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August 6, 2024

The Honorable Michael S. Regan
 Administrator
 U.S. Environmental Protection Agency
 1200 Pennsylvania Avenue, NW
 Washington, D.C. 20460

Dear Administrator Regan:

The Environmental Financial Advisory Board (EFAB, the Board) has taken up several charges over the last few years that have shared consistent themes on the need for robust and coordinated technical assistance (TA) to underserved communities to ensure these communities can access the unprecedented EPA resources now available under IJJA and IRA. This has included recognition of the special needs of Justice 40, rural, small, and tribal communities.

At our 2024 spring meeting on April 11th, we held a panel with EPA program staff from Climate Pollution Reduction Grant program (CPRG), Office of Greenhouse Gas Reduction Fund (OGGRF), Community Change Grants, Office of Water, and Thriving Communities Technical Assistance Centers (TCTACs) discussing the various types of EPA TA resources available. We concluded with a panel of outside experts working with communities to discuss the challenges of navigating the different programs available and the need for better coordination.

The Board appreciated the chance to explore how multiple EPA programs are working with underserved communities, and discuss the challenges and opportunities associated with their implementation. In some ways, it was a capstone to several years of considering these challenges for specific EPA program charges. We would like to take the opportunity to convey some of the Board's reflections from the discussion about approaches EPA could consider to help the full range of underserved communities – small, rural, tribal, and Justice40 – overcome barriers to compete for, contract, and complete climate and water projects in this moment of generational investment. We believe that there are opportunities for collaboration with other federal agencies utilizing funding from both the IJJA and IRA that could synergize the EPA efforts.

Using climate as an example, when a project is built in an underserved community, it's because someone living or working in that community has made a choice, educated themselves on the relevant contracting process and applied for funding. If successful, they would need to understand the requirements of project physical and financial management in order to successfully complete, operate and maintain the project. For example:

- A **building owner** – perhaps a homeowner, a landlord, or a community-serving facility like a rural or tribal health clinic, day care center, or grocery store – decided to improve their building's energy use, safety and comfort. They might have weatherized the building, installed heat pumps, put solar panels on the roof, or fortified the building against climate risks. They first had to determine that their building even needed energy improvements – which is not easy to know. From there, they had to find unbiased, expert advice on what improvements would make the most sense; find trustworthy and capable contractors; figure out what rebates, financial vehicles, and other incentives they could access; find

and complete the application forms, qualify for financing; manage construction; meet the contractual requirements to satisfy EPA or other agency financial and technical requirements, and maintain the project, including calling in warrantees if there are equipment failures. After project completion the owners have to be able to operate and maintain the project in order to meet program requirements.

- **A project developer accountable to the community** has helped community members to design, finance and develop a clean energy project, such as a community solar project or a community resilience hub. This journey may have begun when community members decided that a clean energy project could achieve goals around reducing energy cost burdens, creating quality jobs, and often improving community health, social and economic resilience. The community then sought and found a developer who took their priorities and developed specific project objectives by hosting a number of convenings of local community leaders and members and meetings where the community can be educated on solar infrastructure, elicit community feedback, and educate the developer so that he/she can incorporate the community needs into the project design. The developer then had to find a site, design the project, structure financing, obtain permits and interconnection approvals, solicit and get commitments from offtakers, and supervise construction, system start-up, and the training of individuals who could perform system operations and maintenance. The developer faced an arduous journey to build the organizational capacity to complete these tasks, and likely had to invest a lot of their own money to even get the project started.

Efforts to connect climate capital with underserved communities requires the need to center these actors in the work – the people who must exercise their agency in order for a project to happen. They have a choice about whether to act or not, and to the extent their journey is made difficult or complicated, they will simply refuse to undertake it. **Helping these actors in their journeys should be at the center of the EPA model of change for underserved communities. Good technical assistance can also help enable community organizations to be cost-effective and fiscally responsible. At its heart, this is a customer service mission delivered across a multiple of technical assistance programs embedded in larger programs or offered on a stand-alone basis, tailored to the unique needs of Justice40, small, rural, or tribal communities.** We believe that EPA should enlist local organizations as partners in this customer service effort to assist in the design of technical assistance programs that will provide tools for applicants to ensure interactions are multi-modal, place-based, and responsive to community norms of engagement.

We recommend that as EPA makes grant decisions and negotiates cooperative agreements and grant applications for programs such as the Greenhouse Gas Reduction Fund, the Climate Pollution Reduction Grant, and the Community Change Grant, the agency should embrace the following principles and strategies to ensure that money can equitably reach underserved communities:

- *Provide community actors with simple, facilitated pathways, tools, and technical guidance to complete projects and a user friendly “road map” to access funding supports.* Right now, a bewildering array of programs are being launched across multiple federal agencies and within EPA itself. Community members are not only unsure of which programs are the best fit for their priorities; they are even unsure of what and where to find “TA providers” who are best positioned to help them navigate this agency complexity. One small step that could be taken would be for EPA staff working on different programs to better educate and inform each other about their programs and seek opportunities to coordinate and leverage their expertise to aid

potential applicants. Moreover, EPA staff should seek to coordinate implementation efforts closely with other federal agencies with climate and water programs assisting underserved communities, including DOE, Treasury, USDA and HUD. Synergizing with other federal agencies will help to leverage funds and project benefits across multiple community needs.

We believe and understand that EPA intends TCTACs to serve as a first point of contact for community stakeholders looking for help. If so, it is imperative that TCTAC staff are fully knowledgeable not just about EPA but other federal programs, so that they can help stakeholders understand opportunities for braiding and leveraging resources as well as connect them to the right technical and financial expertise. TCTACs should create and have at their disposal a full “road map” of the available federal, state and local funding, technical assistance, and other resources that can assist communities to deliver timely and tailored advice. There are ways that advances in informational technology and social media that could help TCTACs deliver on this work, such as platforms to help building owners find and navigate available rebates and incentives that some national nonprofits are now developing.

- *Ensure that adequate funding flows to locally-grounded “helper” organizations who can assist their communities with project ideation and identification, planning, design and implementation, and operation and maintenance.* Effective technical assistance requires guides and counselors who are not only knowledgeable about EPA programming and bring technical expertise, but who have deep relationships with and accountability to the communities and groups they are helping. Locally-grounded individuals are often more trusted and knowledgeable about the concerns community members are trying to navigate. Place-based support providers understand the unique needs of their communities and can design strategies that “work” for community norms of interactions. For instance, many tribal communities suffer from spotty internet and would be ill-served by online/webinar-based approaches, instead favoring in-person interactions. Rural communities could benefit from “circuit rider” approaches to reinforce broad-based regional in-person information meetings and where applicable, webinars. Multi-modal and appropriate cultural and social approaches will be required to serve the full range of Justice40, rural, small, and tribal communities. EPA programs should empower and facilitate that hyper-local “helper” capacity rather than rely solely on TCTACs and other currently existing EPA-run TA programs.
- Communities seeking to create community-scale solutions need help *spanning the gap between community engagement and program and project development.* Community-driven discussions and plans can identify broad goals and priorities for projects and programs - for example, perhaps a program to help mom-and-pop landlords that also includes tenant protections. Investment is needed in community-accountable, capable project developers and program implementers that can both plan and assist in aiding communities to them implement their ideas.
- *Consider opportunities to position the Community Change program to support projects at their earliest stages.* While it is reasonable to expect grantees to deliver tangible results and achieve key milestones in a timely manner, we have heard from stakeholders that the “shovel ready” requirements of the Community Change program may sidetrack dollars that would be best spent building the kind of local, community-based “helper” and developer capacity we discussed above. These organizations need basic operating support and program planning support as well as early-stage project predevelopment dollars, all of which falls within the intent of the program

of helping community-based organizations to address community challenges. We would also highlight that for some communities, the programs that respond best to community needs and interest are not highly concentrated in a few census block groups, but focus on and serve entire counties or even multiple counties in rural areas, because that is the best way to sustain a program. For example, a workforce development program or green and healthy buildings program that responds to a community priority. We suggest that EPA take a flexible approach to grant evaluation to allow for a broader range of projects to emerge, again so long as these programs have strong community connections and can achieve tangible and meaningful milestones in a timely way.

- *Encourage CPRG grantees to utilize CPRG funding in ways that leverages and braids together GGRF and other IRA programs for community stakeholders.* The Climate Pollution Reduction Grant provides states with one of the IRA's most flexible funding sources to address local needs. As such, it has the potential to help local providers integrate across funding sources and fill gaps to create coherent approaches to climate mitigation and resilience work. It is important to continue to support "communities of practice" where states, tribes, and local communities can learn from one another and where EPA can identify and articulate best practices for how CPRG can be used to achieve this integration and coherency.
- *Support collaboration and shared infrastructure among grantees, both within and across EPA's major programs.* While local communities are unique, they are able to learn and share from and with one another. Beyond sharing knowledge about lessons learned and best practices, we believe there are substantial opportunities for grantees to prioritize coordination and collaboration amongst the many federal programs requiring Justice40, rural, and tribal outreach and cooperate and complement (instead of duplicate) each program's initiatives such as market-building programs, training programs, development of technology tools for more efficient development and financing of projects, community outreach and engagement initiatives, and much more. EPA should encourage this collaboration, for example as it negotiates cooperative agreements with GGRF selectees.
- *Measure the effectiveness of TA programs and use the results to re-shape these programs as needed.* EPA should track with specific metrics how TA programs such as TCTACs and others are serving communities, including measures of whether and how technical assistance is leading to completed projects on the ground, and whether community members are finding the TA system to be navigable, implementable, and helpful. These metrics are critical to ensuring a customer service focus.

In short, these suggestions create a set of enabling conditions must be present in underserved communities before climate and water capital can flow to them. Success in meeting legislative and administration goals requires a definitive strategy and specific implementation actions. A small community or tribe needs many types of organizations working in concert for projects to happen: community engagement and planning organizations, solar and clean energy and water project developers, community lenders, "helper" organizations that provide technical assistance of various forms, local contractors and installers, financial institutions, training programs, and many others. Place-based "helper" organizations are best positioned to tailor culturally appropriate and multi-model strategies to the unique needs of the communities they serve. Developing and supporting local capacity is the best way to ensure that the unique needs of diverse communities such as tribal, rural, small, and other low-income communities and communities of color are met and sustained. By helping to build

ecosystems of local organizations that work to create those enabling conditions, EPA can maximize the impact of its dollars, unlocking government funding and private capital for project implementation. We believe by adopting a more strategic and adaptive approach the agency can achieve the objectives and goals of the Administration and meeting the legislative intent.

We thank the Agency for the opportunity to provide these reflections, based on several years of considering effective TA strategies across a number of charges, spanning various programs and media. We would welcome the Agency to our October meeting to discuss this with the EFAB members.

Sincerely,

A handwritten signature in black ink that reads "Kerry E. O'Neill". The signature is written in a cursive, flowing style.

Kerry E. O'Neill, Chair
Environmental Financial Advisory Board