

Council Business Meeting

February 7, 2023

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| Agenda Item | Authorization to apply for an ODOE CREP Planning Grant | |
| From | Tom McBartlett Sabrina Cotta | Director of Electric Deputy City Manager |
| Contact | Thomas.mcbartlett@ashland.or.us Sabrina.cotta@ashland.or.us | 541-488-5357 541-488-6002 |

SUMMARY

Staff is seeking Council approval to submit an application to the Oregon Department of Energy (ODOE) for a Community Renewable Energy Planning Grant

POLICIES, PLANS & GOALS SUPPORTED

Ashland Climate and Energy Action Plan, strategy BE-1, support cleaned energy sources

PREVIOUS COUNCIL ACTION

N/A

BACKGROUND AND ADDITIONAL INFORMATION

If awarded the grant would be used to identify potential locations for a community solar project up to 1MW in size. Locations would need to be evaluated for solar efficiency, load analysis, code compliance, interconnection studies, and any other identified components for a successful installation.

FISCAL IMPACTS

The available planning grants are 100% grant funds up to \$100,000.

STAFF RECOMMENDATION

Staff recommends that Council authorize staff to move forward with this grant application.

ACTIONS, OPTIONS & POTENTIAL MOTIONS

I move to authorize staff to submit an application to ODOE for a CREP planning grant.

REFERENCES & ATTACHMENTS

Opportunity Announcement for the Community Renewable Energy Grant Program



Opportunity Announcement for the Community Renewable Energy Grant Program

Opportunity Announcement #22-016

Grant dollars to support planning activities for a community renewable energy project that does not qualify as a community energy resilience project.

Contact

Address: Oregon Department of Energy
550 Capitol St NE, 1st Floor
Salem, OR 97301

Email: community.grants@energy.oregon.gov

Schedule

| Event | Date |
|---|-------------------|
| Opportunity Announcement Published | December 28, 2022 |
| Opening of Opportunity Period | January 3, 2023 |
| Questions Due | January 27, 2023 |
| Final Questions and Answers Posted | February 3, 2023 |
| Closing of Opportunity Period & Applications Due | February 15, 2023 |
| Eligibility and Completeness Review (approximate) | March 6, 2023 |
| Competitive Review (approximate) | April 14, 2023 |
| Award Notification (approximate) | May 8, 2023 |

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Section 1: Purpose and General Information

1.1 Introduction

The purpose of this Community Renewable Energy Grant Program opportunity announcement is to create an application, competitive review, and grant award process that follows the requirements of the legislation and rules under which the Community Renewable Energy Grant Program is administered to determine which projects will receive grant funding.

1.2 Objectives

The Community Renewable Energy Grant Program provides grants to:

- Support offsetting the cost of planning and developing community renewable energy projects;
- Make community renewable energy projects economically feasible for qualifying communities;
- Promote small-scale renewable energy projects; and
- Provide direct benefits to communities across this state in the form of increased community energy resilience, local jobs, economic development, or direct energy cost savings to families and small businesses.

This opportunity announcement aims to support planning activities for a community renewable energy project that does not qualify as a community energy resilience project.

1.3 Grant availability

The Department has \$12,000,000 in grant funds available for four open Community Renewable Energy Grant Program opportunity announcements. A minimum of 50 percent of these funds are reserved for projects that qualify as a community energy resilience project, and a minimum of 50 percent is reserved for community renewable energy projects that primarily serve a qualifying community. A minimum of \$1,000,000 is reserved for planning projects that qualify as a community energy resilience project and a minimum of \$1,000,000 is reserved for planning projects that do not qualify as a community energy resilience project. Qualifying communities include communities of color, communities experiencing lower incomes, tribal communities, rural communities, coastal communities, communities with limited infrastructure and other communities traditionally underrepresented in public processes and adversely harmed by environmental and health hazards, including seniors, youth and persons with disabilities.

The maximum grant available for planning a community renewable energy project, whether it qualifies as a community energy resilience project or not, is \$100,000 and it may be used to cover up to 100 percent of the reasonable planning costs.

1.4 Eligibility

An applicant must be one of Oregon's federally recognized Indian Tribes, a public body, or a consumer-owned utility. See [ORS 174.109 for a definition of "public body" and HB 2021 Section 29 \(2021\) for definitions of "public body" and "consumer-owned utility"](#). An applicant may

partner with another entity, or entities, including another entity that would qualify as an applicant, a Federal agency, nonprofit entity, private business located in Oregon, or owner of rental property in Oregon.

Eligible community renewable energy projects must utilize one or more of the following renewable energy system technologies:

- Energy generation:
 - Biomass
 - Solar
 - Geothermal
 - Hydroelectric
 - Wind
 - Landfill gas
 - Biogas
 - Wave
 - Tidal
 - Ocean thermal energy technology
- Energy storage
- Microgrid technologies
- Electric vehicle charging

A new energy storage system, microgrid technology, or electric vehicle charging station must be paired with an existing or newly-constructed renewable energy system for producing energy, as listed above

Other eligibility requirements for a planning grant include:

- The proposed project must be located in Oregon but not in a city with a population of 500,000 or more.
- The project must provide a direct benefit to an Oregon community in the form of increased community energy resilience, local jobs, economic development, or direct energy costs savings to families and small businesses.
- The project must not exceed 20 MW of nameplate capacity, if the project is for generating renewable energy.
- The applicant must meet all the application requirements detailed in Sections 1 and 2 of this opportunity announcement.

Costs eligible to be covered by a Community Renewable Energy Grant planning grant are detailed in [OAR 330-250-0050](#).

Section 2: Application Requirements & Process

2.1 Submission of Applications

Applications must be submitted through the Department's [online application portal](#) with all the requested information. Access to the application portal and associated materials are available on the [Oregon Department of Energy website](#).

Applications that are submitted improperly or are incomplete may be rejected. The Department must receive applications no later than the due date on the cover of this opportunity announcement.

On the application form, the applicant must list a person as the point of contact for the application. The Department will contact this designated responsible party with technical questions; it is the job of the designated point of contact to coordinate and submit responses to the Department.

A complete planning grant application includes, at a minimum:

- (1) An application form with all required information completed.
- (2) Applicant eligibility information and contact details.
- (3) Information about any partner organizations and their roles, including:
 - (a) For any partner that is a private business, documentation that the partner has a business site in Oregon.
 - (b) For any partner that is an owner of rental property, documentation that the partner owns rental property in Oregon.
- (4) A description of consultation with stakeholders including:
 - (a) Evidence the application has been drafted in consultation with regional stakeholders for the purpose of ensuring feasibility. This must include a description of the applicant's consultation with regional stakeholders and community groups, and any additional community engagement process as part of developing the planning grant application.
 - (b) Evidence the application has been drafted in consultation with electric utilities that have customers in the communities covered by the proposed community renewable energy project, for the purpose of ensuring feasibility. This may include a letter from the electric utility serving the communities covered by a proposed community renewable energy project or other evidence that the applicant has consulted the electric utility.
- (5) A description of the proposed project including:

- (a) A description of the project location including details of its location in Oregon and not in a city with a population of 500,000 or more.
 - (b) If applicable, a detailed description or other documentation of the extent to which the community renewable energy project would be located in and/or will serve one or more qualifying communities.
 - (c) A description that shows the system meets the definition of a community renewable energy system. This should include:
 - (A) Information regarding major system components, to the extent known, such as renewable energy generation, energy storage, electric vehicle charging systems, and microgrid enabling technologies.
 - (B) A description of the renewable energy resource, that the resource is in adequate supply, and how the system will access the resource.
 - (C) A description of the market for the energy produced by the system.
 - (D) A description of how the system will connect or transmit energy to the community identified in the application.
 - (d) If the project is for generating renewable energy, the anticipated nameplate capacity if known.
 - (e) If the project is for energy storage, the anticipated nameplate capacity in kW of the proposed energy storage system if known.
 - (f) If the community renewable energy project will add capacity to or be paired with an existing renewable energy system, for example pairing energy storage and/or microgrid enabling technologies with an existing solar photovoltaic array, the applicant must include a description of the existing renewable energy system.
- (6) A project plan that contains:
- (a) A list of planning team members, their roles and lines of authority, and experience with similar projects.
 - (b) A detailed schedule for planning completion, which demonstrates the planning will be completed within six months of execution of the performance agreement.
 - (c) Evidence that demonstrates the planning will result in a proposal for developing a community renewable energy project.
 - (d) A description of how consultation with the following groups will be incorporated into the planning:

- (A) Members of qualifying communities served by the proposed community renewable energy project;
 - (B) Businesses located in the communities served by the proposed community renewable energy project;
 - (C) Electric utilities that have customers in the communities served by the proposed community renewable energy project; and
 - (D) Other regional stakeholders.
- (7) If applicable, a description of how the community renewable energy project would integrate with broader community energy and environmental goals.
- (8) The grant amount requested and estimated budget for planning costs, including:
- (a) Costs associated with:
 - (A) Consulting fees, including design and engineering;
 - (B) Load analysis;
 - (C) Siting, excluding property acquisition;
 - (D) Ensuring code compliance;
 - (E) Interconnection studies;
 - (F) Transmission studies; and
 - (G) Other expenditures, summarized by purpose.
 - (b) A description of any other grants that the applicant has been or may be awarded for the planning in the application, including the amount and source of the grant funds.
- (9) The following supplemental documents:
- (a) Written authorization from the applicant's governing body allowing submission of the application.
 - (b) For any partner that is a public body, written authorization from the partner's governing body allowing submission of the application.

The department will not accept amendments to applications during the opportunity period. An applicant may withdraw an application and submit a replacement application during the opportunity period.

2.2 Other Incentives or Grants

In the application, an applicant must indicate other incentives that have been or may be awarded that are directly related to the planning in the application. The amount of any

potential CREP grant will be reduced if in combination with other incentives the amount exceeds 100 percent of the planning costs.

2.3 Questions

Questions, including requests for explanations of the meaning or interpretation of provisions of this opportunity announcement, must be submitted via email to community.grants@energy.oregon.gov and be received by the due date for questions set forth on the cover of this opportunity announcement. To help ensure questions are answered and responses are posted appropriately, please identify “CREP question” in your subject line. Answers to questions submitted will be posted online for access by all applicants.

Section 3: Review Process

3.1 Overview of Review Process

The Department will conduct a review of the applications received in response to this opportunity announcement. The Department will evaluate all applications for completeness. The Department will conduct a competitiveness review of all complete applications and based on the competitive review results; certain applications may be offered a performance agreement.

The only information the Department will consider in the review process is that which is submitted by the applicant through the application process. Attempts to improperly influence the review process by submitting additional information or contacting the agency review team with additional information will result in application denial. All comments and questions should be submitted via email to community.grants@energy.oregon.gov.

3.2 Eligibility and Completeness Review

The Department staff will first review all applications on a pass/fail basis to determine if each application is complete, meaning it includes all the minimum required elements described in section 2.1 of this opportunity announcement. This review may begin upon submission of an application. The applicant’s failure to comply with the instructions or failure to submit a complete application may result in the application being found incomplete and rejected. Only those applications that meet the minimum requirements will be considered for further review. If the applicant is relying on information in attachments, the information in the attachments should be readily identifiable with explicit references noted on the application form.

If the Department finds that the application is complete, the Department will notify the applicant that the application will move into the competitive review process. The Department will not process incomplete applications, though the Department may request additional information from an applicant if necessary to support the competitive review process. The Department will provide written notification to applicants that submit incomplete applications that their application is not moving to the competitive review. If an application is found to be incomplete, the applicant may apply in a future opportunity announcement.

3.3 Competitive Review

The requested information detailed in Section 2.1 is the minimum required information for an application to be considered complete. Some of the scoring criteria in Section 3.3 are optional. Applicants that demonstrate they meet these criteria may score higher during the competitive review process. The online application portal will provide details on how to submit this information.

| Planning Project – Community Renewable Energy Project Competitive Review Criteria | | Points |
|--|----|--------|
| Project Strength | | |
| Strength of planning project team: applicant provides a list of significant planning team members, clearly defined roles, sufficient number of team members, experience of the team on similar projects, clear description of partners. | 45 | |
| Strength of renewable energy project description: applicant adequately describes the project to be planned. | | |
| Strength of financial plan: applicant demonstrates financial ability to complete the planning. | | |
| Strength of planning project schedule: applicant demonstrates the planning will be completed within 6 months. | | |
| Program Priorities & Project Benefits | | |
| <p>Equity:</p> <ul style="list-style-type: none"> • Location in Community: Proposed project is located in a qualifying community. • Communities Served: Proposed project provides direct benefits to one or more qualifying communities. • Project Leadership: Applicant provides a description of the consultations with regional stakeholders and community groups, and any additional community engagement process as part of developing the grant application. • Community Partnerships. Applicant demonstrates partnerships with regional stakeholders and community groups representing qualifying communities. • Community Outreach Plan: Applicant includes a community outreach plan that describes the participation and engagement by People of color, people experiencing lower incomes, members of tribal communities, people from rural communities, people from coastal communities, people from communities with limited infrastructure and members of other communities traditionally underrepresented in public processes and adversely harmed by environmental and health hazards, including seniors, youth and people with disabilities in the siting, planning, designing, or evaluating of the proposed project. This could include, but is not limited to, descriptions of surveys of the local community, attendance or participation at public meetings, community ideas and recommendations incorporated in project plan. | 15 | |

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| <ul style="list-style-type: none"> An Equity Framework is used by the applicant to guide development, or is proposed to guide implementation or evaluation, of the project. | |
| Demonstrates significant prior investments in energy efficiency measures at the project location or will result in aggregate improvements to demand response capabilities. Evidence may include utility or Energy Trust of Oregon project documentation or finance statements demonstrating investments. | 5 |
| Project constructed in part or in whole by disadvantaged business enterprises, emerging small businesses, or businesses that are owned by minorities, women, or disabled veterans. | 5 |
| Applicant includes information detailing the extent to which the project includes inclusive hiring and promotion polices. | 5 |
| Project assists applicant in achieving goals included in the applicants' natural hazard mitigation plan as approved by the Federal Emergency Management Agency. | 5 |
| Level of anticipated direct energy cost savings to families and small businesses (amount of savings predicted relative to the grant request amount, number of families and businesses that see direct savings, diversity and types of families and businesses that see the direct benefits). | 5 |
| Level of anticipated economic development (beyond job creation, will the proposed project increase average incomes; ensure sustainable economic growth, innovation, workforce development, business retention and expansion, and promotion of an environment that supports entrepreneurship and small business development). | 5 |
| Level of anticipated local jobs directly created during planning for the project or during project construction, and directly sustained during operations, in relation to the size of the requested grant amount. | 5 |
| Project Diversity | |
| Geographic Diversity. | 5 |
| Diversity of technology/resource types/project size. | |

Applications will be ranked based on the competitive review scores and recommendations from competitive review committee. Final recommendations will be determined by the department. Applicants that are recommended for awards may be offered a Performance Agreement.

The Department will notify applicants of the competitive review outcome in writing. Planning projects not selected may be eligible to apply again during a future opportunity announcement.

3.4 Offer of Performance Agreement

Following the competitive review, successful applications may be offered a performance agreement that contains the terms associated with the grant and the requirements for disbursement of grant funds. The grant amount offered in the performance agreement may be less than requested. The Department will communicate to the applicant the conditions surrounding the offer of a performance agreement. Applicants will have 30 calendar days to respond in writing to the offer, after which the Department may revoke the offer.

The performance agreement will include the terms provided in [OAR 330-250-0080](#), and may include additional terms, such as reporting frequency. In accordance with OAR 330-250-0080 (3), failure to agree to the terms of a performance agreement may result in the Department rejecting the grant application.

Section 4: Grant Process and Payment

4.1 Reporting

Once a Performance Agreement is executed, successful applicants will be required to submit planning progress reports as specified in the performance agreement.

When the planning project is complete, the grantee must submit a copy of the plan completed under the performance agreement and an itemized list of equipment and the incurred costs for items associated with the planning and detailed in the performance agreement.

Reasonable planning costs itemized may include, but are not limited to, costs associated with:

- (1) Consulting fees, including design and engineering;
- (2) Load analysis;
- (3) Siting, excluding property acquisition;
- (4) Ensuring code compliance;
- (5) Interconnection studies;
- (6) Transmission studies; and
- (7) Other expenditures, summarized by purpose.

The grant may not be used to cover any fixed costs the applicant would incur in the applicant's normal course of business such as existing staff salaries or overhead costs.

4.2 Amendments

Performance agreements may be amended only as provided under [OAR 330-250-0140](#). The grantee must submit a written amendment request to the director to amend a performance agreement. Prior to approval of an amendment, the grantee must demonstrate that the planning project with the proposed change will continue to meet the requirements in statute, rule, and the opportunity announcement, as well as continuing to be technically feasible. The grantee has the responsibility to provide complete technical documentation that will support a case for the proposed amendment. Department may accept or deny amendments in its sole discretion without justification or documentation.

The Department will evaluate amendments to determine if the change would have affected the outcome of the competitive review, which may result in pro-rating the award amount or denial of the amendment request. Amendment request will not result in an increased award amount, even if the project costs increase.

4.3 Disbursing Grant Award

Once a performance agreement is executed, up to 30 percent of the grant funds may be released to be spent on eligible planning costs. The remaining grant funds will be released upon completion of the planning and receipt of the reporting requirements.

If the requested grant is for planning a community renewable energy project and the grant amount is up to 100 percent of the planning costs associated with the project, the final distribution amount may be reduced based on the CPA verification letter required in the final report as specified in the Performance Agreement.

4.4 Inspection & Audit

The Department reserves the right to audit all documentation relating to the planning project in a performance agreement.

Section 5: Additional Information

5.1 Public Information, Confidentiality

The State of Oregon's Public Records Law (ORS 192.311 through 192.478) applies to filings and applications submitted to the Department. The law states every person has a right to inspect any public record of a public body, subject to certain exceptions. Applications are public records, and the Department may be required by law to disclose information in the application to the public on request. An applicant may request confidentiality of certain information in its application by marking the information confidential. Marking information does not guarantee that it will be kept confidential, however, and the Department will make any decisions regarding public disclosure of information contained in this application in accordance with Oregon Public Records Law.

Grant funding from the state of Oregon may be reported on [Oregon Transparency](#), a state agency tool available for Oregonians to learn about how state government works, taxes are used, and more. The data and information on this website are provided to users for general knowledge and information. It excludes data and information that is confidential, protected, or private under state and federal laws, and is unaudited.

The Department may publicly announce awarded grantees under this program. The public announcement may include but is not limited to: the system owner's name, partner's names, type of project and/or description, location of project, size of the project, total cost of the project, and the awarded grant amount.

5.2 Reservation of Department Rights

The Department reserves all rights regarding this opportunity announcement, including, without limitation, the right to:

1. Amend, delay, or cancel the opportunity announcement without liability if the Department finds it is in the best interest of the State of Oregon to do so;

2. Not consider any or all applications received upon finding that it is in the best interest of the State of Oregon to do so;
3. Deem incomplete any application that fails to comply with all prescribed opportunity announcement procedures and requirements; and
4. Allocate a grant amount less than the amount requested by applicant, at its discretion.

5.3 No Obligation

The Department is not obligated as a result of the submission or acceptance of an application to award a grant to an applicant.

5.4 Sunset Information

If awarded, a grant applicant's performance agreement will outline the timeframe required to receive the grant award. In general, CREP planning grant performance agreements provide six months from the date of the agreement for the applicant to complete the project. Extensions to the final completion period may be granted for a reasonable time frame at the sole discretion of the Department, but in any event only if good cause to extend the deadline is demonstrated.