

ANALYSIS

Item 27: Department of Energy Solar for All

Analyst: April McDonald

Request: Approve the submission of a federal grant application to the U.S. Environmental Protection Agency (EPA) in the amount of \$100 million to improve accessibility to solar technology for low-income households and disadvantaged communities.

Analysis: On June 28, 2023, the EPA released the \$7 billion ‘Solar for All’ notice of funding opportunity, made possible by the federal Greenhouse Gas Reduction Fund. This competitive grant will award funding to as many as 60 entities, including states, territories, tribes and municipalities. According to the EPA, the aim of the grant is to expand the number of low-income and disadvantaged communities primed for residential solar investment and enable access to affordable, resilient, and clean energy for millions of households.

The Oregon Department of Energy (ODOE) intends to act as the primary applicant for a coalition application which includes Energy Trust of Oregon and the Bonneville Environmental Foundation. Originally, the due date for the grant application was September 26, 2023, but on August 31, 2023, the EPA extended the deadline to October 12, 2023. According to the federal agency, this change is due to an overwhelming response in the number and scope of Notices of Intent they have received.

Awards for this opportunity will range from \$25 million to \$400 million with no match requirement. ODOE and partners have engaged in planning efforts including stakeholder outreach, hosting a webinar, and opening a comment portal to collect feedback regarding the coalition’s proposed concepts under the application. ODOE anticipates applying for \$100 million in funding to support the following categories of work:

- Rebates for single family residences
- Rebates for multi-family housing
- Subgrants to coalition partners for community solar projects
- Related workforce development activities.

If awarded, ODOE intends to return to the Legislature to seek additional Federal Funds expenditure limitation and positions as needed to deliver the grant throughout the five-year period of performance.

Recommendation: The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means approve the request.

Request: Retroactive authorization to apply for a grant of at least \$100,000,000 to increase access to solar technology for low-income households and disadvantaged communities from the U.S. Environmental Protection Agency Solar for All program.

Recommendation: Approve the request as amended; Authorization to apply for a grant of at least \$100,000,000 to increase access to solar technology for low-income households and disadvantaged communities from the U.S. Environmental Protection Agency Solar for All program.

Discussion: The Department of Energy is seeking authorization to apply for a grant of at least \$100 million from the U.S. Environmental Protection Agency Solar for All grant program. The Solar for All program is a competitive grant makes a total of \$7 billion available to states, territories, Tribal governments, municipalities, and non-profits and will award a total of 60 grants. Grantees under the Solar for All program must provide subsidies and financial assistance to residential rooftop and residential-serving community solar projects as well as technical assistance.

If awarded, grant funding will be used to increase access to solar technology for low-income households and disadvantaged communities. The grant will support rebates for the purchase of solar systems for single and multi-family housing, community solar projects within investor-owned and consumer-owned utility territories, and related workforce development. The community solar projects will be sub-granted to the Energy Trust of Oregon and the Bonneville Environmental Foundation. The grant has no matching requirements and would be implemented through the existing Oregon Solar and Storage Rebate Program.

Details of the grant continue to be developed between the Department, the US Environmental Protection Agency, and partner organizations. The grant is structured into award tiers from \$25 million to \$400 million, corresponding to the capacity of the state to complete projects. Currently, the Department is evaluating if the Department has capacity to accept a \$150 million grant for the Solar for All program. If successful, the Department will need to request additional Federal Funds expenditure limitation associated with the grant.

Since the Department submitted the original request for retroactive authorization to apply for the Solar for All grant opportunity, the U.S. Environmental Protection Agency has extended the deadline for the grant application from September 26, 2023, to October 12, 2023. The change in timing for submission of the grant will allow the Department to request authorization for the grant without the need for retroactive authorization.



Oregon

Tina Kotek, Governor



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August 25, 2023

Senator Elizabeth Steiner, Co-Chair
Representative Tawna Sanchez, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairs:

Nature of the Request

The Oregon Department of Energy (ODOE) requests retroactive approval to apply for a competitive federal grant from the U.S. Environmental Protection Agency, called Solar for All. The agency intends to act as the primary applicant on a coalition application which will include Energy Trust of Oregon and Bonneville Environmental Foundation as coalition partners. The application is due September 26, 2023.

Agency Action

The federal grant opportunity was released on June 28, 2023. The Oregon Department of Energy coordinated with the coalition application partners and the governor's office to submit a Notice of Intent on July 28, 2023, as a required step for submission of the full application. In addition to engaging with numerous stakeholders, the coalition partners hosted a two-hour webinar on August 8 seeking feedback on the proposed concepts under the application. ODOE also opened a comment portal to receive additional written comments and suggestions.

At the time of this letter, the coalition is still engaged in planning efforts for this work. We anticipate our final request will be for at least \$100 million in funding. No match is required.

If awarded, we anticipate five major scopes of work will be undertaken with these funds – all centered on making the benefits of solar technology accessible for low-income households and disadvantaged communities. These distinct scopes of work include: 1) rebates for single family residences; 2) rebates for multi-family housing 3); funding and support for Oregon Community Solar projects within Investor-Owned Utility territory through a subgrant to Energy Trust of Oregon¹; 4) funding and support for community solar projects within Consumer-Owned Utility territory through a subgrants to Bonneville Environmental Foundation; and 5) related workforce development activities.

¹ Oregon Community Solar denotes a specific program operated by the Oregon Public Utilities Commission (OPUC), whereas community solar is similar in scope but outside OPUC regulation.

This application supports the agency mission, which is to help Oregonians make informed decisions and maintain a resilience and affordable energy system. The Solar for All program is designed at the federal level to increase accessibility to low-income households and disadvantaged communities through reducing barriers to affordability. If awarded, these funds would complement the existing Oregon Solar and Storage Rebate Program currently administered by ODOE.

Action Requested

ODOE requests retroactive approval to submit the grant application to the U.S. Environmental Protection Agency. If awarded, ODOE intends to return to seek additional limitation and positions as needed to conduct the work as awarded.

Legislation Affected

None.

A handwritten signature in cursive script that reads "Janine Benner".

Janine Benner, Director

cc: Sione Filimoehala, CFO
April McDonald, LFO
Doug Wilson, LFO

Link to the solicitation: [Solar for All | US EPA](#)