



**Department of Energy**  
Washington, DC 20585

**WEATHERIZATION PROGRAM NOTICE 24-11**  
**EFFECTIVE DATE: September 23, 2024**

**EXECUTIVE SUMMARY:** Weatherization Program Notice (WPN) 24-11 addresses policies for implementation of the Sustainable Energy Resources for Consumers (SERC) grants under the U.S. Department of Energy's (DOE) Weatherization Assistance Program (WAP). This guidance applies to SERC annual and Bipartisan Infrastructure Law (BIL) awards and includes policies specific to SERC funds. This WPN clarifies the requirement of completing energy audits on all SERC units and specifies that SERC funds should not be used when measures meet Savings to Investment Ratio (SIR) guidelines and are included in the Grantee's approved energy audit.

**SUBJECT:** Weatherization Assistance Program Guidance for SERC Grants

**PURPOSE:** To issue guidance that defines applicable WAP policies and requirements for program administration, implementation, and monitoring of SERC grants.

**Applicable Guidance:** Weatherization Program Notice (WPN) 24-1: Program Year 2024 Weatherization Grant Application (updated annually as -1), WPN BIL 1: Bipartisan Infrastructure Law (BIL) Grants for the Weatherization Assistance Program

**SUPERSEDES:** This WPN supersedes WPN 23-7: Weatherization Assistance Program (WAP) Modification Guidance for Sustainable Energy Resources for Consumers (SERC) Grants and WAP Memorandum 122: Announce the Availability of the Sustainable Energy Resources for Consumers (SERC) Technology Inspection Checklists

**SCOPE:** The provisions of this guidance apply to Grantees and Subgrantees named as recipients of SERC Grants within DOE WAP.

**LEGAL AUTHORITY:** Title IV of the Energy Conservation and Production Act (ECPA), as amended, authorizes DOE to administer WAP (42 U.S.C. § 6861, et. seq.). All grant awards made under this Program shall comply with applicable laws and regulations including, but not limited to, the WAP regulations contained in the Code of Federal Regulations (CFR) at [10 CFR 440](#) and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at [2 CFR 200](#). All funds awarded under section 40551 of the [Infrastructure](#)

[Investment and Jobs Act \(IIJA\) of 2021](#), also known as the Bipartisan Infrastructure Law (BIL), shall adhere to specific rules in the law.

**BACKGROUND:** Title IV of the Energy Independence and Security Act of 2007 (EISA), Section 411(b). (Pub. L. 110–140, title IV, §411(b), Dec. 19, 2007, 121 Stat. 1600, states funds may be used for SERC grants for a Fiscal Year (FY) if the amount of funds made available for the fiscal year to carry out WAP exceeds \$275 million. The DOE Secretary may elect to use up to two (2) percent of the total appropriations for SERC grants.

**GUIDANCE:** DOE awarded annual SERC funds beginning in Program Year (PY) 2022 and SERC BIL funds beginning in PY 2024. This guidance applies to all SERC awards. WAP has discretion to award funds in the program year funds are appropriated by Congress or reserve funds for future program years. WAP will communicate opportunities for Grantees to access SERC funds through annual application guidance (WPN XX-1) or other DOE opportunity announcements.

*Period of Performance:*

SERC funds are annual WAP funds with their own unique budget categories that are added to the total annual or BIL Grantee allocations. SERC funds are allocated to WAP Grantees and passed through to select WAP Subgrantees. The period of performance for SERC funds will follow:

- Annual Funds – One year budget period with the opportunity to carryover funds into future program years as detailed in the annual WAP Application Instructions and Terms and Conditions of the award.
- BIL Funds – Five-year budget period (7/1/2022 – 6/30/2027) with the opportunity to request an extended budget period as detailed in [Weatherization Program Notice BIL-1](#).

*Grantee Plan Public Hearings:*

Grantees must follow rules for public hearings outlined in [10 CFR 440.15](#). An additional public hearing is not required for Grantees adding SERC funds to their Grantee Plan for existing Subgrantees. However, if a Grantee seeks to add a new Subgrantee to their Grantee Plan, and request SERC funds at the same time, a single public hearing can suffice if all Subgrantees are included in the required annual public hearing per the regulations prior to the annual plan submission.

*Use of Funds:*

DOE awards SERC funds to expand Program materials and benefits. All SERC projects must adhere to the four statutory priorities: Effectiveness and benefits accrue to eligible low-income household, potential for replication, impact on health & safety, and energy costs and partnerships with other public and private entities. The DOE Project Officer approves the Grantee Plan, which details all measures and activities. As part of the application process, Grantees will upload a SERC workplan to

the [Performance and Accountability for Grants in Energy](#) (PAGE) web interface. Grantee requests to deviate from the approved SERC workplan may require a grant modification.

Grantees are not permitted to spend SERC funds on loans, revolving loan funds, property-assessed clean energy programs, or other financing activities. Section 411(b) of EISA allows for an expansion of the types of materials and benefits currently permitted under WAP but does not include a change to the mechanism for funding those benefits.

*Eligible Units:*

Grantees may install technologies funded by SERC on WAP units previously weatherized, currently being weatherized, or eventually weatherized.. All SERC measures must be installed on a DOE unit as defined in [Weatherization Program Notice 24-1: Program Year 2024 Weatherization Grant Application](#), Annual Application Instructions as “A dwelling on which a DOE-approved energy audit or priority list has been applied, at least one DOE-funded allowable energy conservation measure is installed, and weatherization work has been completed.” Grantees may braid SERC funds with WAP annual or BIL funds, as well as other leveraged funding sources. See [Weatherization Program Notice 22-9: Managing Multiple Funding Streams within the Weatherization Assistance Program](#) for additional information.

*ACPU:*

SERC funds are not included in the Average Cost Per Dwelling Unit (ACPU) calculations for weatherization jobs or renewable energy measures, per [10 CFR 440.18\(a\)](#). However, to adhere to the cost effectiveness priorities of the Program and implement projects that may be scalable to WAP, Grantees should keep unit costs within the DOE-approved SERC Plan thresholds.

*Energy Auditing and Savings to Investment Ratio (SIR):*

All SERC-funded energy conservation measures (ECM) require an energy audit using the DOE approved energy audit tool to verify the SIR of the measure and inform evaluations of SERC projects. DOE recommends including all planned DOE WAP-funded measures in one energy model/audit (e.g., annual, Community Scale Pilot Program (CSPP), Enhancement & Innovation (E&I), etc.). SERC measures installed on a previously weatherized unit may be modeled separately.

SERC measures that meet the SIR requirements per [10 CFR 440.21\(d\)](#), with an SIR of 1.0 or greater and are approved by DOE to be installed per [Weatherization Program Notice 23-6: Revised Energy Audit Approval Procedures, Related Audit and Material Approvals Including Fuel-Switching and Solar PV](#) must be paid for with WAP annual funds, BIL funds, or other funds unless DOE has approved the installation of the measure through the application process prior to the award being made.

The Grantee Plan shall include energy audit information (e.g., name of software and data collection process). DOE may request to review audits on a case-by-case basis depending on the SERC project scope and planned activities. For example, multifamily buildings and SERC projects that involve fuel-switching of HVAC systems or replacement of hot water heaters, and activities that could potentially increase household energy burden may be subject to case-by-case review and DOE approval prior to commencement of work.

#### *Monitoring and Quality Control:*

All weatherization measure installations, SERC technologies, inspections, and monitoring must comply with:

- [Weatherization Program Notice 24-4: Weatherization Assistance Program Monitoring Procedures](#)
- [WPN 22-4: Quality Work Plan Requirement Update](#)
- [WPN 22-7: Weatherization Health and Safety](#)
- [Standard Work Specifications](#) (SWS)
- DOE-approved Grantee Monitoring Plan (WAP Master File)
- Any additional Grantee rules and policies regarding auditing, monitoring, and inspections.

Final inspections performed by the Subgrantee and quality assurance inspections performed by the Grantee must be led by a certified Quality Control Inspector (QCI) unless exempt from this requirement per [WPN 24-4: Weatherization Assistance Program Monitoring Procedures](#).

Technology specific inspection checklist templates are available on the [WAP Resource Hub](#).

#### *Maintenance and Technical Upgrades:*

Grantees shall not use SERC funds for existing system maintenance. Home repairs, such as roof and structural repairs, may be considered on a case-by-case basis and Grantee requests shall be submitted to the Grantee's DOE Project Officer prior to installation. Upgrades to systems in the home or building are allowable if a SERC technology requires an upgrade prior to installation. For example, electrical panel upgrades are an allowable SERC expenditure to ensure the unit can support a solar array.

#### *Reporting Requirements:*

Reporting requirements for the period of performance will align with the Federal Assistance Reporting Checklist (FARC) attached to the WAP Grantee Assistance Agreement. Grantees are responsible for all aspects of administration and oversight of these funds (e.g., monitoring, contracting with the Subgrantee, quarterly and annual reporting).

In addition to quarterly and annual reporting, WAP plans to invest in program assessments to update previously completed studies and assess the progress and success of the latest programs.

*Grantees and Subgrantees will be expected to participate in program assessments, which will provide insight on Program outcomes such as:*

- Energy and non-energy impacts.
- Benefits delivered to disadvantaged communities.
- Weatherization workforce demographics and diversity.

DOE encourages WAP SERC Grantees and Subgrantees to participate in evaluations/studies related to the technologies utilized in their SERC projects. Under the annual Program, Grantees are urged to conduct regular program evaluations, and this should extend to SERC projects. While national-level studies allow DOE to see macro elements, by participating in regional, state, or local evaluations/studies, more clarity can be attained on the impact specific protocols have on the energy savings and other benefits garnered through SERC. Grantees establish protocols and guidelines as identified in WPN XX-1, Annual Application Instructions.

*Budget Considerations:*

SERC funds follow WAP budget rules, per [10 CFR 440.18\(e\)](#). Grantees may budget and use up to 15% of their entire DOE WAP allocation for Administrative costs (SERC + WAP + Weatherization Readiness Funds (WRF)). The total Subgrantee Administration must be at least 7.5% of the total awarded funds and Grantee Administration can be no more than 7.5% of the total award.

*Training and Technical Assistance (T&TA):*

Grantees may not use SERC funds for T&TA; all T&TA activities must be funded by WAP annual or BIL T&TA funds. DOE has developed and shared T&TA resources such as a solar toolkit, technology specific inspection checklists, webinars, and Frequently Asked Questions (FAQs) which can be found on the [WAP Resource Hub](#). Questions or specific T&TA requests can be submitted to the WAP T&TA team by emailing [WAPTA@hq.doe.gov](mailto:WAPTA@hq.doe.gov).

*Funding Limitations:*

DOE identifies funding limitations in the Annual Application Instructions. Grantees must stay within the DOE-approved budget for SERC and must request a modification from the DOE Project Officer if deviating from the approved Plan or budget in PAGE.

*National Environmental Policy Act (NEPA):*

DOE must comply with NEPA prior to authorizing the use of federal funds. DOE must also consider the effects on historic properties, pursuant to [Section 106 of the National Historic Preservation Act](#) (NHPA), as well as other regulations. To streamline these required reviews, DOE conducts each review under the umbrella of its NEPA review. The NEPA determination is

the DOE record that documents the NEPA review. Grantees should consult their award documents for allowable activities. DOE may require Grantees to submit additional information for a NEPA review. Grantees are required to attend the DOE [online training](#) covering NEPA and Historic Preservation. Technical assistance will be available to SERC Grantees and Subgrantees for NEPA compliance activities.

*Build America, Buy America:*

BIL changed the domestic content preference laws, also known as Build America, Buy America (BABA), requiring that certain goods purchased with federal funds be manufactured primarily in the United States. See [WPN 24-1: Program Year 2024 Weatherization Grant Application, Administrative and Legal Requirements Document and WAP Memorandum 104](#) and Annual Application Instructions for additional information.

*BIL Specific SERC Rules:*

The following set of policies apply only to SERC BIL funding.

*Davis Bacon:*

With respect to work performed under WAP on a project assisted in whole or in part by WAP or SERC funding, BIL (Section 41101 and 40552) requires the payment of prevailing wages for work performed on multifamily buildings with not fewer than 5 units. Therefore, all laborers and mechanics employed by contractors and subcontractors on multifamily building projects with not fewer than 5 units funded directly by or assisted in whole or in part by and through the Federal Government pursuant to BIL shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor. See [Weatherization Program Notice BIL-6: Applicability of Davis-Bacon Act Prevailing Wage Requirements to WAP BIL - REVISED](#) for additional information.

*Community Benefit Plan:*

To support DOE's goal of building a clean and equitable energy economy, BIL SERC projects should:

1. Support engagement with community and labor to enhance partnerships.
2. Invest in America's workforce.
3. Advance diversity, equity, inclusion, and accessibility (DEIA).
4. Contribute to the President's goal that 40% of the overall benefits of certain federal investments flow to disadvantaged communities (the Justice40 Initiative).

DOE expects Grantees to report on these goals annually through specific data points.

**CONCLUSION:** SERC projects expand WAP services available to low-income clients, including the availability of additional implementation of renewable energy weatherization measures on low-income dwellings to reduce energy. DOE looks forward to continued work with Grantees on the implementation of SERC projects. Please contact your DOE Project Officers with questions or if you need further information or contact

[Weatherization.Innovation@hq.doe.gov](mailto:Weatherization.Innovation@hq.doe.gov).

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