

# Preparing for Federal Energy Efficiency Funding

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## Understanding Federal Energy Efficiency Funding Avenues

The U.S. Department of Energy (DOE) has historically distributed energy efficiency funding through three key avenues:

- Via state agencies
- Via local governments
- Directly, via competitive solicitations

### What Is Not Covered In This Guide

At the time of publication, several other clean energy mechanisms and programs which may result in funding for energy efficiency are being contemplated, such as the Clean Electricity Payments Program. This guide does not address those pathways.

This guide does not cover potential funding distributed by other federal agencies (i.e. USDA, HUD, etc.) to support energy efficiency activities.

Finally, significant energy efficiency funding is expected to be delivered via tax credits. Building on the model established by the child tax credit, many are advocating for these tax credits to be refundable, which would make them accessible to a greater population. This guide will not address access to tax credits. More information on energy efficiency tax credits can be found at the Database of State Incentives for Renewables and Efficiency (DSIRE, <https://www.dsireusa.org>)

### U.S. Department of Energy (DOE)

The following describes how DOE has historically distributed energy efficiency funding. It includes the direct recipient type and program mechanism.

- [State energy offices](#) or governor-appointed agency
  - Program Examples
    - [State Energy Program \(SEP\)](#)
      - Formula funds
        - Funds from the overall amount Congress appropriates is allocated to states, tribes, and territories in accordance with an established formula. During the American Recovery and Reinvestment Act, this amount was \$3.2 billion; during recent years, total annual funding for SEP has been ~\$50 million.
        - State energy offices submit an annual program plan ([State Energy Program Guidance](#) – see the most recent program guidance) indicating how they intend to allocate the funding.

States can but are not required to conduct stakeholder engagement or outreach.

- Competitive awards
  - DOE may choose to apportion a percentage of overall SEP appropriations for competitive awards focusing on specific issues. State energy offices must be the primary applicant but may partner with, and subgrant funding to, eligible partner organizations.
- [HOPE for HOMES](#) (proposed)
  - Championed by the Building Performance Association, this home energy efficiency program is designed to be delivered by state energy offices.
- [Appliance Rebate](#)
  - The appliance rebate program was most recently utilized during the American Recovery and Reinvestment Act (and has not received appropriations since). It is widely considered a strong candidate for inclusion in proposed federal energy efficiency funding efforts.
- [Weatherization Assistance Program](#)
  - This program is likely to receive additional funding to support weatherization of more homes and minor program changes that may allow for limited funds to be spent on solar photovoltaics on homes served by the program.
- Local Governments
  - Larger local governments receive direct funding from DOE (generally cities over 35,000 or 50,000, depending on [DOE criteria](#))
  - Smaller local governments apply for funding distributed by state energy office or governor appointed agency.
    - Program Examples
      - [Energy Efficiency and Conservation Block Grant](#) (EECBG)
        - The EECBG provides local governments with financial resources that are similar to the State Energy Program. Within program guidelines, local government recipients have discretion on how to deploy funding.
- Direct to recipients, via competitive solicitation
  - Available via [Grants.gov](#)
  - Historically have been for specific DOE priorities and have had complex and time-consuming application processes.
  - Eligible applicants will vary based on solicitation but the following is from a recent Funding Opportunity Announcement and representative of eligible applicants (abbreviated for clarity).
    - *Individuals*
      - *U.S. citizens and lawful permanent residents are eligible to apply for funding as a prime recipient or subrecipient.*
    - *Domestic Entities*

- *For-profit entities, educational institutions, and nonprofits that are incorporated (or otherwise formed) under the laws of a particular state or territory of the United States and have a physical location for business operations in the United States are eligible to apply for funding as a prime recipient or subrecipient.*
- *Nonprofit organizations described in section 501(c)(4) of the Internal Revenue Code of 1986 that engaged in lobbying activities after December 31, 1995 are not eligible to apply for funding.*
- *State, local, and tribal government entities are eligible to apply for funding as a prime recipient or subrecipient.*

## Preparing for Applying for and Utilizing Federal Energy Efficiency Funding

The following is general guidance based on the author's experience and is not intended to be definitive. Interested parties should confer directly with relevant state or federal agencies for specific requirements.

### Determine Your Specific Interests

To determine which federal funding opportunities to pursue, it is important to be clear about your goals. This will enable both you and those assisting you to identify appropriate funding opportunities.

### Write Down Your Idea

A 1-2 page description of your energy efficiency activity, project or idea will position you to respond quickly as opportunities arise. Some key elements to consider:

- What is the need?
- Who and/or what will funding be used for?
- How will it save energy? How much?
- Who will it serve?
- How will you measure success?
- Who, if appropriate, will your partners be?
- How, if needed will you provide needed cost-share?

While not exhaustive, answers to these types of questions will help you and others assisting you to find relevant funding opportunities and accelerate your ability to develop a compelling application.

### Build Relationships with Potential Funders

As previously described, your state energy office and/or local government may receive funding that they will redistribute or allocate to subgrantees. Each agency will have different approaches to allocation.

Local governments may have sustainability or energy offices that may serve as useful contacts for these purposes.

- [List of state energy offices](#)

## Get Administratively Prepared

Administrative requirements vary based on the funding opportunity. However, most funding that originates with DOE will likely have pass-through requirements. An excerpt of a recent DOE Funding Opportunity Announcement is included in this guide to provide a sense of the types of information DOE requires for its applications.

- [Sample Administrative Preparation for U.S. Department of Energy Funding Opportunity Announcements](#)

Generally, primary applicants are required to provide the most detailed information, as they are mostly responsible for ensuring compliance with the terms of any award agreement. Subrecipients are generally required to provide less information and detail. Partners interested in accessing funding but have limited resources, staff, or capacity, may wish to partner with other entities.

## Develop Partnerships

Once a funding opportunity is announced, applicants generally have 30-60 days to prepare and submit an application, so there is unlikely to be enough time to develop needed partnerships once an opportunity is posted. By identifying partnerships in advance, potential applicants will be better positioned to rapidly compile and submit a successful application. [Note: there are many working with Congress who are advocating for programs to include more specific guidance and longer timelines for program design and development. Accordingly, there may be exceptions to this pattern.]

Partnership conversations can focus on a variety of issues including:

- Competencies
  - Delivery of energy efficiency requires a variety of skills; the right partnerships can bring together a collective that can achieve more than any of its individual members.
- Cost-share
  - Having partners enables different parties to contribute to cost-share whether through cash or in-kind contributions.
- Capacity
  - Partnerships, even among groups with similar skills can enable a project to reach or benefit more people and for applicants to pursue larger awards.
- Criteria
  - Occasionally applications will have requirements or award extra points for partners of certain types, or they may simply make an application more competitive.

## Sample Administrative Preparation for U.S. Department of Energy Funding Opportunity Announcements

**Author's note:** The following is an example of administrative preparation required for the DOE Funding Opportunity Announcement. Requirements may vary between announcements and prospective applicants should carefully review each FOA for specific instructions.

### Registration Requirements

There are several one-time actions you must complete in order to submit an application in response to this Announcement (e.g., obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number, register with EERE eXCHANGE.gov, register with the System for Award Management (SAM), register with Grants.gov, and, if selected for award, be registered in FedConnect). Applicants who are not registered with SAM and Grants.gov, should allow at least 44 days to complete these requirements. It is suggested that the process be started as soon as possible.

**Applicants must obtain a DUNS number (including the plus 4 extension, if applicable) from Dun and Bradstreet (D&B).**

DUNS website: <http://fedgov.dnb.com/webform>

**Applicants must register through the EERE eXCHANGE.**

EERE eXCHANGE website: <https://eere-exchange.energy.gov/>

**Applicants must register with the SAM.**

SAM website: <http://www.sam.gov/> NOTE: Designating an Electronic Business Point of Contact (EBiz POC) and obtaining a special password called an MPIN are important steps in SAM registration. More information about SAM registration for applicants is found at: [https://www.sam.gov/SAM/transcript/Quick\\_Guide\\_for\\_Grants\\_Registrations.pdf](https://www.sam.gov/SAM/transcript/Quick_Guide_for_Grants_Registrations.pdf).

**Applicants must register with Grants.gov.**

Grants.gov website: <http://grants.gov/>

Applicants must register with Grants.gov in order to receive automatic updates, in the event that Amendments to this FOA are posted. However, please note that applications will not be accepted through Grants.gov. More information about the registration steps for Grants.gov is provided at: <https://www.grants.gov/web/grants/applicants/registration.html>

**Applicants must register with FedConnect.**

FedConnect website: [www.fedconnect.net](http://www.fedconnect.net).

In the event that an application is selected for negotiation of award, Applicants must be registered with FedConnect to receive the award. For more information regarding registration with FedConnect review the FedConnect Ready, Set, Go! Guide at [https://www.fedconnect.net/FedConnect/Marketing/Documents/FedConnect\\_Ready\\_Set\\_Go.pdf](https://www.fedconnect.net/FedConnect/Marketing/Documents/FedConnect_Ready_Set_Go.pdf).

## Submission Requirements

All application submissions are to be made via the EERE eXCHANGE at <https://eere-exchange.energy.gov/>. To gain access to the EERE eXCHANGE system, the applicant must first register and create an account on the main EERE eXCHANGE site. This account will then allow the user to submit an application for open EERE Funding Opportunity Announcements (FOAs) that are currently in EERE Exchange. It is recommended that each organization or business unit, whether acting as a team or a single entity, utilize one account as the appropriate contact information for each submission.

Applicants will receive an automated response when the Application is received; this will serve as a confirmation of EERE receipt. Please do not reply to the automated response. A “User Guide” for the EERE eXCHANGE can be found on the EERE website at <https://eere-exchange.energy.gov/Manuals.aspx> after logging in to the system.

To receive notices via email regarding an FOA in EERE Exchange, such as amendments to the announcement or the posting of new questions and answers from eXCHANGE you must initiate an application submission to the FOA of interest. Please note that you must finalize and submit your application before the specified due date and time to be considered for award.

## Questions

Questions related to the use of the EERE eXCHANGE website or technical issues concerning the application submittal should be submitted to: [EERE-ExchangeSupport@hq.doe.gov](mailto:EERE-ExchangeSupport@hq.doe.gov).

Questions related to the content of the Funding Opportunity Announcement must be submitted to: DE-FOA-0002196@netl.doe.gov and shall be submitted not later than three (3) business days prior to the application due date and time. Questions submitted after that date may not allow the Government sufficient time to respond.

All questions and answers related to the content of this FOA will be posted at <https://eere-exchange.energy.gov/FAQ.aspx>. Applicants are encouraged to check the FAQ prior to submitting a question. DOE will try to respond to questions within 5 business days.

Applicants are encouraged to review the posted questions and answers daily. Please note that you must first select this FOA Number in order to view the questions and answers specific to this FOA.