



SCEP

STATE & COMMUNITY ENERGY PROGRAMS

Sustainable Energy Resources for Consumers (SERC) Grants and WAP Enhancement

Bipartisan Infrastructure Law (BIL)

January 2024



Agenda

- SERC Overview
- Application Process
- Review and Selection
- FAQ
- Resources



SERC Overview

SERC Overview

- When WAP appropriations exceed \$275M, the DOE Secretary may appropriate up to 2% to SERC projects.
 - Funding available via PY2022, PY2023 and now BIL
- Expands WAP for “materials, benefits, and renewable and domestic energy technologies not currently covered”
- SERC has four statutory priorities:
 - The project must benefit LMI energy consumers,
 - Have a potential for replication across the WAP network,
 - Impact on H&S and energy costs,
 - Include partnerships with other entities, including those that will contribute funds to support the project

Why Apply for a SERC Grant?

A SERC grant offers flexible expansion of the Weatherization Assistance Program with various benefits.

1

Install technologies without needing to meet SIR or ACPU requirements

3

Apply for the funds as a Subgrantee (Grantee certification required)

2

Install renewable energy systems that alleviate low-income household energy burdens

4

Fund technologies that expand the benefits of weatherization beyond what's typically funded by DOE

Funding Considerations

- SERC funds are **not subject to the average cost per unit (ACPU)** limits for weatherization jobs and renewable energy measures.
- Consider **keeping the ACPU for DOE SERC funds to \$20K or less.**
 - Total project could include braided funds and have a higher ACPU.
- SERC funded measures are **not subject to the cost effectiveness or savings to investment ratio (SIR) requirement** under 10 CFR 440.18.
- **Previously funded SERC projects ranged from \$500K - \$5M; however, there is no cap on funding requests.**

Technologies



Solar PV



Battery systems



Heat Pump Technologies



Energy Recovery Ventilation Systems



Water heaters – heat pump, tankless, solar, electric



Cool roofs



Innovative insulation technologies

Eligibility

- **Eligible Applicants**

- Existing WAP Grantees and Subgrantees (if the WAP Grantee certifies that they will include the Subgrantee SERC project in their administration, oversight, and monitoring of WAP).
- Direct Service WAP Grantees (e.g., U.S. Territories and Tribes)
- Funds must go to the Grantee who then contracts with existing Subgrantees.

- **Eligible Units**

- Technologies funded by SERC may be installed on homes previously weatherized, currently being weatherized, or those slated for weatherization in the future.
 - The 15-year re-weatherization rule does not apply to SERC funds.

Administration

- Period of Performance
 - The period of performance for BIL SERC funds will follow the BIL WAP awards, which are structured as a five-year budget period (7/1/22 – 6/30/27), with the opportunity to request an extended budget period, as detailed in WPN BIL 22-1.
- Reporting requirements
 - Reporting for the period of performance will align with the Federal Assistance Reporting Checklist (FARC) attached to the BIL WAP Grantee Assistance Agreement.
- Administration
 - Grantees will be responsible for all aspects of administration and oversight of these funds (e.g., monitoring, contracting with the Subgrantee, quarterly and annual reporting).

BIL-Specific Requirements

- Davis Bacon
 - BIL (*Section 41101 and 40552*) requires the payment of prevailing wages for work performed on multifamily buildings with not fewer than 5 units.
- Build America, Buy America (BABA)
 - Most projects addressed by WAP will not be subject to BABA requirements.
 - Only weatherization on public housing, or on privately owned buildings that serve a public function are required to comply with the BABA requirements.

Restricted Activities

- SERC funds are not permitted to be spent on loans, revolving loan funds, property-assessed clean energy programs, or other financing activities.
 - However, SERC funds may be leveraged/braided with financing programs.
- SERC funding is not to be used for Appendix A materials, benefits, and renewable and domestic energy technologies already covered by WAP funds.

Lessons Learned

- When developing a SERC project, consider the following suggestions:
 - Install SERC technologies at least one year after regular weatherization measures are installed to distinguish the energy impacts of SERC measures from the impacts of WAP measures.
 - Limit the options for allowable technologies within the SERC project to provide opportunities for more robust data collection per technology.
 - Limit the number of SERC technologies installed per home to allow for a more accurate assessment of costs and energy savings per technology

Source: [Assessment of the US Department of Energy's Sustainable Energy Resources for Consumers Grant Program](#), from Oak Ridge National Laboratory's (ORNL) assessment of the SERC grant program during the American Recovery and Reinvestment Act (ARRA).



Application Overview

Quick Facts

- SERC Application Memorandum 117 released November 1st, 2023.
 - Announces the opening of the application period.
 - \$70M BIL SERC funding available.
- Applications will be accepted through DOE's partner website, [PeerNet](#)
 - [PeerNet](#) instructions are attached to Memorandum 117.
- **The submission deadline is March 29, 2024, by 11:59 PM ET.**
 - This is a deadline extension of six weeks.

Application – Cover Page, Grantee Certification, Project Overview

- Cover Page – entered into PeerNet
- Grantee Certification – template uploaded into PeerNet
- Project Overview
- Technical Description and Impact
- Community Benefits Plan
- Project Management Plan
- Letters of Commitment

Application – Community Benefits Plan

- All applications must include a Community Benefits Plan addressing four core elements:
 - Community and labor engagement leading to support and partnerships.
 - Investing in job quality and workforce continuity.
 - Advancing diversity, equity, inclusion, and accessibility.
 - Contributing to the Justice40 Initiative goal that 40% of the overall climate and clean energy investments flow to disadvantaged communities.
- The Community Benefits Plan must use the Climate and Economic Justice Screen Tool (CEJST) to identify communities to meet Justice40 goals.
- The template in the application memo should be used as a foundation for the plan.

Application – Community Benefits Plan



APPENDIX 1.B. – COMMUNITY BENEFITS PLAN TEMPLATE

Community Benefits Plan
Control Number
[Recipient Organization Name]
[Project Title]
[Topic Area]

How to Use

The instructional red text is for reference only and may be removed in the final version of the Community Benefits Plan. If needed, supplemental guidance is available in Appendix D. Please complete the following sections, indicating at least one SMART milestone for each overarching category (Partnerships, DEIA, Justice40, and Workforce).

Notice of Restriction on Disclosure and Use of Data:

Pages [list applicable pages] of this document may contain confidential, proprietary, or privileged information that is exempt from public disclosure. Such information shall be used or disclosed only for evaluation purposes or in accordance with a financial assistance agreement between the submitter and the Government. The Government may use or disclose any information that is not appropriately marked or otherwise restricted, regardless of source.

The header and footer of every page that contains confidential, proprietary, or privileged information must be marked as follows: "Contains Confidential, Proprietary, or Privileged Information Exempt from Public Disclosure."

In addition, every line and paragraph containing proprietary, privileged, or trade secret information must be clearly marked with double brackets or highlighting.

Partnerships

Formal partnerships with other organizations and service providers can enhance outcomes for beneficiaries and workers.

1. Describe the organizations already engaged with you in a formal partnership.
Examples: local governments, Tribal governments, labor unions, social support organizations, community colleges, registered apprenticeship programs, or other workforce education and training organizations serving workers with barriers to quality training and employment.
2. Describe any formal agreements with any of the organizations described above that will enhance outcomes for beneficiaries and workers.

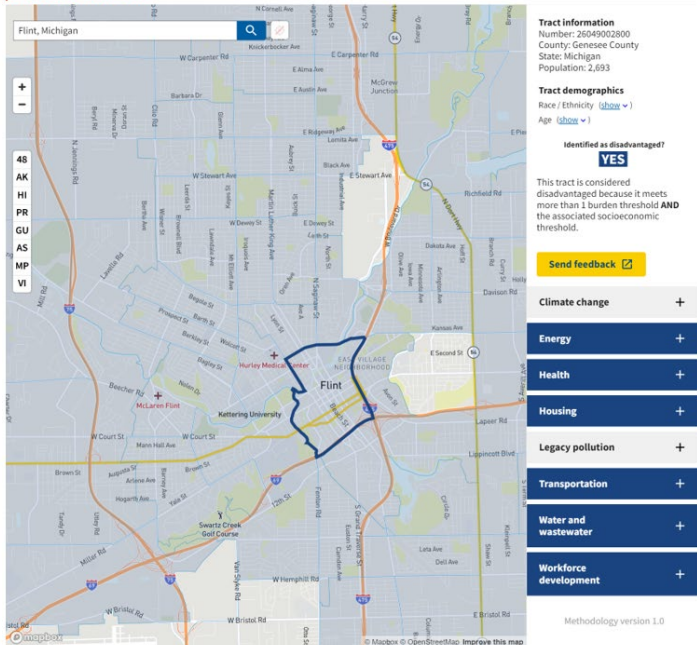
General Info

- Maximum 5 pages
- Required template
- Delete the red text after you have completed each section
- CBPs will look different depending on who is the primary implementer.
 - E.g. a State applicant will look different than a Subgrantee applying on behalf of the State.

Application – Community Benefits Plan

Justice40 Initiative

1. Attach a screenshot of the project area(s) using the Climate and Economic Justice Screening Tool (CEJST) to identify which disadvantaged communities fall in the anticipated project area. **Briefly describe the project area. An example screenshot is provided below.**

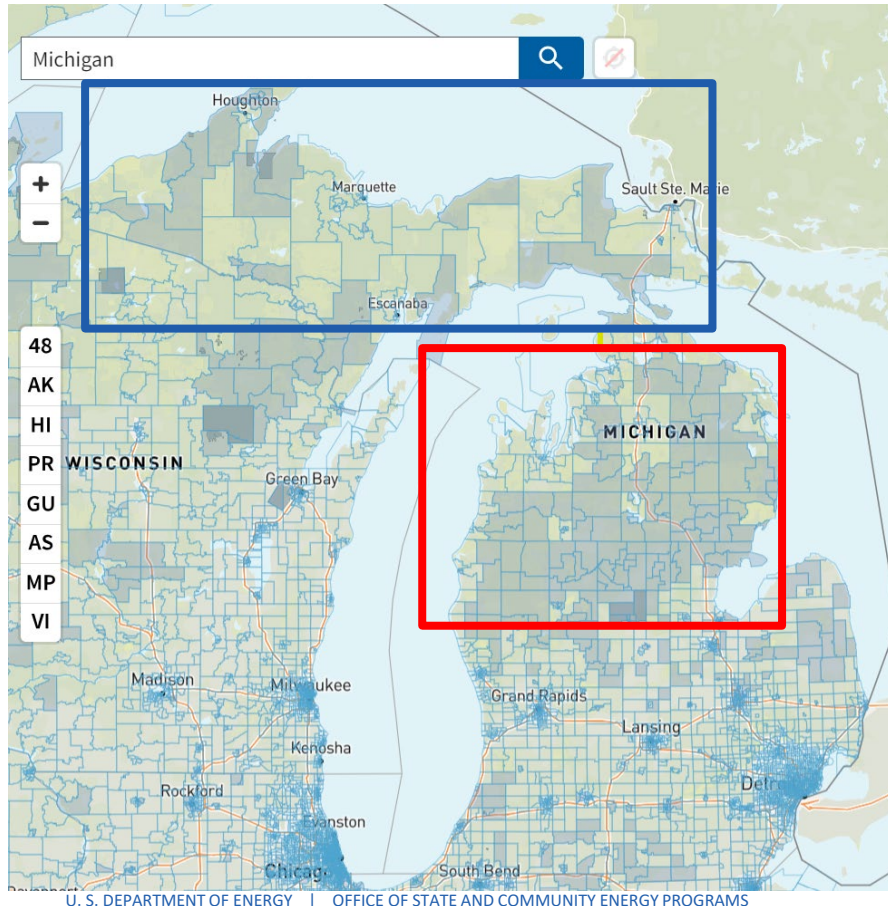


EXAMPLE DESCRIPTION: The project will focus on multifamily buildings in downtown Flint, Michigan, though workforce recruitment will take place in surrounding neighborhoods, most of which are identified as disadvantaged.

Justice40 Initiative

- Include a screenshot from the [Climate and Environmental Justice Screening Tool \(CEJST\)](#) and a description of the project area.
 - The description should center disadvantaged communities.
- Your screenshot should reflect your SERC project area.
 - If your project covers the entire state, your screenshot should capture the entire state.
 - If your project focuses on a smaller geographic area such as a subgrantee territory, your screenshot should focus in on the subgrantee territory.

Application – Community Benefits Plan

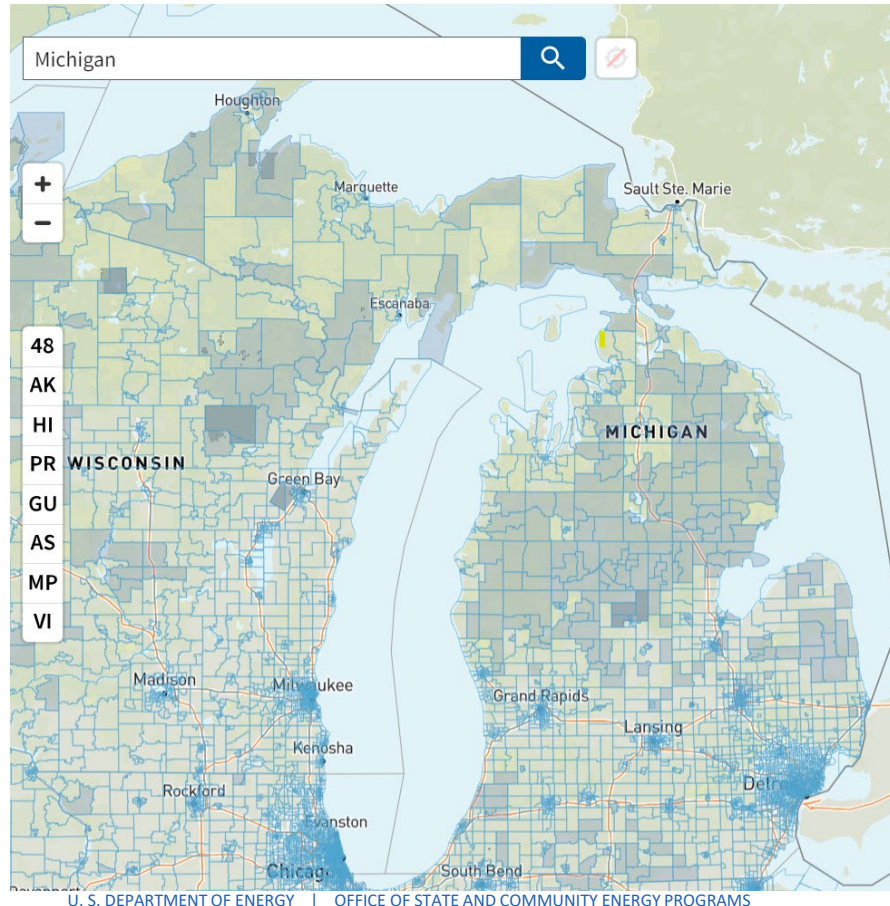


Example Screenshots – *not based on any specific project or application*

Subgrantee A (**green**) will install heat pump water heaters in Michigan's upper peninsula, focusing primarily on manufactured housing in disadvantaged rural areas surrounding Houghton.

Subgrantee B (**red**) will install air-source heat pumps in single-family and manufactured homes in rural communities in the northern part of the lower peninsula, most of which are disadvantaged.

Application – Community Benefits Plan



Example Screenshots – *not based on any specific project or application*

The project focuses on installing heat pump water heaters in single-family homes across the entire State of Michigan wherever there is a need.

The project will track the number of households in CEJST disadvantaged communities that receive heat pump water heaters.

Templates – Grantee Certification Statement (Required)

- **Fillable PDF, must include:**
 - Planned completion date of 30% of their BIL units
 - Target date to submit request for the remaining 50% of BIL funds.

Grantee Certification Statement

This form certifies that the WAP Grantee will provide necessary oversight to assess performance of Subgrantees or providers/contractors and take action if issues of noncompliance or poor performance are identified. This certification is assured by the Grantee's signature of this form.

Enter the Grantee name (e.g., The state of [state name], department of [enter department])

certifies that

☐ The WAP Grantee is fulfilling the monitoring and inspection protocol as part of our approved annual Grantee Plan.

☐ Subgrantees proposed for SERC awards have the capacity to successfully implement proposed projects.

☐ Local quality control efforts are in place.

☐ At least 5% of the completed units in the state or territory are inspected by Grantee staff during the course of the Program Year.

Grantee's target date to complete 30% of BIL units:

Grantee's target date to submit a request for final 50% BIL:

Templates -- Community Benefits Plan (Required)

- 5-page limit
- Remove all **red text**.
- A recorded informational webinar on the CBP will be posted to the SERC memo landing page.



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APPENDIX 1.B. – COMMUNITY BENEFITS PLAN TEMPLATE

Community Benefits Plan

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[Project Title]

[Topic Area]

How to Use

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Templates – Letter of Commitment (Optional)

- Each project partner (other than WAP Grantees and Subgrantees) must provide a letter of commitment.

*This is an **optional** template. Text in this template may be altered to meet the needs of the applicant. Letters of Commitment should not exceed one page in length and should be written using Times New Roman and 12 pt. font. Partner organizations may also submit a letter not using this template.*

Instructions:

After the letter is complete, delete all red text.

Type your response any time you see text in these brackets [], and delete the prompted text in red and the brackets. The Letter of Commitment must be submitted on organization letterhead.

The page limit for the Letter of Commitment is one page.

Date: [Insert date]

RE: DOE WAP Sustainable Resource for Consumers (SERC) Letter of Commitment

On behalf of [organization name] this letter of commitment signals support of [SERC applicant name, followed by name of project] Sustainable Energy Resources for Consumers (SERC) project. [Optional: one sentence with reasons for supporting this project].

[Briefly describe your organization's experience and expertise relevant to the SERC proposal].

Leveraged resources that the organization and/or individuals listed on this form will contribute to facilitate the successful completion of this SERC project include: [List the resources here. Examples of leveraged funds: grants, matching funds, or donations; marketing/communications/social media; other readiness activities or services. Include details and specific information where possible].

Sincerely,

[POC Signature]

[POC Full Name]

[Organization name and address]



Review and Selection

Review

Applications will undergo an eligibility review followed by a third-party merit review to verify that the proposed projects meet the intention of EISA Section 411(b).

- **Scoring will be based on three criteria:**
 - 1: Technical Merit, Innovation, and Impact (60%)
 - 2: Project Approach and Implementation (20%)
 - 3: Community Benefits Plan (20%)
- **Potential for preference points:**
 - Project plans to braid at least one funding source (other than DOE WAP).
 - Project plans to contract with minority, woman, and/or veteran-owned businesses.
 - Project plan addresses decarbonization, explains how the project will contribute to this goal.
 - Plan submitted by a Grantee who has not yet received SERC as part of their current WAP award.

Selection

- **Upon completing the review, DOE may approve a project in whole or in part or may deny funding the application.**
 - **DOE will determine the award amounts to be distributed to qualifying Grantees within the approximately available \$70M.**
- **If selected, Grantees will revise BIL Grantee Plans to include the BIL SERC plan and budget, preferably along with the release of the remaining 50% of BIL funds following the criteria in WPN BIL 22-1.**
- **The Grantee is responsible for distribution and oversight of the SERC grant funds to the selected Subgrantee(s).**



Projects

PY23 Project Examples

- **Installing 1,060 cold climate air source heat pumps in low-income homes in all counties in the state. The heat pumps will save homeowners an estimated \$973 per year. (\$5M)**
- **Addressing in home air quality by installing multiple technologies in homes: cold climate mini-split heat pumps, energy recovery ventilators, humidifiers, or space conditioning systems. (\$1.49M)**
- **Piloting solar PV, heat pump hot water heaters and in-home monitoring systems on six homes this project aims to increase energy savings, improve indoor air quality and health, and reduce carbon emissions. (\$237,227)**

PY22 Project Examples

- **Demonstrating that additional energy savings can be achieved in weatherized homes through expanding energy saving materials and technologies, specifically hybrid water heaters. (\$500,000)**
- **Transforming WAP Projects into Grid Efficient Buildings by installing solar photovoltaic, battery energy storage systems, heat pump water heaters, air source heat pumps, and building energy management systems in multifamily projects. (\$2M)**
- **Installing air-source heat pump technology in combination with the traditional components of full-scale weatherization measures at each project dwelling unit. (\$2M)**



Frequently Asked Questions

FAQ Process

- All questions should be sent to the weatherization.innovation@hq.doe.gov inbox.
- Innovation staff will receive the question and respond, typically, within three business days.
- All questions will be added to the ongoing FAQ posted on the Memorandum 117 landing page.

Q: Can SERC be used to install single measures on previously weatherized homes? Such as installing a ductless heat pump or heat pump water heater?

A: Yes. SERC funds must be used on homes previously weatherized, currently being weatherized, or those slated for weatherization in the future.

Q: Can a Grantee submit more than one application for the SERC funding opportunity?

A: Grantees should only submit one application. If more than one Subgrantee is applying for SERC funds, DOE asks that the Grantee combine the individual projects into one proposal.

**Q: How many technologies can one application include?
Can Subgrantees in one state implement different
technologies?**

**A: An application may include as many technologies as the
Grantee and Subgrantees can purposefully target, install and
track. Projects may include one, several or all Subgrantees in one
state and Subgrantees may implement projects that are unique to
them. When applying, Grantees and Subgrantees should consider
the four statutory priorities of SERC, specifically the scalability of a
project, as well as SERC Best Practices.**

Q: Are there any restricted activities for SERC funds?

A: SERC funds are not allowed to be spent on loans, revolving loan funds, property-assessed clean energy programs, or other financing activities. Appendix A materials, benefits, and renewable and domestic energy technologies already covered by WAP funds (e.g. high efficiency furnaces) cannot be paid for with SERC funds.

Q: Do I need to submit a NEPA Environmental Questionnaire (EQ-1)?

A: DOE WAP attempts to obtain one categorical exclusion that would satisfy the needs of all projects. However, grantees may be required to submit additional information for a review if their planned measures fall outside of the categorical exclusion.

Q: Can SERC be used for fuel switching and heat pumps?

A: Heat pumps, as well as installing new electrical panels and materials to support the electrical upgrades necessary for SERC measures to be installed are an allowable SERC expense. Fuel switching should generally be completed with regular WAP funding. If a Grantee does not have approval from DOE to complete fuel switching a case could be made to utilize SERC until a policy is in place.

Q: What is the role of the Grantee in SERC projects, both pre- and post-award?

A: The Grantee is the recipient of all weatherization BIL funds (including SERC, should an award be made) and is responsible for all administration and oversight of the award. If a Subgrantee applies for SERC funds, they must include a Grantee Certification using the required template that certifies the Grantee will include the proposed SERC project in its regular program oversight and administration. The Grantee should review and approve all SERC project proposals prior to either the Grantee or the Subgrantee submitting and should only submit one proposal per state, meaning if multiple Subgrantees wish to apply then the Grantee should combine the proposals into one submission.

Q: We currently install mini-split and ductless heat pumps in our weatherization program, as well as stored and tankless water heaters. Our intention is to apply for the SERC grant as described in Memo 117 to purchase this equipment to support our other awards. Because we are already installing this equipment under the program, would this conflict with the rules on Appendix A materials (page 4 of Memo 117) and disallow us from being able to spend the SERC grant on that equipment?

A: Technologies are not eligible if they are already approved for use in their DOE WAP and are regularly installed and paid for with DOE funds. There may be instances where proposals are viable despite that rule such as when an applicant is requesting to utilize the technology in a way that is not approved or is beyond the scope of regular installation (e.g. the DOE measure approval limits the technology sizing or installation specifications, or the measure has not been installed consistently throughout the grantee service territory).



Resources

Memorandum 122

- **DOE developed technology specific checklists to support Grantees in meeting their oversight requirements.**
- **These checklists may be used across programs. They are the same checklists that DOE plans to use while monitoring PY2022, PY2023, and BIL SERC projects.**


Memorandum 122

The checklists are available on the [Training and Technical Assistance \(T&TA\) Resources | Department of Energy](#) webpage and linked below:

- [Cool Roof Post Evaluation Checklist | Department of Energy](#)
- [Heat Pump Post Evaluation Checklist | Department of Energy](#)
- [Heat Pump Water Heater Post Evaluation Checklist | Department of Energy](#)
- [In-Home Energy Monitor Post Evaluation Checklist | Department of Energy](#)
- [Prefabricated Extruded Polystyrene Wall Panels Post Evaluation Checklist | Department of Energy](#)
- [Solar Hot Air System Post Evaluation Checklist | Department of Energy](#)
- [Solar Hot Water Post Evaluation Checklist | Department of Energy](#)
- [Solar PV Post Evaluation Checklist | Department of Energy](#)

PeerNet

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ORAU Partners Together

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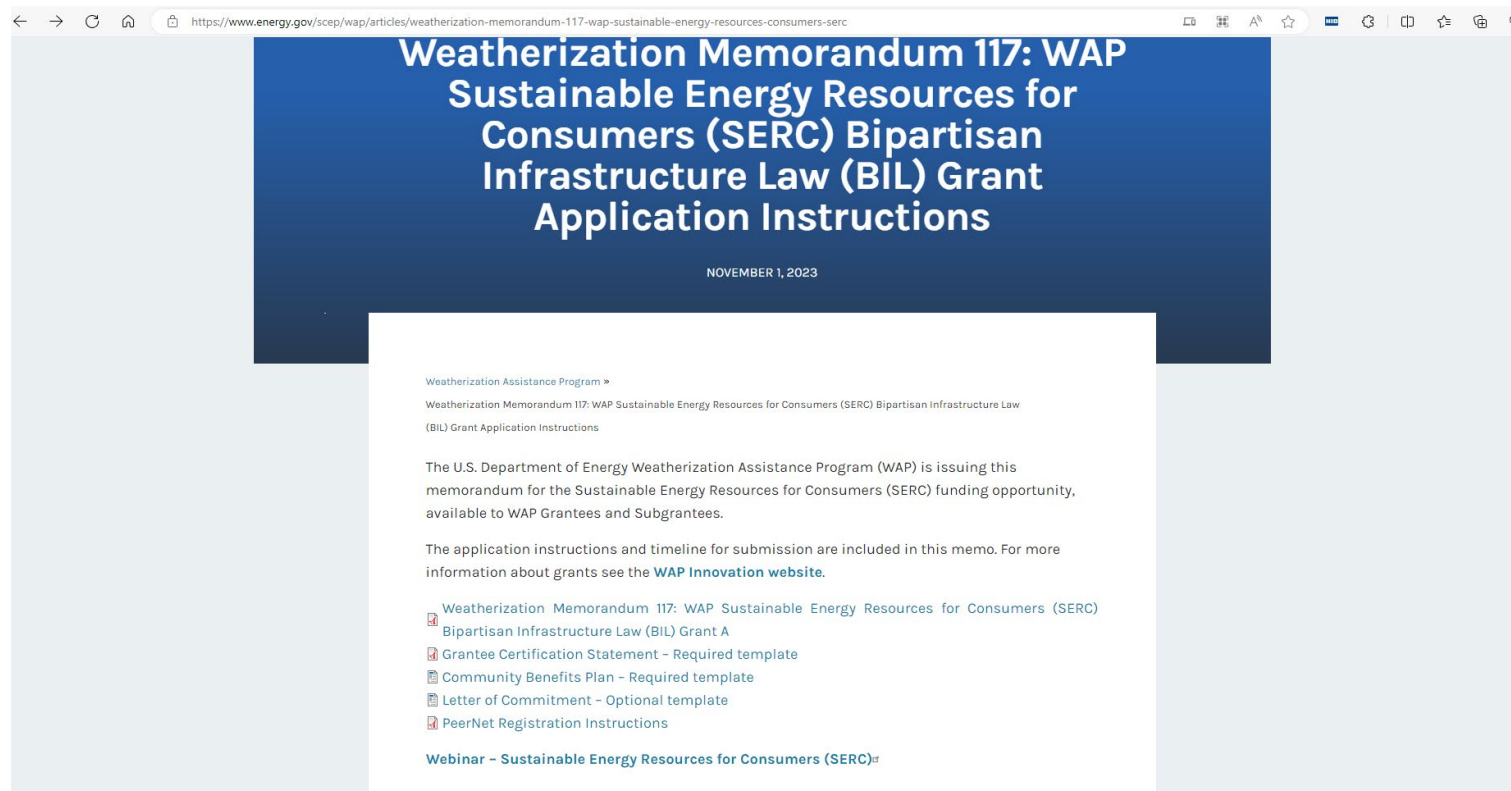
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SERC Memo Landing Page



FAQ Process

QUESTION AND ANSWER LOG				
Bipartisan Infrastructure Law, Sustainable Energy Resources for Consumers (SERC)				
#	Date Submitted	Topic	Question	Answer
12	PY23 Application Process	General Grant Information	Does the Build American, Buy America (BABA) requirement apply to SERC grants?	weatherization on public housing, or on privately owned buildings that serve a public function are required to comply with the BABA requirements. See WAP Memorandum 104 for more information.
13	PY23 Application Process	General Grant Information	Are there any restricted activities for SERC funds?	SERC funds are not allowed to be spent on loans, revolving loan funds, property-assessed clean energy programs, or other financing activities. Appendix A materials, benefits, and renewable and domestic energy technologies already covered by WAP funds (e.g. high efficiency furnaces) cannot be paid for with SERC funds.
14	PY23 Application Process	General Grant Information	Are there any funds for Training and Technical Assistance (T&TA) Activities?	All T&TA activities must be funded by WAP BIL T&TA funds already allocated and consistent with their permitted uses and applicable laws.
15	PY23 Application Process	General Grant Information	Do I need to submit a NEPA Environmental Questionnaire (EQ-1)?	No. To streamline these required reviews, DOE WAP attempts to obtain one categorical exclusion that would satisfy the needs of all projects. However, grantees may be required to submit additional information for a review.
16	PY23 Application Process	Application Criteria and Contents	Can SERC be used for maintenance and technical upgrades?	SERC should not be used for existing system maintenance. Upgrades could be considered on a case-by-case basis.
17	PY23 Application Process	Application Criteria and Contents	Can SERC be used for fuel switching and heat pumps?	Heat pumps, as well as installing new electrical panels and materials to support the electrical upgrades necessary for SERC measures to be installed are an allowable SERC expense. Fuel switching should generally be completed with regular WAP funding. If a Grantee does not have approval from DOE to complete fuel switching a case could be made to utilize SERC until a policy is in place.

- All questions and answers pertaining to the SERC BIL funding opportunity, will be posted on the SERC Memo landing page using this spreadsheet.
- Email Weatherization.Innovation@hq.doe.gov with any questions
- DOE will attempt to respond to questions within 3 business days, unless a similar Q+A is already posted.

