

PMC-ND
(1.08.09.13)

**U.S. DEPARTMENT OF ENERGY
OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY
NEPA DETERMINATION**



RECIPIENT: State Energy Program

STATE: Mult

PROJECT TITLE: STATE ENERGY PROGRAM 2017 COMPETITIVE AWARDS

Funding Opportunity Announcement Number	Procurement Instrument Number	NEPA Control Number	CID Number
DE-FOA-0001644		GFO-FOA-0001644-001	

Based on my review of the information concerning the proposed action, as NEPA Compliance Officer (authorized under DOE Order 451.1A), I have made the following determination:

CX, EA, EIS APPENDIX AND NUMBER:

Description:

A9 Information gathering, analysis, and dissemination Information gathering (including, but not limited to, literature surveys, inventories, site visits, and audits), data analysis (including, but not limited to, computer modeling), document preparation (including, but not limited to, conceptual design, feasibility studies, and analytical energy supply and demand studies), and information dissemination (including, but not limited to, document publication and distribution, and classroom training and informational programs), but not including site characterization or environmental monitoring. (See also B3.1 of appendix B to this subpart.)

A11 Technical advice and assistance to organizations Technical advice and planning assistance to international, national, state, and local organizations.

Rationale for determination:

The U.S. Department of Energy (DOE) administers the State Energy Program (SEP) as authorized by Title III, Energy Policy and Conservation Act. DOE is proposing to make up to 21 competitively-selected awards under this announcement (States, Territories, and the District of Columbia (hereinafter "States"), with the total amount of DOE funding equaling up to \$5 million. States would be required to provide 20% cost match based on the award amount for Areas of Interest 1 and 2. There would be no cost match requirement for Area of Interest 3.

The Office of Energy Efficiency and Renewable Energy's (EERE's) State Energy Program would seek applications to advance policies, programs, and market strategies that accelerate job creation and reduce energy consumption while achieving energy and climate security for the nation. This competitive Funding Opportunity Announcement (FOA) would allow States (which includes the District of Columbia and five territories) to compete for funding designed to meet EERE's nationally focused initiatives for the fundamental and permanent transformation of clean energy markets across all sectors of the economy. Specifically, this FOA focuses on three Areas of Interest:

Area of Interest 1 - State Energy Planning

State energy plans help improve energy affordability by strategically planning for the future energy needs to be met in cost-effective ways. State plans also address energy infrastructure needs and ways to minimize burdens on the nation's energy infrastructure, thus increasing resilience. Under Area of Interest 1, DOE would seek to bolster State/regional energy planning by funding efforts to facilitate stakeholder and interagency discussions and related activities concerning (1) the future direction of the energy sector in the State/region, with emphasis on the electric power sector and natural gas supply and transport and (2) how EE/RE fit into an affordable and reliable energy vision for the future. These discussions will help States explore and enhance economic development and energy affordability opportunities associated with promoting EE/RE as options for consumers, identify measures for enhancing the resiliency and reliability of energy supplies and the electric grid (energy assurance-related activities), undertake relevant analytical efforts, and plan strategically for current and future environmental policies and other economic pressures that will have an impact on the energy sector, and conduct related activities.

Area of Interest 2 – Innovative Opportunities for Energy Efficiency and Renewable Energy Practices that Improve Energy Affordability, Reliability and Resiliency

Under Area of Interest 2, DOE would offer funding to States for the development of new, or the expansion of existing, programs or policies that advance the affordability and reliability of EE/RE within the following four Topics of Emphasis:

1. **Enabling Financing Mechanisms for Public or Private Sector Energy Investment.** Under this topical area, applicants may submit proposals identifying strategies to develop or expand an energy-specific financial policy or initiative to incent public or private energy efficiency and renewable energy investment. More specifically, applicants may propose to address how the strategies improve energy reliability, affordability and/or resiliency.

2. **Deploying Energy Performance Benchmarking and Disclosure.** Under this topical area, applicants may submit proposals identifying strategies to develop or expand laws or regulations, executive orders, utility data collection processes or energy use data exchange mechanisms related to benchmarking and disclosure of energy use in public or private buildings. More specifically, applicants may propose to address how the strategies improve energy reliability, affordability and/or resiliency.

3. **Standardizing Evaluation, Measurement & Verification (EM&V) Processes.** Under this topical area, applicants may submit proposals identifying strategies to develop or expand process related to EM&V practices to determine energy and emissions reductions from ratepayer and/or non-ratepayer funded efficiency programs. More specifically, applicants may propose to address how the strategies will help validate improved energy reliability, affordability and/or resiliency.

4. **Partnering with Local Governments.** Under this topical area, applicants may submit proposals identifying strategies to develop or expand policies and programs to assist local governments to design and implement internal and/or public facing programs to make energy efficiency and renewable energy more affordable, reliable, and resilient. More specifically, applicants may propose strategies that lead to the development of services that address how the strategies improve energy reliability, affordability and/or resiliency.

DOE would be interested in proposals that promote strategies or policies that represent innovative and replicable models of action to tackle current barriers in the EE/RE marketplace. Of particular interest are proposals that address energy affordability, reliability, and resilience. For example, states may wish to work with electric utilities to create or expand programs that target low to moderate income customers in order to decrease the energy burden of these customers as an energy affordability strategy. Projects that make distributed generation more affordable could enable continuous operation of communities after extreme weather or other events that could or have already disrupted their power systems, thereby creating a more energy resilient community whenever such extreme weather events occur. States may wish to pursue projects with local governments that improve the energy efficiency and enhance both the energy affordability and reliability of schools, hospitals or other community infrastructure, as lowering energy demand reduces the need for higher cost peak electricity and reduces cost for all electricity consumers.

Of note, this year DOE has proposed to add a subfocus in Topic of Emphasis #4 (Partnering with Local Governments), under which states may submit proposals to partner with local governments to advance energy resilience. Per federal regulations, project funds (federal funds and matching funds) cannot be used to 1) implement specific project-level energy efficiency retrofits or upgrades or 2) be used to directly capitalize financing programs. However, project funds could be used to design and develop programs that could lead to the implementation of retrofits using non-award funds and/or could be used to develop the framework for financing programs.

Area of Interest 3 - Technical Assistance to Advance SEP Formula Grant EE/RE Activities

Under Area of Interest 3, DOE would offer funding to states for technical assistance activities that maximize the impact of their formula grant funded work related to EE/RE for purposes of enhancing energy affordability, reliability and resiliency. In order to better serve all states, Area of Interest 3 is open to only those states that have not been selected to receive a competitive award in the last four years (FY13-FY16). Eligible states include: AS, AZ, CA, DE, DC, GA, GU, IN, KS, LA, MP, NV, NJ, ND, OH, OK, PA, PR, SD, UT, VI, and WY.

Under Area of Interest 3, states may request technical assistance related to increasing the impact or expanding the scope of an existing area of their formula work, or they may request technical assistance to explore new areas for possible inclusion in future annual formula award applications. If tied to an existing area of formula work, states must show how the technical assistance will lead to greater impact of the project as conceived while providing assurance that current work will be able to continue as planned and is not dependent on the technical assistance. If the scope of work is expanded on existing formula projects, additional NEPA review may be required. The preferred technical assistance provider/s must be identified in the application and can include DOE-funded national laboratories.

Based on the review of the FOA, DOE has determined that activities anticipated to be selected under this FOA fit within the class of action(s) selected above. DOE has also determined that based on the types, scope, and scale of anticipated activities that could be selected under the FOA: (1) there would be no extraordinary circumstances (as defined by 10 CFR 1021.410(2)) that could affect the significance of the environmental effects of the activities; (2) the activities do not lead to segmentation to meet the definition of a categorical exclusion; and (3) the activities would have independent utility and would not be connected to other actions with potentially significant impacts, related to

other proposals with cumulatively significant actions, or an improper interim action. Anticipated activities are categorically excluded from further NEPA review.

NEPA PROVISION

DOE has made a final NEPA determination for this award

Insert the following language in the award:

If the Recipient intends to make changes to the scope or objective of this project, the Recipient is required to contact the Project Officer, identified in Block 15 of the Assistance Agreement before proceeding. The Recipient must receive notification of approval from the DOE Contracting Officer prior to commencing with work beyond that currently approved. If the Recipient moves forward with activities that are not authorized for Federal funding by the DOE Contracting Officer in advance of a final NEPA decision, the Recipient is doing so at risk of not receiving Federal funding and such costs may not be recognized as allowable cost share.

Insert the following language in the award:

You are required to:

Any work proposed to be conducted at a DOE laboratory may be subject to additional NEPA review by the cognizant DOE NEPA Compliance Officer for the specific DOE laboratory prior to initiating such work. Further, any work conducted at a DOE laboratory must meet the laboratory's health and safety requirements.

Prohibited actions include:

Construction; implementing or paying directly for energy efficient retrofits; implementing or paying for renewable energy projects; repair of buildings or structures; purchase of land, buildings or structures; purchase of equipment to conduct research, development or demonstration of energy efficiency or renewable energy techniques and technologies.

This restriction does not preclude you from: Information gathering, dissemination, analysis, technical advice and assistance.

Note to Specialist :

Weatherization & Intergovernmental Programs Office - SEP

This NEPA Determination applies to the issuance of the FOA as well as all awards selected under the FOA, provided the scope of the selected awards remains consistent with the intent of the FOA as currently described. If selected applicants propose to use project funds for activities outside the scope of this NEPA Determination, additional NEPA review will be required.

Casey Strickland 10/12/17

SIGNATURE OF THIS MEMORANDUM CONSTITUTES A RECORD OF THIS DECISION.

NEPA Compliance Officer Signature: _____



Kristin Kerwin
NEPA Compliance Officer

Date: 10/13/2017

FIELD OFFICE MANAGER DETERMINATION

Field Office Manager review required

NCO REQUESTS THE FIELD OFFICE MANAGER REVIEW FOR THE FOLLOWING REASON:

- Proposed action fits within a categorical exclusion but involves a high profile or controversial issue that warrants Field Office Manager's attention.
- Proposed action falls within an EA or EIS category and therefore requires Field Office Manager's review and determination.

BASED ON MY REVIEW I CONCUR WITH THE DETERMINATION OF THE NCO :

Field Office Manager's Signature: _____
Field Office Manager

Date: _____