



*National Association of
State Energy Officials*

NASEO Rural Energy Working Group Webinar: Building Capacity and Investing in Rural Communities



January 14, 2025

Rural Energy

Home > Issues > Rural Energy

Navigating and addressing rural and remote energy issues is a key priority for State Energy Offices as they seek to advance their states' energy affordability, resiliency, reliability, decarbonization, and economic development goals. Specific topics of interest include the energy-agriculture nexus, clean energy project and infrastructure siting, economic development and workforce opportunities, community engagement, energy program and project development, and partnerships with other state agencies, the federal government, and the private sector. To identify and address these areas, State Energy Offices are setting up programs targeting rural and remote communities, establishing advisory task forces and committees, conducting feasibility studies, and bringing on staff to facilitate energy outreach. The recent influx of federal funding has also provided additional pathways for states to support rural and remote communities in addressing their energy needs.



NASEO Rural Energy Working
Group



Energizing Rural Communities
Prize



Resources

NASEO Requests for Information

- Agrivoltaics
 - NASEO is developing a Program-in-a-Box to compile examples of state programs and policies supporting agrivoltaics. Please reach out to Jasmine Xie (jxie@naseo.org) if you have a program example that you would like highlighted.
- Tribal Engagement
 - NASEO is looking to gather examples of how State and Territory Energy Offices are engaging with Tribal Nations on energy-related policies, programs, and plans to help inform future webinars and resources on this topic. Please reach out to Kelsey Jones (kjones@naseo.org), if you have an example to share.

Funding Opportunities and Partner Events

- U.S. Department of Energy (DOE) Announces \$400M for FY25 Energy Improvements in Rural or Remote Areas (ERA) Program
 - Concept papers are due February 27, 2025, 5:00 p.m. ET, and are required to submit a full application.
 - The notice of funding opportunity can be found [here](#).
- DOE Geothermal Technologies Office Announces New Funding Opportunity for Regional Partnerships for Geothermal Data
 - State Energy Offices are eligible to apply.
 - An informational webinar will be held on January 27, 2025, 2:00 p.m. ET (register [here](#)).
 - More information can be found [here](#).
- SolSmart/Interstate Renewable Energy Council Webinar: Best Practices in Planning for Large-Scale Solar, January 23, 2025, 3:00 p.m. ET
 - Register [here](#).

Panelists

- Brooks Rumenik
 - Executive Director, Florida Department of Agriculture and Consumer Services' Office of Energy
- Christopher Caines
 - Director of Community, Climate United
- Luis Bernal-Jimenez
 - Deputy General Counsel, Appalachian Regional Commission



**CLIMATE
UNITED**

AGENDA

- **Who We Are**
- **The GGRF**
- **Qualified Projects**
- **Predevelopment Grant Program**

DISCLAIMER:

The information contained in this presentation and the topics discussed today are based on our current knowledge of the program parameters. We are continually receiving updated guidance, so all information is subject to change. This presentation should not be taken as legal or regulatory advice and you should consult with your own counsel before entering into any transaction. Thank you for your patience as we digest, translate, and disseminate new information as it becomes available.



Who We Are



Introducing Climate United, a collaboration of experienced mission-driven lenders and investors dedicated to bringing clean energy solutions to communities across the country.



A PARTNERSHIP OF:



The GGRF



THE GREENHOUSE GAS REDUCTION FUND INCLUDES THREE MAIN GRANT COMPETITIONS

National Clean Investment Fund

\$14 BILLION
3 AWARDEES

- Focused on providing financial assistance to aid in the development and deployment of Qualified Projects
- Prioritizing scaled deployment, continued operability, and market transformation

Clean Communities Investment Accelerator

\$6 BILLION
5 AWARDEES

- Focused on providing grant capital to support local project development
- Prioritizing seeding the market across geographies to enable and develop qualified projects

Solar for All

\$7 BILLION
60 AWARDEES

- Focused on funding rooftop solar in disadvantaged communities ("Solar for All" programs) with/through state and local governments

THE NATIONAL CLEAN INVESTMENT FUND

PROGRAM REQUIREMENTS

- At least 40 percent of investments must be made in LIDAC
- All dollars must be used to support or finance Qualified Projects
- Majority of funds must go into projects as financial assistance (anything BUT grants)
- Financing can be direct to project or through or alongside a Community Lender

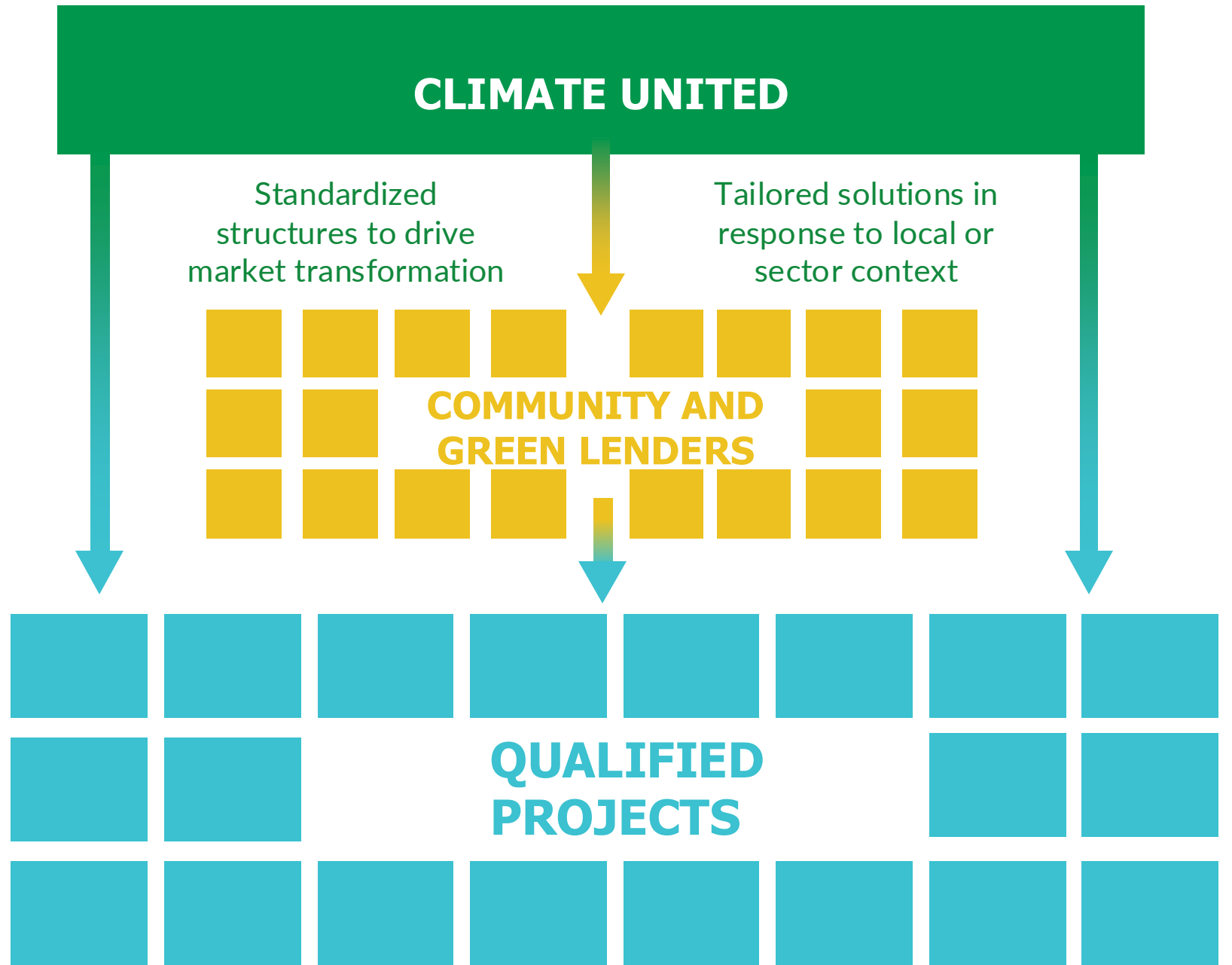
RECIPIENTS

- **Climate United** (Calvert Impact, CPC, Self-Help)
- **Coalition for Green Capital**
- **Power Forward Communities** (Enterprise, LISC, Rewiring America, Habitat for Humanity, United Way)

CLIMATE UNITED DEPLOYMENT GOALS

- 60% in LIDAC
- 20% in Rural Communities
- 10% in Tribal Communities

Funds will flow to ~~Qualified Project~~ directly and through or alongside **Community Lenders**



Qualified Projects



THE PROGRAM IS DESIGNED TO INVEST IN QUALIFIED PROJECTS ACROSS THREE PRIORITY CATEGORIES

QUALIFIED PROJECTS

- ✓ Reduces GHG emissions
- ✓ Reduces or avoids emissions of other air pollutants
- ✓ Delivers additional benefits to American communities
- ✓ Finances a project that may not otherwise have been financed
- ✓ Mobilizes private capital
- ✓ Supports only commercial technologies

PRIORITY CATEGORIES

- ✓ Distributed energy generation and storage (typically from 1 kW to 10,000 kW)
- ✓ Net-zero emissions buildings
- ✓ Zero-emissions transportation

CLIMATE UNITED'S STRATEGY WAS DEVELOPED AROUND FOUR CORE OUTCOMES



A HEALTHIER PLANET AND POPULATION

- Reduction of GHG emissions and other energy-related pollutants
- Improved indoor and outdoor air quality, particularly in communities with the highest levels of air pollution
- Increase in affordable and sustainable housing



AN AMERICAN-BUILT GREEN ECONOMY

- Creation of quality jobs (with a priority for union jobs) from those who make and distribute clean technologies
- Demand for clean technologies manufactured and distributed in America
- Growth for small businesses, particularly those owned by Socially and Economically Disadvantaged Individuals



EXPANDED ECONOMIC OPPORTUNITY

- Savings for American households, small businesses, and nonprofits, including the elimination or significant reduction of energy costs as a volatile budget expense
- Green homeownership and wealth creation for American families



INCLUSIVE & TRANSFORMED CAPITAL MARKETS

- Direct and indirect mobilization of private capital
- Adoption of net-zero building standards in the commercial and residential mortgage-backed securities and public finance markets
- Community-informed policy recommendations based on successful investments that can further animate the market and drive significant future investment

DEAL EXAMPLE: SCENIC HILL SOLAR

- \$31.8 million pre-construction loan to enable the development of 66 MW of solar power plants across 18 sites in Arkansas. The power generated by these solar projects will be used by the University of Arkansas to lower their energy bills.
- This pre-construction loan allows Scenic Hill to begin the interconnection process with utilities, secure American made equipment, and acquire land.
- In tandem, the UA System has launched educational and workforce development initiatives in renewable energy construction and electric vehicle (EV) repair to expose students to these growing sectors.
- Climate United Fund helped Scenic Hill Solar overcome traditional lending barriers to quickly provide tailored financing. Without Climate United Fund's investment, this project would have struggled to break ground due to its technical requirements and upcoming changes to net metering in Arkansas. Climate United Fund and Scenic Hill Solar worked together to navigate these barriers and develop a flexible financing solution that met the unique needs of the project and its partners.



Predevelopment Grant Program



NEXT PREDEVELOPMENT GRANT PROGRAM



Climate United NEXT

Helping deploy the next generation of community clean energy projects

- Applications open
November 19 - January 24
- Award sizes up to \$300,000
- Initial round will fund organizations supporting Native Communities and projects.

NEXT PREDEVELOPMENT GRANT PROGRAM

ALLOWABLE USE OF PROCEEDS

- Feasibility studies
- Environmental impact studies
- Hiring consultants for project planning
- Community Engagement and planning
- Similar Pre-Development Activities

ELIGIBILITY

- Applicants must be a nonprofit organization, state or local government entity, Indian tribe, or Institution of Higher Education
- Must be in early stages for a qualified project that you are hoping would be financed by Climate United or one of our partners

MORE INFO

WEBSITE: <https://weareclimateunited.org/>

GENERAL EMAIL:

community@climateunited.org

STAFF EMAIL: ccaines@climateunited.org

If you don't know where to start, submit intake form to join our newsletter and learn more:

<https://weareclimateunited.org/work-with-us>

INITIAL AREAS OF FOCUS

Direct lending and credit enhancement



Initial focus on standardized products and structured solutions in sectors or approaches where we have more clarity from current guidance

Loans to Community Lenders & Transaction Partners



Subject to federal flow-down requirements as subawardees; more guidance to come on description of requirements

Loan purchases & participations



Must be competitively procured because of treatment as “contracts”; more guidance on RFP process to come

COALITION PARTNERS

ORGANIZATIONAL SUMMARY

RAISED AND MANAGED >\$5B IN CAPITAL

EXISTING GREEN INVESTMENT PROGRAMS

MANAGED PUBLIC-PRIVATE PARTNERSHIPS

NATIONAL DEPLOYMENT FOOTPRINT



Global nonprofit investment firm with a 28-year track record driving financial, social, and environmental returns



The nation's leading nonprofit affordable housing and community revitalization finance company founded in 1974



National nonprofit leader providing financing, support, consumer financial services, and advocacy for those left out of the economic mainstream since 1980





CLIMATE UNITED

Investing in people and communities to build a clean energy economy that works for every American

FOCUS AREAS



3 GREEN SECTORS

- Green Homes & Buildings
- Distributed Energy Generation & Storage
- Electric Vehicles



7 INITIAL MARKET SEGMENTS

- Consumer & single-family
- Multifamily housing
- Community facilities
- Small businesses and farms
- Schools
- Community & Community-based solar
- EVs and infrastructure



3 PRIMARY DEPLOYMENT APPROACHES

- Loan to community lenders
- Direct investments into Qualified Projects
- Standardized products

NEXT PREDEVELOPMENT GRANT PROGRAM

EXAMPLE PROJECTS

- Community Solar
- Building Renovations
- EV charging infrastructure
- Energy efficiency weatherization
- Green affordable housing

MORE INFO

Website: <https://weareclimateunited.org/next-program>

Email: community@climateunited.org

Deadline: January 24, 2025



Appalachian Regional Commission Expanding Rural Energy Access

Appalachian Regional Commission



- Created in 1965
- Federal, state and local government partnership
- 13 states
- 423 counties
- 206,000 square miles
- 26 million people
- 74 local development districts

ARC's Investment Priorities



Building Appalachian Businesses



Building Appalachia's Workforce Ecosystem



Building Appalachia's Infrastructure



Building Regional Tourism and Culture



Building Community Leaders and Capacity

Basic Eligibility Requirements

Eligible Grantees include:

- Local development districts (LDDs)
- Indian Tribes or a consortium of Indian Tribes
- States, counties, cities, or other political subdivisions
- Institutions of higher education
- Public or private nonprofit organizations or associations

Eligible Projects must:

- Target counties within the Appalachian Region as indicated by the Appalachian Development Act of 1965

OMB Regulations:

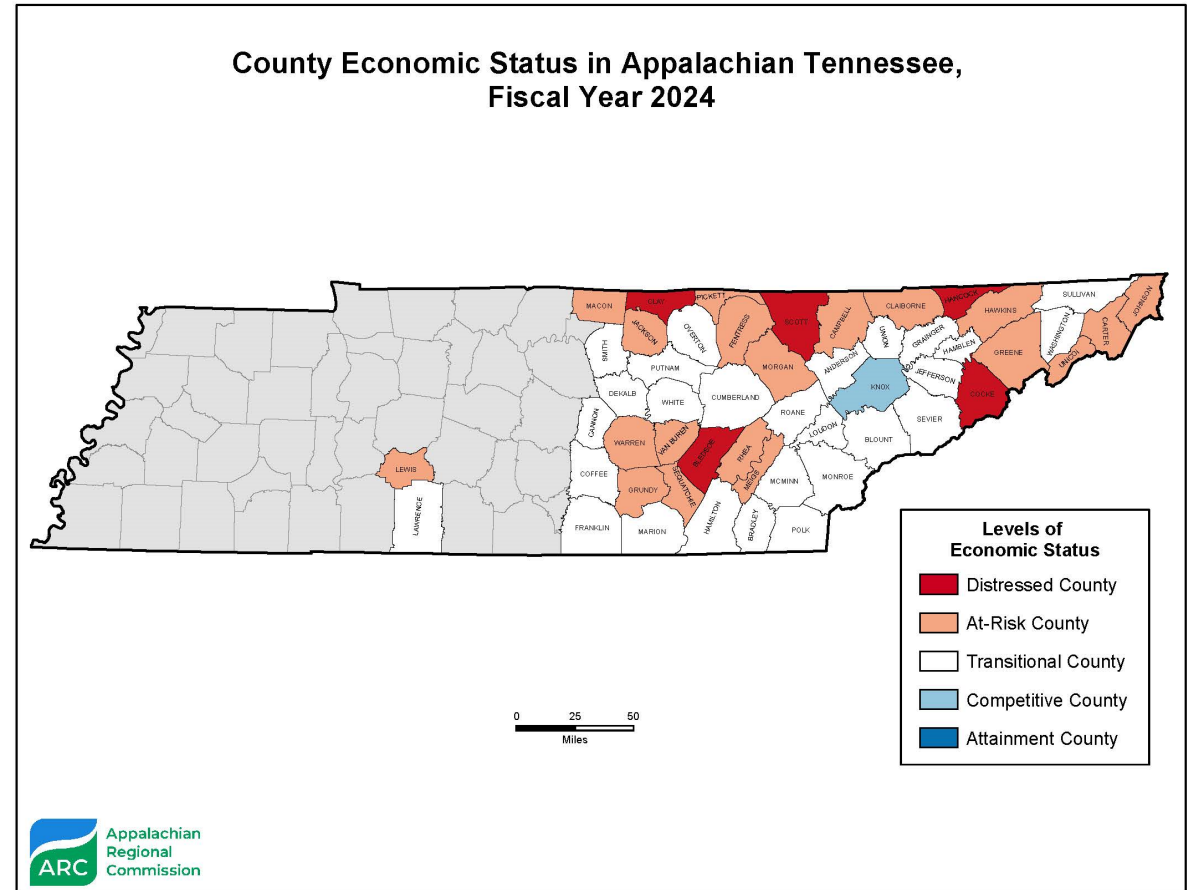
- Title 2 of the Code of Federal Regulations (CFR), Part 200 (“2 CFR Part 200”)

And, of course, match

Match Requirements

ARC match rates are determined by county economic status designations:

| County Designation | Max ARC | Min Match |
|--------------------|---------|-----------|
| Distressed | 80% | 20% |
| At-Risk | 70% | 30% |
| Transitional | 50% | 50% |
| Competitive | 30% | 70% |
| Attainment | 0% | 100% |



ARC State Programs

Find State Specific Program Information including **Development Plans, Strategy Statements, and Contact Information** on ARC's Website <https://www.arc.gov/appalachian-states/> and https://www.arc.gov/state_partner_role/state-program-manager/

Appalachian States

The Appalachian Region includes 423 counties across 13 states. As part of ARC's unique structure, every investment is made in partnership with state leadership. This enables flexible community- and state-driven project development as well as opportunities to advance regional initiatives and model practices.

Learn more about the ARC program in each state, including contact information, state-specific stats, ARC impact data, state strategies and more.



Alabama



Georgia



Kentucky



Maryland



Mississippi



New York

ARC State Program Managers

Alabama: Crystal Talley
crystal.talley@adeca.alabama.gov

Georgia: Annaka Woodruff
annaka.woodruff@dca.ga.gov

Georgia: Brittany Pittman
brittany.pittman@dca.ga.gov

Kentucky: Scott Sharp
scott.sharp@ky.gov

Maryland: David Cotton
david.cotton@maryland.gov

Mississippi: Andrea Rose
arose@mississippi.org

New York: Kyle Wilber
kyle.wilber@dos.ny.gov

North Carolina: Olivia Collier
ocollier@commerce.nc.gov

Ohio: Julia Hinton
julia.hinten@development.ohio.gov

Pennsylvania: Jennifer Lench
jlench@pa.gov

South Carolina: Ty Robinson
trobenson@sccommerce.com

Tennessee: Jill White
Jill.White@tn.gov

Virginia: Tamarah Holmes
tamarah.holmes@dhcd.virginia.gov

West Virginia: James Bush
James.E.Bush@wv.gov

Energy Projects: Primary Funding Programs and Initiatives



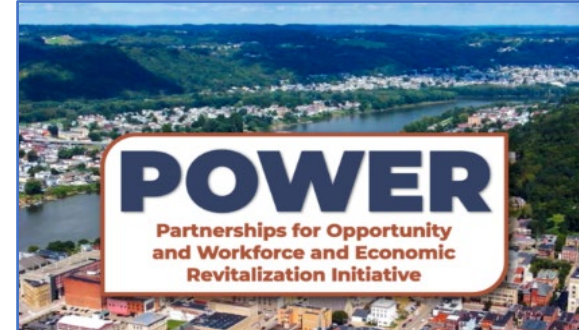
Area Development Program

ARC's Area Development program empowers Appalachian communities to work with their state governments to design impactful projects that will strengthen infrastructure, businesses, the workforce, and more.



Appalachian Regional Initiative for Stronger Economies

Through ARISE, ARC aims to drive large-scale, regional economic transformation through multi-state collaborative projects across Appalachia.



Partnerships for Opportunity and Workforce and Economic Revitalization Initiative

ARC's POWER Initiative targets federal resources to communities affected by job losses in coal mining, coal power plant operations, and coal-related supply chain industries.



Appalachian Regional Energy Hub Initiative

For a complete list of ARC's grant programs, see <https://www.arc.gov/grants-and-opportunities/>

Examples of Eligible Energy Project Activities

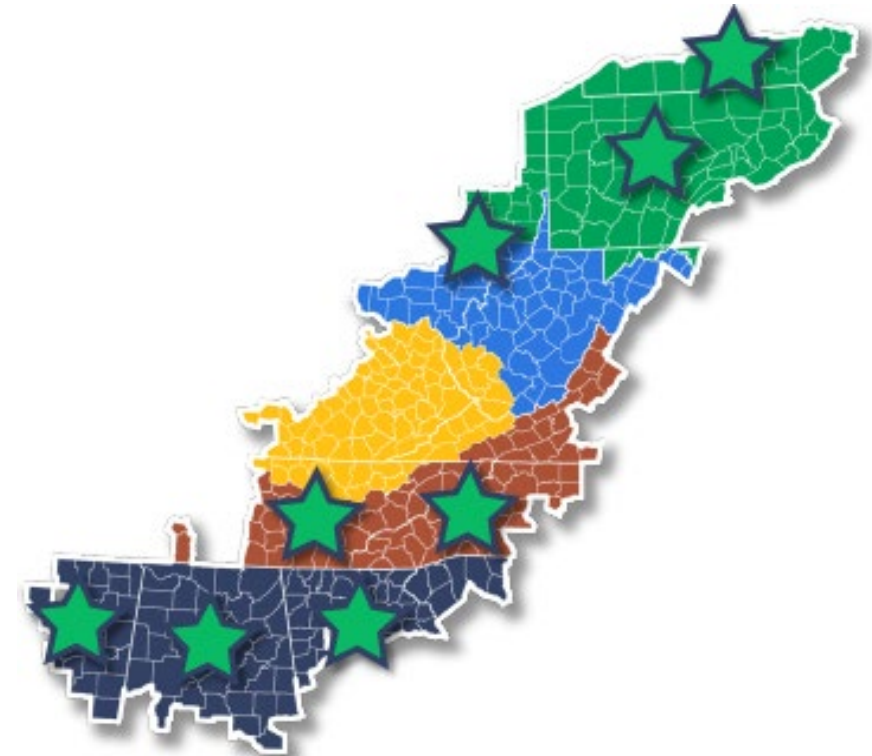
- Basic **infrastructure**
 - Electric and natural gas
- Utility-scale **energy storage**
- **Renewable and alternative** energy technologies
- **Microgrids and smart grid technologies**
- **Workforce training** programs in green technologies
- **EV charging stations**
- Activities related to **hydrogen from SMR**
- **Research, planning, and other key analysis** activities to support energy project implementation
- Conduct **research** regarding economic impact of **ethane energy storage hub** in the region.

Appalachian Region Community-Owned Grid Resilient Infrastructure Project (ARCO-GRIP)

The Beneficial Electrification League (BEL) will use \$4.5 million in ARISE funding to **modernize electric utility grid infrastructure** across 279 counties in eight states.

Working collaboratively with 32 electric cooperatives and municipal electric utility companies, BEL will **expand a multistate technical assistance network** and **accelerate the adoption of advanced electric utility grid technologies and infrastructure**.

BEL brings \$3.6 million in match to this project. The project is expected to improve 32 businesses during the 5-year performance period.



Appalachian Solar Finance Fund (SFF)

With the support of a \$1.5 million POWER award, **Appalachian Voices, Inc.** and its partners will establish and implement the **Appalachian Solar Finance Fund (SFF)** and provide funding and technical assistance to launch 64 solar installations.

It is anticipated that this project will serve 64 businesses and 45 communities, produce a plan/report, and increase energy capacity by 4,900 Kilowatts. Additionally, the project will create 282 jobs, retain 250 jobs, create three new businesses, improve businesses, improve 45 communities, produce \$5.4 million in energy savings and \$7.9 million in private investment.

Building the Battery Belt in Appalachian North Carolina

Area Development, \$3 million ARC Funding

Blue Ridge Mountain Electric Membership Corporation (BRMEMC) plans to deploy up to 1.4 MW and 5.6 MWh of **utility-scale, non-lithium, domestically sourced batteries** with microgrid controllers at the Ranger Substation in Cherokee County, North Carolina. This substation also serves Fannin County, Georgia.

Total Project Cost: \$5 million, including \$2 million funded with direct pay investment tax credits (ITCs) through IRS

Project Results: in \$2.7 million of total cost savings; 5,889 households improved; and 1,349 businesses improved.

The \$2.7 million of total cost savings includes \$700,000 in reduced demand charges that shield customers from rate increases as well as \$2 million in reduced customer damage claims from outages.

Technical Assistance Resources and Upcoming Events



- ARC's Current Strategic Plan <https://www.arc.gov/wp-content/uploads/2022/01/Appalachia-Envisioned-ARC-Strategic-Plan-FY-2022-2026.pdf>
- ARC Energy Infrastructure Projects and Direct Pay Tax Credits – Play list: https://www.youtube.com/watch?v=_shBRPpVCr0&list=PLRQ_a3uhWX_socTLT0c22cXWdUWS2QDo9
- ARC Application Guidance by Project Type (see Energy Projects) <https://www.arc.gov/resource/application-guidance-by-project-type/>
- Regional **Getting the Grant** Workshops
 - January 30 Charleston, WV
 - February 4 Cartersville, GA
 - February 6 Ithaca, NY

Register here! <https://arc.gov/event/getting-the-grant-2025/>

Connect with ARC



twitter.com/ARCgov



facebook.com/ARC.gov



instagram.com/ARCgov



linkedin.com/company/appalachian-regional-commission



In the Region

arc.gov/newsletter-signup