shade structure, itself, be an eligible use of funds?

- This would be ineligible. The funds must be deployed to the renewable energy infrastructure itself, not pre-installation or purchasing costs. However, modifications to existing buildings or structures necessary to support a solar project would be eligible.

Would EVs purchased using EECBG funds need to meet the same requirements established for EVs...

Question continued: to qualify for tax rebates under the IRA (i.e., critical minerals, final assembly, price caps)?

- No, these are not required for EECBG Program eligibility. However, purchases will be subject to NEPA, BABA, and Davis-Bacon requirements. See section D of the [Administrative and Legal Requirements Document.](#)

Will all-electric mowers and lawn equipment be an eligible project type for EECBG funds?

- Yes, electrification of publicly owned and managed lawn equipment would be an eligible use of funds under Activity Area 14. See [program guidance](#) for more information.

We would like to purchase solarized street lights for a community that does not currently have street lights...

Question continued: Would this be considered an eligible activity?

- No. New constructions that do not reduce existing emissions are not eligible uses of EECBG Program funds. Upgrading existing street lights, however, would be an eligible use of EECBG Program funds.

Eligible Uses: Hiring New Staff

Can we use EECBG funds to hire new staff, or is this subject to the administrative cost cap?

- The 10% limit applies to administrative costs only (excluding costs of reporting).
- Additional personnel costs related to the project are allowable if they are *direct* costs (i.e., a program manager or staff to implement the approved activities) per Activity Area 6. See [EECBG Program Guidance](#) for more information.

Do I need to comply with Build America, Buy America Requirements?

- On July 28, DOE released a [General Applicability Public Interest Waiver](#) for Build America, Buy America Act equipment purchasing requirements. Now, eligible entities with EECBG Program formula allocations totaling $250,000 or less are exempt from BABA requirements. These eligible entities do not need to submit additional paperwork to be exempted from the requirements.

- Eligible entities with EECBG Program formula allocations totaling $250,000 or more are still required to comply with Build America, Buy America.