

Federal Funding for Local Climate Action

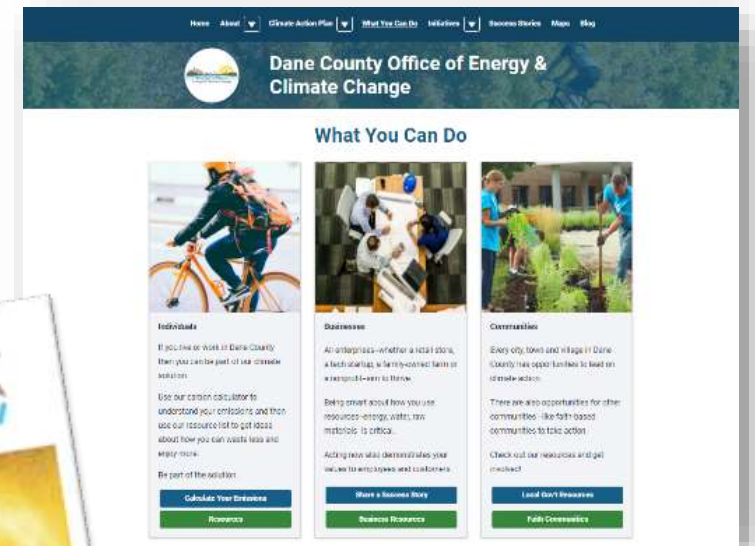
Dane County Towns Association
January 31, 2023



Kathy Kuntz, Director

Office of Energy & Climate Change

- Inside County Exec Parisi's Office
- Reduce emissions in county operations
- Reduce countywide emissions
 - 2020 Climate Action Plan
 - Sustainable Leaders Collaborative
 - Climate Champions Program
 - Partnerships!
- Find us at DaneClimateAction.org
- **DaneOECC** on social media



Our Priorities

- Get things done
 - Climate Action Plan
 - New opportunities
- Make it easy to take action
 - Sustainability Leaders Collaborative
 - www.DaneClimateAction.org
 - One-on-one support, newsletters, presentations, connections
- Celebrate local leadership
 - Climate Champions program
 - Clean Energy map
 - Blogs and success stories on our website
- *We can't achieve countywide results without all of you*

Black Earth Creek Green Infrastructure Plan

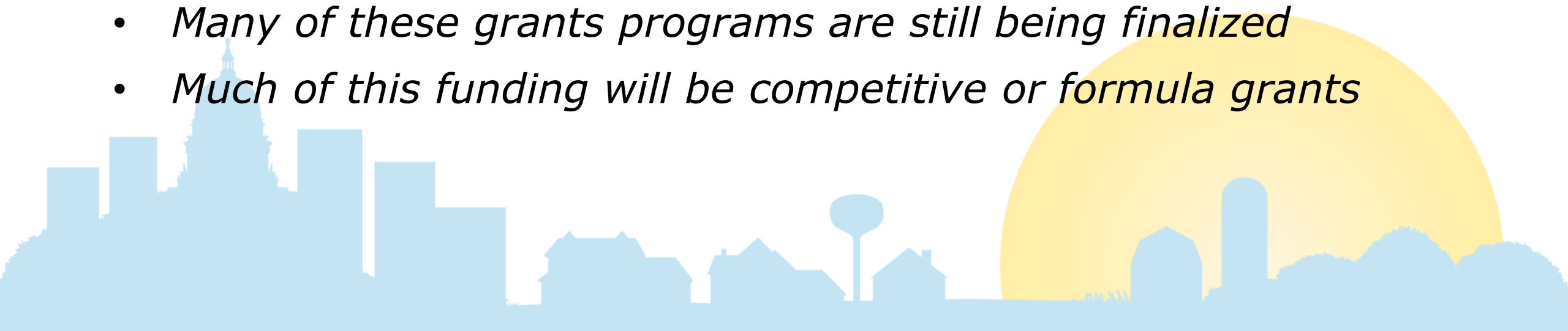
Funding

- \$150,000 - WEM / FEMA Natural Hazard Mitigation Planning Grant
- 12.5% Local match provided by CARPC staff costs
- U.S. Army Corps of Engineers-- Silver Jackets watershed modeling



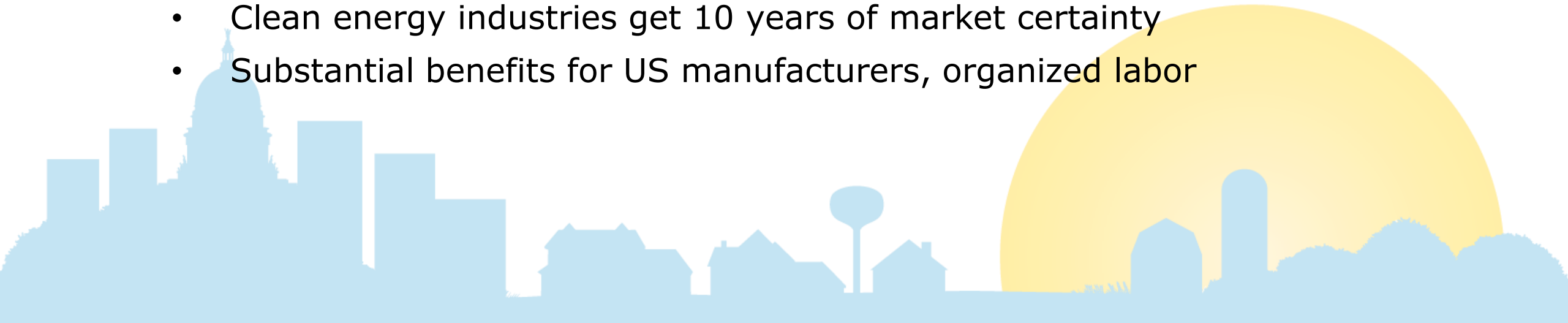
Bipartisan Infrastructure Law (IIJA or BIL)

- Overdue investment in infrastructure
 - Roads and bridges
 - Electric vehicle charging infrastructure
 - Low Income Weatherization Program
 - Wisconsin Office of Energy Innovation Programs
 - Energy Efficiency and Conservation Block Grants
- *Many of these grants programs are still being finalized*
- *Much of this funding will be competitive or formula grants*



Inflation Reduction Act (IRA)

- Largest climate action bill in history
- Lots of carrots
 - Makes clean energy cheaper than fossil alternatives
 - Mostly (2/3) tax credits - in place for 10 years
- Multiple constituencies – push and pull strategies
 - Consumers, businesses pay less for climate smart solutions
 - Clean energy industries get 10 years of market certainty
 - Substantial benefits for US manufacturers, organized labor



Local Opportunities

- Municipal operations
 - Money for capital investments that reduce operating costs
- Communitywide opportunities!
 - Funding for schools, nonprofits, businesses, residents and landlords
 - Funding for solar and geothermal projects
 - Funding for energy efficiency projects
 - Funding to electrify buildings and fleets
 - Grants for urban and community forestry, regenerative agriculture



All of these efforts increase resiliency, keep money in the local economy

Money for Municipal Projects

- 30% credit for solar, batteries and geothermal via Treasury
 - Direct pay, no cap
 - 15% credit if project funded via tax-exempt bonds
- 30% credit on electric vehicles (up to \$7,500 for light duty, \$40,000 for heavy-duty)
 - Direct pay
- Credit for energy efficiency in new construction or retrofits if reduce energy use intensity by 25% or more (transferred to design team)

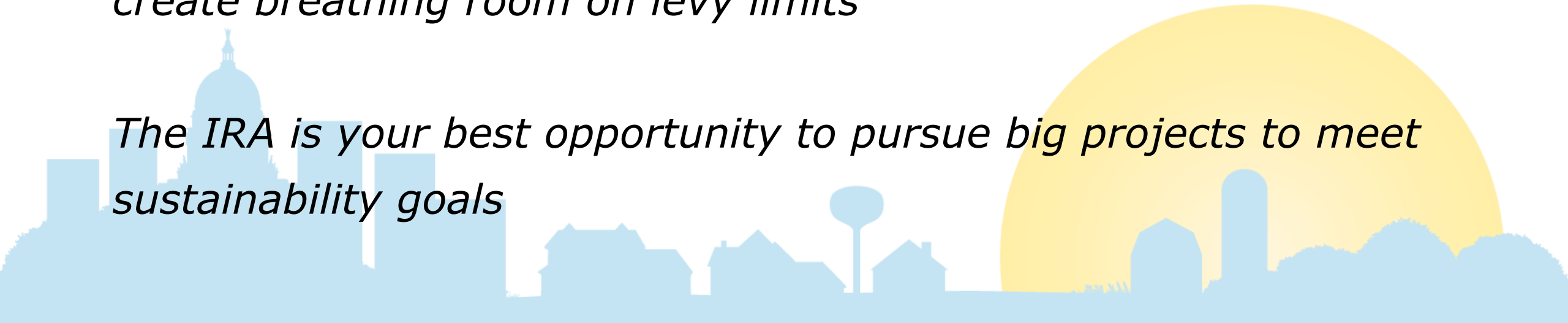


Capital Investments Reduce Operating Costs

- Energy efficiency effort at municipal building
- Solar project that cuts energy use for next 25 years
- Fleet electrification that reduces fuel usage and maintenance

One-time capital investments reduce operating costs and create breathing room on levy limits

The IRA is your best opportunity to pursue big projects to meet sustainability goals



Businesses, Farms, Nonprofits Can Benefit Too!

30% credit for solar and geothermal

Credits for energy efficiency upgrades (new construction and retrofits)

Credits for electric vehicle purchases

Can layer with Focus on Energy and/or PACE financing



Plus Residential Efficiency/Electrification

- Energy efficiency upgrades
 - Tax credits and grants (grants beginning in 2024)
 - Single-family and multi-family buildings
- Home electrification grants (est. 2024 launch)
 - Households up to 150% of median area income
 - Single-family and multi-family buildings
- Renewable energy tax credit
 - 30% for systems installed 2022-2032
- Electric vehicles (new and used)
 - \$7,500 for new, \$4,000 for used
 - Vehicle and income restrictions

- Rewiring America IRA Calculator
<https://www.rewiringamerica.org/app/ira-calculator>

The image shows a screenshot of the 'Rewiring America' IRA Calculator. The header is yellow with the text 'REWIRING AMERICA'. Below the header, it says 'YOUR SAVINGS CALCULATOR' and 'How much money will you get with the Inflation Reduction Act?'. The form asks for household information: Zip Code (with '10711' entered), Homeowner Status (with 'Homeowner' selected), Household Income (with '\$87,200' entered), Tax Filing (with 'Head of Household' selected), and Household Size (with '4 people' selected). A yellow 'Calculate!' button is present. Below the form, it displays 'Your Personalized Incentives' for American homeowners and renters over the next 10 years. The incentives are: UPFRONT DISCOUNTS: \$14,000 (limited to 100% of costs), AVAILABLE TAX CREDITS: \$4,150, and ESTIMATED BELL SAVINGS PER YEAR: \$1,100. The total incentives are \$18,150, accompanied by a lightning bolt icon. A disclaimer at the bottom states: 'Disclaimer: This is an estimate. We do not yet know how or when upfront discounts will be implemented in each state, so we cannot guarantee final amounts or timing.'

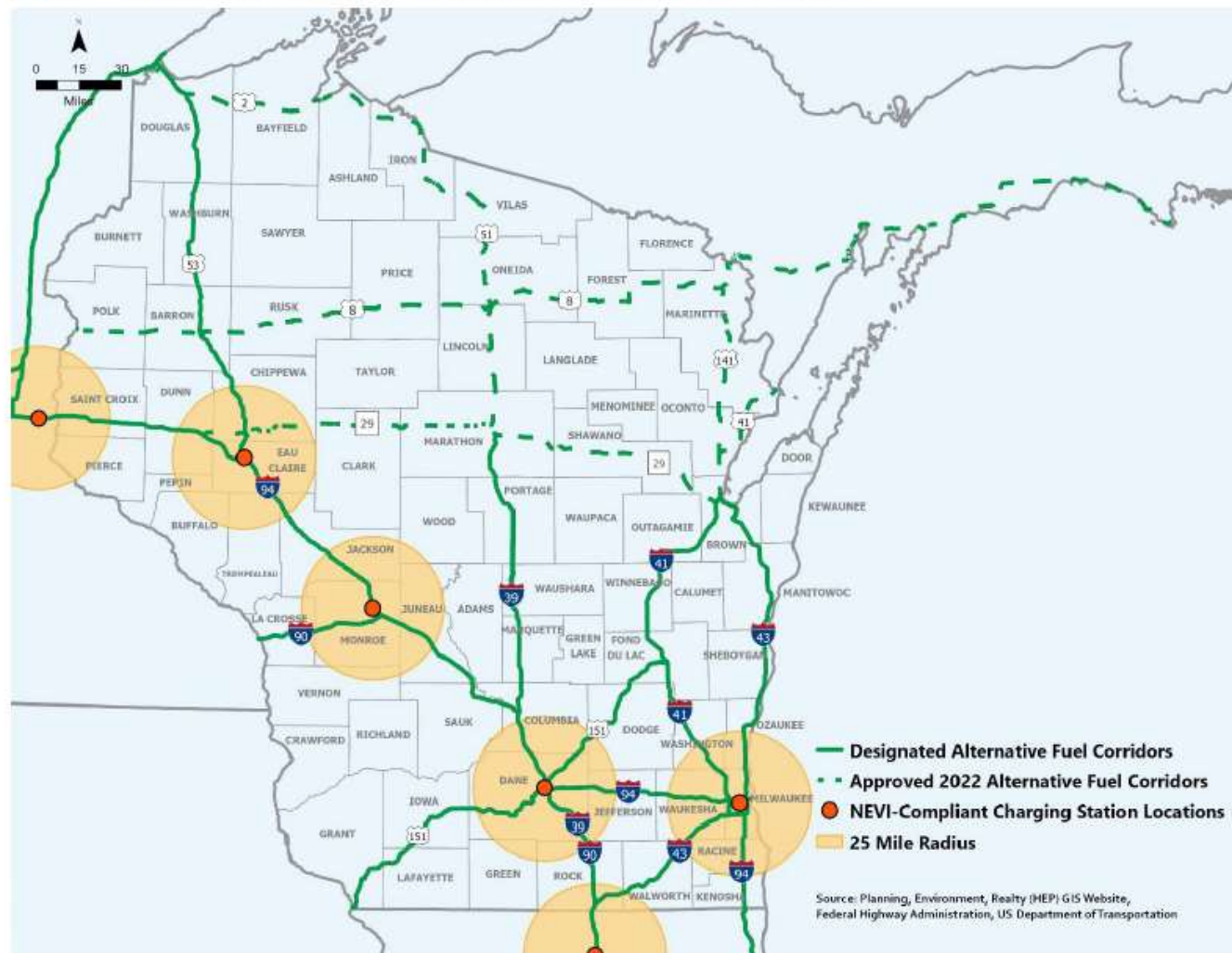
Energy Efficient Affordable Housing

- Increase efficiency/electrify existing housing stock
 - New grants programs will target households not eligible for low income weatherization (2024 launch)
 - Landlords can participate in new programs too
 - New green bank to address financial gaps
- Build more efficient new affordable housing
 - Tax credit for builders – applies to single and multi-family construction
 - Builders can get up to \$5,000/unit
- Grants programs to invest in environmental justice communities



EV Charging Infrastructure

Figure 4-3: Wisconsin Existing NEVI-Compliant EV Charger Coverage Areas



- WI DOT has approved plan for fast EV charging in key corridors
- Competitive funding for additional EV charging to fill gaps
 - MPO has launched effort to identify gaps in Dane County
- IRA: EV charging tax credits only in low income or non-urban census tracts

Lots of Cross-Community Opportunities

- Tradition of effective cross-community collaboration
 - Middleton-led energy planning across 7 municipalities in 2019
 - Sustainability Leaders Collaborative
- MPO effort to address EV charging infrastructure
- Other ongoing cross-community discussions
 - Regional Housing Strategy
 - Tree Canopy Working Group
 - Natural Disaster Hazard Mitigation
 - Streetlight upgrades
- Expect a stream of grant opportunities for next 2-3 years

The IRA Is a Game Changer **If...**



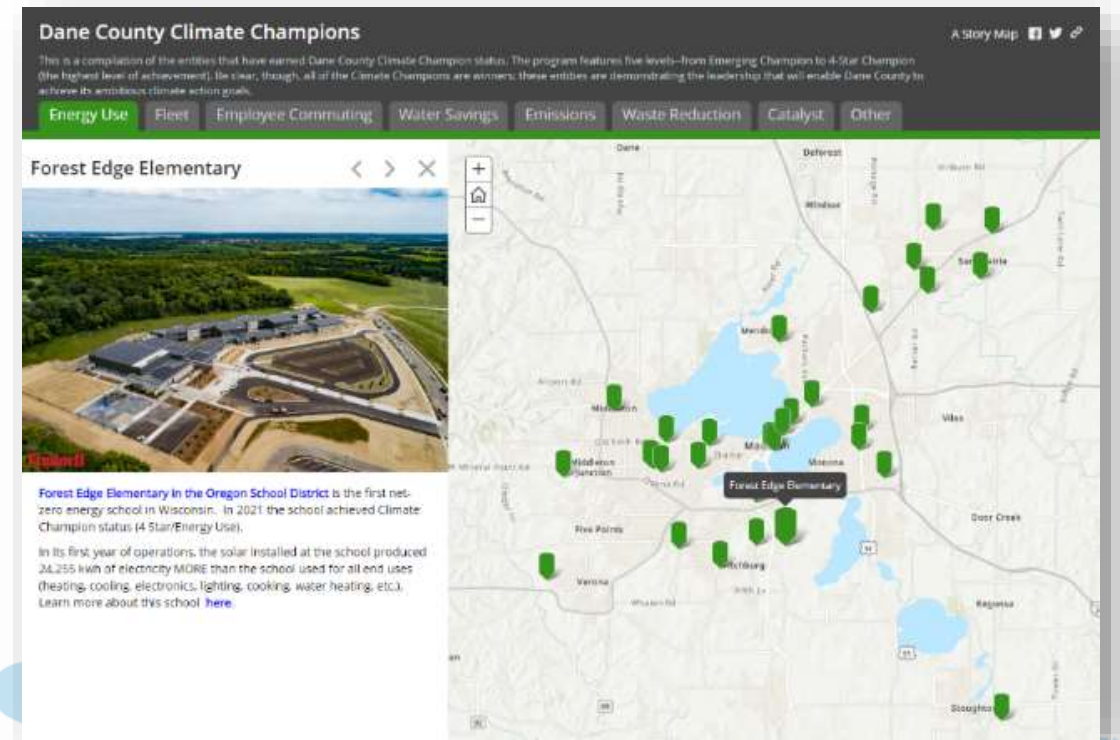
Integrate IRA into Your Sustainability Planning

- Take a fresh look at your clean energy planning
 - Which projects are more doable with 30% Direct Pay?
 - What issues merit cross-community collaboration?
- Leverage Sustainability Leaders Collaborative, Our Office
 - Webinars, website, newsletter
 - One-on-one consultations
 - We want you to get federal funds because that will inspire others!



Leverage the IRA to Spur Communitywide Action

- Use IRA funding to lead by example in public facilities
- Encourage businesses, nonprofits and residents to use the IRA too
- Talk up the opportunities!
- Leverage OECC resources so it's easy to participate
- Showcase early successes!



We are here to help!

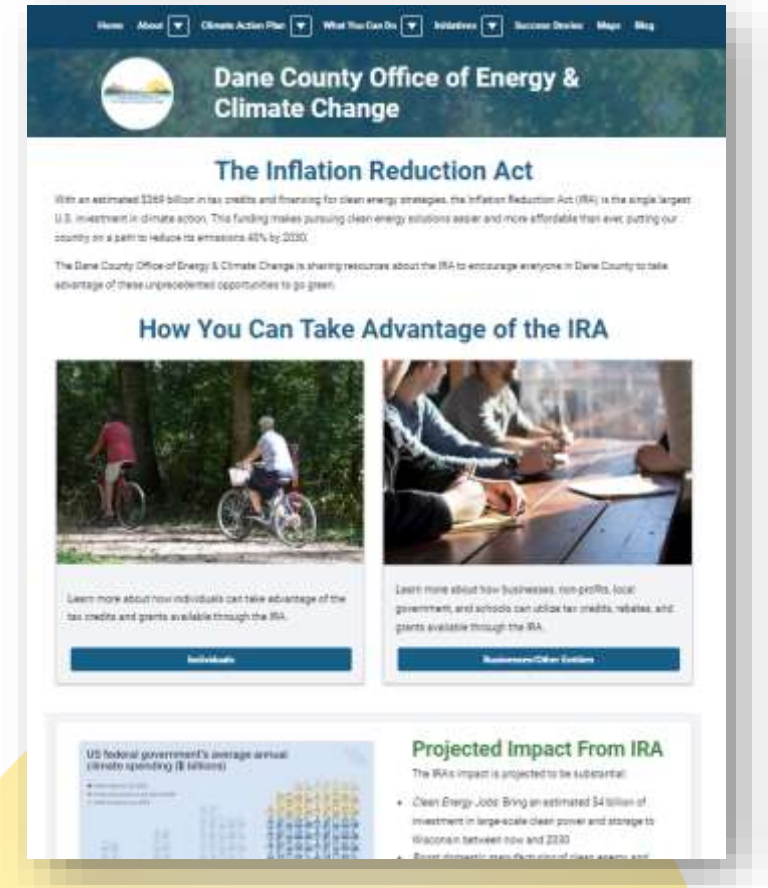
OECC Will Leverage Our Networks, Spread the Word

As details emerge, we will summarize:

- What is available
- How to get it

And then share that out to our partners

- Local governments and school districts
- Faith-based communities
- Climate action advocates
- Equity and BIPOC organizations
- Large employers



The screenshot shows a webpage from the Dane County Office of Energy & Climate Change. The header includes navigation links: Home, About, Climate Action Plan, What You Can Do, Initiatives, Success Stories, Maps, and Blog. The main heading is "The Inflation Reduction Act". Below this, there is a paragraph of text explaining the act's significance. A sub-heading "How You Can Take Advantage of the IRA" is followed by two columns of content. The left column features an image of two people on bicycles and a button labeled "Individuals". The right column features an image of people in a meeting and a button labeled "Businesses/Other Entities". At the bottom, there is a section titled "Projected Impact From IRA" with a bar chart and a list of bullet points.

<https://daneclimateaction.org/what-you-can-do/federal-funding>

Let's Leverage This Funding!

Kathy Kuntz

Kuntz.Kathryn@countyofdane.com

DaneClimateAction.org



Dane County Office of
Energy & Climate Change