

Funding Renewable Energy Projects on Tribal Lands

PRESENTED BY:

Josh Simmons

Principal Consultant / Attorney

www.Prospersustainably.com

February 4, 2016



Tribal Renewable Energy Projects

- **Chumash Community Energy Program**
 - Tribal Hall & Health Clinic Solar PV - 56 kW DC System
 - 20 Residential Solar PV Installations
 - Including Solarize Santa Ynez Valley partnership
 - Solar Installation Training Programs for ~40 trainees
 - Grid Alternatives partnership
 - Investigation of solar for Chumash Casino Resort
 - Solar Thermal for Domestic Hot Water at Casino
 - Solar PV for electricity → did not proceed
- **Tribal Green Home Project / Solar Decathlon investigation**
- **DOE Grant Funding for Pala Fire Department Solar**
 - Secured for \$217,305 (~50%) for a 94.8 kW DC System
- **Solar Thermal for Community Pool Heating**



Tribal Solar Project Considerations

➤ Tax Exempt Advantages and Disadvantages

- Tribes are exempt from State sales tax (if certain requirements are met)
- Tribes are ineligible for federal and state tax-based incentives
 - 30% Investment Tax Credit (ITC) / Production Tax Credit (PTC), Depreciation
 - IRS Ruling 201310001 (3/8/2013) - Tribe may elect to pass investment credits associated with renewable energy assets to an unrelated third party lessee
 - ❖ <http://www.irs.gov/pub/irs-wd/1310001.pdf>
- Grid Tied Systems: should be eligible for utility incentives (if available)
- Individual taxpaying tribal members are eligible for Federal ITC

➤ Code and Permitting Requirements – Tribal Law

- Advisable to require compliance with acceptable standards

Tribal Solar Project Considerations

- **Types of Solar Projects**
 - **Grid Tied – Net Metering**
 - **Grid Tied – Electricity Sold to Utility**
 - **Off Grid – Battery System (expensive)**
- **Obtain at least 3 bids from different companies**
 - **Compare cost per watt (both DC and AC)**
 - **Compare annual energy production in kWh**
 - **Require solar contractors (bidders) to use the same calculation method**
- **Investigate Solar Thermal - Domestic Hot Water, Pool Heating**
 - **Especially in California = CSI rebate may still be significant**

Tribal Solar Project Considerations

- **Options for Ownership, Funding, Financing**
 - **Tribally Owned, Funded** – probably not cost-effective
 - **Power Purchase Agreement (PPA)** – 3rd party owns
 - Options to purchase once tax benefits are exhausted
 - **Land Lease** – with or without purchasing energy
 - **Tribally Owned and Leased** – see IRS ruling
 - **Grant funding** such as DOE Tribal Energy Program
- **Identify and Pursue Available Incentives**
 - **Database of State Incentives for Renewables & Efficiency**
 - Includes Federal incentive programs
 - <http://www.dsireusa.org/>

Pala DOE Grant Proposal

- **DOE Grant Funding for Pala Fire Department Solar**
 - Secured for \$217,305 (~50%) for a 94.8 kW DC System



Tribal Renewable Energy Potential Funding Sources

- **Department of Energy**
 - **Tribal Energy Program / Office of Indian Energy**
 - http://apps1.eere.energy.gov/tribalenergy/related_opportunities.cfm
 - <http://energy.gov/indianenergy/office-indian-energy-policy-and-programs>
- **Bureau of Indian Affairs**
 - **Tribal Energy and Mineral Resources**
 - **Tribal Energy Development Capacity**
 - <http://www.bia.gov/WhoWeAre/AS-IA/IEED/DEMD/>
- **U.S. Department of Agriculture**
 - **Rural Energy for America Program**
 - <http://www.rd.usda.gov/programs-services/rural-energy-america-program-renewable-energy-systems-energy-efficiency>
- **U.S. Bureau of Reclamation**
 - **WaterSMART grants**
 - <http://www.usbr.gov/watersmart/grants.html>

Grant Proposal Preparation Steps for Tribal Energy Grants

- **Finding Grant Funding Opportunities**
- **Reviewing a Grant Funding Announcement / RFP**
- **Developing a Proposal Preparation Strategy**
- **Preparing Your Funding Application/Proposal**
- **Initial & Final Application Submissions**
- **Seeking Funder Feedback on Proposal**
- **Managing a Secured Grant**

Grant Proposal Preparation Steps

- **Finding Grant Funding Opportunities**
- **Reviewing a Grant Funding Announcement / RFP**

Understanding Funding Opportunities

- RFP = Request for Proposals
- FOA = Funding Opportunity Announcement

Example – FY14-15 DOE Tribal Energy Program FOA

Grant Announcement Review

WHAT IS A GRANT ANNOUNCEMENT REVIEW?

- Funding Opportunity Title & Identifiers
- Funding Opportunity Announcement Website Link(s)
- Eligible Organization(s) and Location(s)
- Eligible Activities
- Cost-Sharing / Match Requirements
- Application Deadline
- Application Submission Options
- Application Contact & Assistance
- Format Requirements

Grant Announcement Review

WHAT IS A GRANT ANNOUNCEMENT REVIEW?

- Funding Period (Length, Start, End)
- Available Funding
- Project/Proposal Requirements
- Required Proposal Components
- Project/Proposal Criteria
- List of Priority Tasks
- Additional Notes
- Questions
- Specific Project Ideas

Grant Announcement Review

WHY CONDUCT A GRANT ANNOUNCEMENT REVIEW?

- Extract most important information / Avoid missing critical information
- Determine whether to prepare a grant proposal
- Scan and summarize a potentially lengthy document
- Identify proposal requirements, components, and criteria
 - Create a proposal outline and checklist
- Develop a strategy for preparing a proposal
 - Determine what information needs to be gathered
 - Identify tasks that need to be started right away
 - Time sensitive tasks
 - Deliverables involving other people and organizations
 - ❖ Especially where signatures are needed
 - Allocate people, time, and other resources
- Identify proposal questions and who/how to ask

Grant Announcement Review

- **Grant Announcement Review Template**
- **Grant Announcement Review Example**

Grant Proposal Preparation Steps

- **Finding Grant Funding Opportunities**
- **Reviewing a Grant Funding Announcement / RFP**
- **Developing a Proposal Preparation Strategy**
 - **Example Grant Proposal Strategic Checklist**

Grant Proposal Preparation Steps

- **Finding Grant Funding Opportunities**
- **Reviewing a Grant Funding Announcement / RFP**
- **Developing a Proposal Preparation Strategy**
- **Preparing Your Funding Application/Proposal**
- **Initial & Final Application Submissions**
 - **Example Grant Application Submission**

Preparing Your Grant Proposal

General Advice

- Take time to review and plan
- Determine funding amount → general tasks and objectives → create budget → detailed work plan
- Separation of sections is not absolute
 - If asked to, reiterate same info in different sections
 - Better to repeat than leave a section blank
- Do not make assumptions
- Be concise

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Unsuccessful Applications

- Follow up
- Find out
 - Why proposal wasn't approved
 - What you could have done to improve
 - Is this opportunity recurring
- Can assist with future grants
- These are the best learning opportunities
- **RECOMMENDATION: Follow-up with successful proposals as well**

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Grants Mgmt – Project Performance

➤ Project Performance

- Completing tasks and objectives in a timely manner (in manner specified in proposal)
- Inform funder of delays or changed circumstances

➤ Guidance

- Review Grant Agreement
- Review guidance documents (if available)
 - May include RFP and announcement materials
- Talk to grant officer and other agency contacts

➤ Progress Reporting

Grants Mgmt - Financial

- **Proper Expenditures and Accounting**
- **Regulations and Guidance**
 - **40 CFR 31**
 - **OMB Circular 187**
 - **Contact Agency Grant Finance Officers**
 - **EPA National PETE Training**
 - www.petetribal.org
 - **FEMA Grants Management Tutorial**
 - www.firegrantsupport.com
 - **EPA Region 9**
 - www.epa.gov/region09/funding/managing.html



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Grants Mgmt - Financial

➤ Receipt of Funds

- Reimbursement requests (typical)
- Advances (not always allowable)

➤ Pre-Project Expenses

- May be allowable
- Need to request ahead of time

➤ Re-budgeting

- May be allowable if objectives don't change
- Need to request ahead of time

➤ Financial Reporting

- Forms and deadlines vary
- Refer to grant agreement

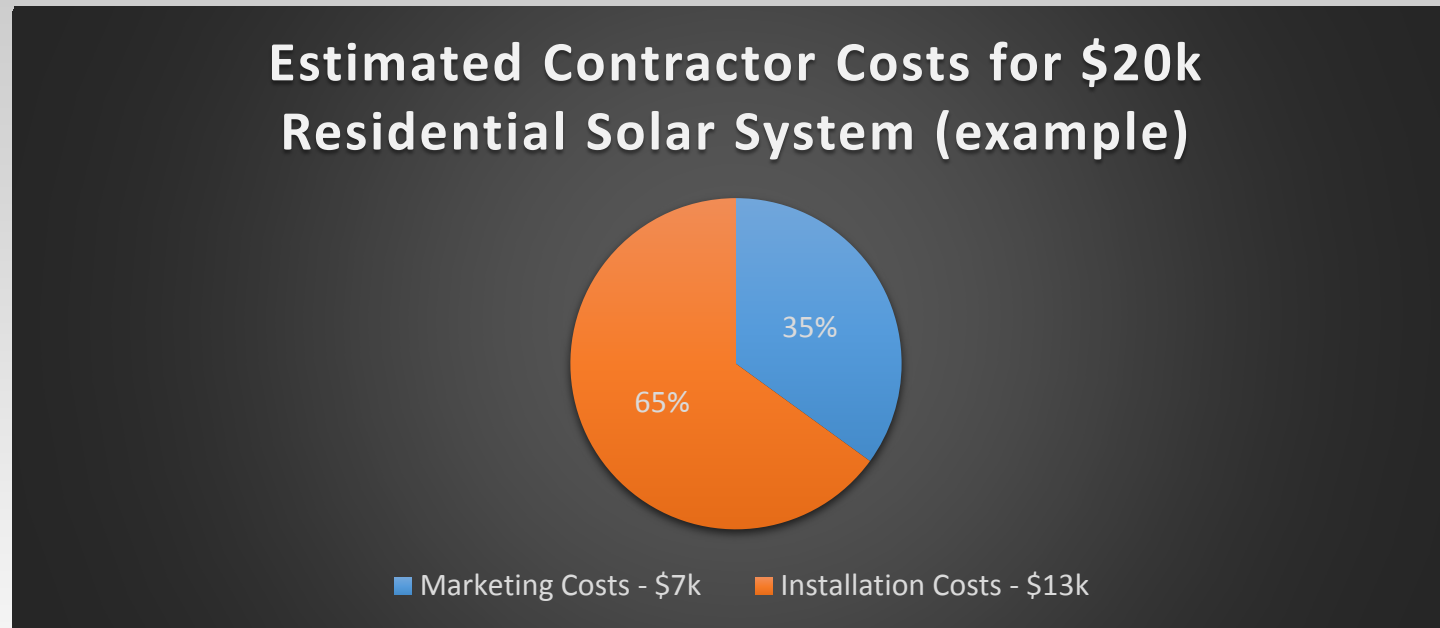
Tribal “Solarize” Model

Solarize Program = Group Solar Purchasing Program

Solarize Program Components:

- 1. Discounted Pricing for Residential Solar Installations**
- 2. Community Education & Outreach**
- 3. Competitively Selecting Solar Installers**
- 4. Limited Timeframe for Discount Offer**

Solarize Theory



- **Group purchasing can decrease marketing costs for installer**
- **Leverage group purchasing power to pass savings to customers**

Source: The Solarize Guidebook (NREL, May 2012)

<http://www.nrel.gov/docs/fy12osti/54738.pdf>

Solarize Benefits

- **Reduced Price of Solar for Customers**
 - As a result of reduced marketing cost for solar contractor
 - Contractors spend an estimated 20% - 35% on marketing per project
- **Group Negotiating Power/Leverage – Price, Features, Quality**
 - Contractors competing for solarize business
- **Consistent and Streamlined Solar Installation Process**
- **Possible Centralized Project Management Assistance**
 - Important to have knowledgeable and reliable program coordinator

Tribal Solarize Program Steps

- **Perform Residential Solar Research (preliminary, in-depth)**
 - Consider potential costs, benefits, incentives, savings, financing, contractors, codes, challenges, staffing, resources, options, etc.
- **Conduct Initial Outreach to Identify Community Interest**
 - Communicate preliminary research findings and request pre-enrollment
- **Define Solarize Program Service Area and Time Period**
- **Select/Hire Program Coordinator and/or Technical Consultant**
- **Develop and Implement Community Marketing Plan**
- **Develop and Implement Community Enrollment Process**

Tribal Solarize Program Steps

- **Prepare and Release Solar Installation Contractor RFP**
 - Define technology, schedule, service, warranty, and other conditions
 - Ensure unique tribal circumstances are considered and addressed
- **Review and Select Solar Installation Contractor(s)**
- **Coordinate and Monitor Participant Solar Installations**
 - Scheduling, Progress, Sales Tax Exemption, Building Code Compliance, Interconnection, etc.
- **Communicate and Celebrate Tribal Solarize Program Success**
- **Repeat/Replicate Solarize Program as Needed**

Solarize Information

- **The Solarize Guidebook (NREL, 2012)**
 - <http://www.nrel.gov/docs/fy12osti/54738.pdf>
- **Planning and Implementing a Solarize Initiative**
 - A Guide for State Program Managers (CESA, 2014)
 - <http://www.cesa.org/projects/new-england-solar-cost-reduction-partnership/resources/resource/planning-and-implementing-a-solarize-initiative-a-guide-for-state-program-managers>
- **Solar Request for Proposal Guide**
 - <http://go.conedsolutions.com/1/51452/2015-04-08/4xysf#.VjBBa9HluZO>

Thank You! Questions?

jsimmons@prospersustainably.com

(805) 694-8089 (office) / (805) 617-5685 (cell)

