ARKANSAS SMALL CITIES AND COUNTIES ENERGY EFFICIENCY AND CONCERVATION BLOCK GRANT (EECBG)

2025

MAY 5, 2025
ARKANSAS ENERGY OFFICE

Arkansas Small Cities and Counties Energy Efficiency and Conservation Block Grant (EECBG)

Introduction

The **Energy Efficiency and Conservation Block Grant (EECBG)** program, funded by the U.S. Department of Energy (DOE), will enable small Arkansas cities and counties to implement strategies that lead to long-term reduced energy costs, increase energy resilience, promote sustainability, and boost local economies by:

- Lowering total energy use to save money and resources
- Enhancing energy efficiency in buildings to reduce operational costs
- Creating and retaining jobs to strengthen local economies

The EECBG program is managed by the Arkansas Energy Office (AEO), part of the Arkansas Department of Energy & Environment (E&E).

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Funding Opportunity Overview

Estimated Available Funding:

A total of \$1,765,000 will be available for awards under this competitive funding opportunity, at least 60% of the funds will be directed to cities and counties that were not eligible for direct EECBG funding from the Us Department of Energy (DOE), providing these communities with an equal opportunity to enhance energy efficiency and generate/retain jobs.

Eligible Entities:

Local governments (cities and counties) within the State of Arkansas that were not eligible for direct funding from the DOE will be given priority in the evaluation process. Cities and counties that received (or were eligible to receive) direct funding from the DOE may still apply but will be deferred for consideration until all applications from prioritized cities and counties have been evaluated. If funding remains after the initial awards have been made, deferred applications will be evaluated and considered for funding.

Eligible Project Activities:

- Energy Efficiency Audits: Analyzes energy use and identifies potential savings
- Retrofits for Government Buildings: Funds energy improvements in buildings
- Workforce Development: Supports training for energy-related jobs
- **Transportation Energy Conservation**: Expands EV charging and micro-mobility options

Potential Award Size:

Applicants may request between \$9,000 and \$200,000 per project. There is no cost match required.

Type of Award Instrument:

A grant agreement between each city/county and the Arkansas Energy Office (AEO)at the Department of Energy and Environment intends to award subgrants on a competitive basis.

Program Duration: May 2025 - November 2026

The application period will be open from May 5, 2025, to May 26, 2025. All applications must be submitted through the online portal and will be reviewed by the selection committee for responsiveness. Funding will be awarded on a competitive basis. The period of performance for this grant concludes on November 30, 2026

Evaluation Criteria

Projects will be evaluated for responsiveness to the following criteria.

- Readiness for Deployment: How prepared the project is to begin
 implementation shortly after the grant is awarded. This includes whether
 necessary planning, partnerships and preliminary work (like site selection or
 contractor identification) are in place
- Energy Efficiency Impact: The expected reduction in energy usage and associated cost savings resulting from the project. Applicants should be able to estimate or describe how their project will measurably improve energy efficiency
- Scalability and Sustainability: The potential for the project to be expanded or replicated in other areas, and the likelihood that its benefits will continue beyond the grant period. Projects that can grow or maintain long-term energy savings without additional funding will be considered highly responsive

Grant Compliance Requirements

All awards shall comply with and flow down applicable laws and regulations including, but not limited to, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR Part 200 and 2 CFR Part 910 and Section 40552 of IIJA. These requirements will include:

- **Procurement**: Adhere to federal and State of Arkansas procurement methods to ensure fair and competitive spending of funds
- **Records Management:** Maintain a well-organized filing system, follow generally accepted accounting principles (GAAP) and retain all documents for three (3) years after the final program report
- Project Monitoring: Projects will be monitored for effectiveness, including financial and program reviews, site visits, and status reports
- Reporting: Monthly and quarterly progress reporting

Key Federal Funding Compliance Requirements

All grant recipients must comply with applicable federal and state laws. Below are important compliance areas with brief explanations. For more information, applicants should review the <u>Arkansas Energy Office's EECBG Program FAQ</u>.

- Audits: Subgrantees must undergo an annual independent audit performed under government auditing standards to ensure proper use of federal funds.
- State Historic Preservation Office (SHPO): If your project involves a building or site
 that may have historical significance, it must be reviewed and approved by SHPO
 to ensure compliance with preservation laws
- Waste Management Plan: Before disposing of sanitary or hazardous materials, recipients must submit a plan outlining safe, lawful disposal methods
- Buy America Build America (BABA): For public works projects over \$250,000, recipients must use U.S.-made iron, steel, and manufactured goods, supporting domestic industry and job creation
- <u>Davis-Bacon Act (DBA)</u>: Applies to federally funded construction projects over \$2,000. Contractors must pay workers prevailing local wages and report payroll through the LCPTracker system
- <u>National Environmental Policy Act (NEPA)</u>: Some projects may require an environmental review unless they qualify for a categorical exclusion. NEPA ensures that federally funded projects consider potential environmental impacts

Eligible Activities:

1. Energy Efficiency Audits:

Energy audits allow owners to understand energy usage patterns across a portfolio of buildings and benchmark performance, but upfront cost of an energy audit may be a barrier for some cities and counties to access other grant opportunities or financial tools.

These audits focus on establishing a baseline on energy efficiency and recommending accessible and cost-effective measures to improve and reduce energy burden.

An energy audit provides energy usage analysis, cost-saving opportunities, recommendations for upgrades, and other insights to support informed operational decisions.

You can find a comprehensive guide to energy audits here:

https://www.pnnl.gov/main/publications/external/technical_reports/PNNL-20956.pdf

2. Energy Efficiency Retrofits:

Energy efficiency retrofits involve upgrading existing buildings to improve energy performance, reduce costs, and enhance sustainability through measures like insulation, efficient HVAC systems, and lighting upgrades,

The activity is for energy efficiency retrofits performed on city or county buildings. The retrofit must result in energy savings (e.g., kwh/BTUs) by improving the efficiency of the energy usage.

Some examples for this activity include:

HVAC System Upgrades Examples

- High-Efficiency HVAC Systems
 - o Replacing outdated HVAC systems with modern, high-efficiency units
 - Installing heat pumps, which are highly efficient for both heating and cooling
- Smart Thermostats:
 - Installing programmable or smart thermostats to optimize temperature control and reduce energy waste
- Duct Sealing and Insulation
 - Sealing and insulating HVAC ducts to prevent air leaks and improve system efficiency

Lighting Upgrades Examples

- LED Lighting
 - Replacing traditional incandescent or fluorescent lighting with energyefficient LED lighting
 - o LEDs consume significantly less energy and have a longer lifespan.
- Lighting Controls
 - o Installing occupancy and daylight sensors to automate lighting controls

Water Heating Improvements Examples

- High-Efficiency Water Heaters
 - Replacing old water heaters with high-efficiency models, such as heat pump water heaters
 - o Insulating water heater tanks
- Low-Flow Fixtures
 - o Installing low-flow faucets and showerheads to reduce water consumption

Building Automation Systems (BAS) Examples:

Implementing BAS to monitor and control building systems, such as HVAC,
 lighting, and security, to optimize energy use

3. Energy Efficiency Workforce Development:

Workforce development projects support the development of a trained workforce in indemand energy industry professions. Cities and Counties may support activities such as professional training, classes, certifications, and apprenticeships.

Some examples of this activity include:

HVAC technicians training

- Community colleges and technical training programs offer HVAC-R certificates and associate degrees that incorporate energy efficiency principles into their curriculum
- Training programs focus on fundamentals, advanced systems, and troubleshooting, all crucial for energy-efficient HVAC operation

Electricians

- Vocational and technical schools provide electrical service and maintenance training, including energy efficiency practices in wiring, lighting installations, and energy-saving controls.
- Continuing education courses required for electrician licensing often cover current energy-efficient practices within the electrical code.

Plumbers

- Trade schools and technical training programs offer plumbing service and maintenance training with an emphasis on energy-efficient plumbing practices.
- Training including water conservation techniques, efficient water heating systems, and proper pipe insulation to reduce energy and water consumption.

4. Sustainable Transportation:

Arkansas is committed to encourage state and local governments to become leaders in building and transportation efficiency and sustainability.

This is an alternative program to conserve energy in transportation, with two sub activities

• Transportation Energy Conservation:

Projects focusing on expanding EV charging infrastructure and associated investments, including Level 2 technologies for public use. The addition of EV chargers in community centers, parks, governmental buildings, multi-family buildings, and other public locations enables cities and counties to provide options in transportation and access for all users. This will have a direct impact on disadvantaged communities and rural areas by giving an alternative for transportation to people that do not have access to eV infrastructure.

Some example projects for this activity are:

Curbside Level 2 Electric Vehicle Charging: A Successful strategy for expanding electric vehicle charging access in local communities implemented in Seatle.

https://seattle.gov/city-light/in-the-community/current-projects/curbside-level-2-ev-charging

Charge Ahead Colorado: Funding for multifamily housing, businesses, governments, and communities to install electric vehicle charging infrastructure.

https://energyoffice.colorado.gov/charge-ahead-colorado

Micro Mobility Initiatives:

Projects focused on micro mobility solutions and associated facilities, including conventional bicycles, e- bicycles, e-scooters, and other personal transport devices for public use.

Addition of bike lanes and pathways is also promoted by this grant helping the cities and counties to be more friendly for micro mobility users.

This will have a direct impact on small cities and counties by giving an alternative for transportation to people that don't have access or can't afford a car and live in cities that don't have public transportation.

Some examples for these initiatives are:

Mobility Hub Planning: Learn how cities are designing centralized locations that connect various transportation modes—such as bikes, scooters, EVs, and transit—to improve access and efficiency.

https://metrocouncil.org/Transportation/Performance/Emerging-Trends/Mobility-Hub-Planning-Guide.aspx

Bikeshare Program: See how communities are implementing public bikeshare systems to support affordable options for residents and visitors.

https://www.urbanail.gov/living-urbana/page/bikeshare-program#:~:text=In%20docked%20bike%20systems%2C%20users,the%20end%20of%20their%20trip.

Application Process:

- Applications will be accepted through the EECBG Small Cities and Counties portal: https://cteh.carbonapps.io/embedded/db/103/overview.aspx?t=2950
- Applications must be submitted by 5PM, CST on the closing date.
- AEO may contact some applicants for clarification prior to evaluation.
- Incomplete applications will not be reviewed and will be returned to the applicant for corrections.
- Applications will be reviewed by the selection committee for responsiveness to the scoring rubric.
- Award decisions will be made based on the selection committee's recommendations, DOE review (up to 30 days), and finalized by the AEO by June 30 (subject to change).

Questions:

Questions about the EECBG Small Cities and Counties program may be directed to:

Eric Faucette Sultan Williams

AEO Technical Program Manager AEO Sustainability and Transportation Analyst

<u>Eric.Faucette@arkansas.gov</u> <u>Sultan.Williams@arkansas.gov</u>

(501) 682-8065 (501) 682-0941

Appendix: EECBG Small Cities and Counties Scoring Rubric

Criteria	Possible Points
Energy Savings Potential	35
Capacity to Comply with Grant	20
Requirements	
Project Readiness	20
Community Impact	25
Total	100

AEO staff will evaluate how responsive the application is to the following:

1. Energy Savings Potential (0-35 points)

Demonstrated potential for significant energy savings through proposed projects. Quantify anticipated energy reductions and cost savings.

- 31–35 pts: Fully developed plan with clear energy-saving strategies, identified partners, timeline, and projected outcomes. Project is implementation-ready and demonstrates high energy savings potential.
- 21–30 pts: Good planning and moderate detail provided. Some partnerships and timelines are defined. Project shows reasonable potential for measurable energy savings.
- 11–20 pts: Limited detail on how energy savings will be achieved. Planning is underway, but key components (partners, activities, outcomes) are still being developed.
- 1–10 pts: Conceptual project with minimal planning or unclear connection to energy savings. Timeline and implementation strategy are vague or missing.
- 0 pts: No indication of planning or energy savings potential.

2. Capacity to Comply (0-20 points)

Anticipated energy savings, cost savings, or reductions in energy-related emissions.

Demonstrate the applicant's experience and ability to manage grant funds, complete projects on time and within budget, and comply with federal EECBG requirements.

- 16–20 pts: Strong capacity with significant, measurable compliance strategies supported by documentation or experience. Clear plans to meet all federal and state requirements.
- 11–15 pts: Moderate capacity demonstrated. Some compliance processes and staffing are in place, with a general understanding of regulatory requirements.

- 1–10 pts: Limited or unclear capacity to comply. Compliance strategy is vague or unsupported by documentation or past performance.
- 0 pts: No description of how compliance will be managed or supported.

3. Project Readiness (0-20 points)

Clarity, feasibility, and timeline for project implementation.

- 16–20 pts: Project is highly scalable and sustainable beyond the grant period.
 Strong partnerships, planning, and infrastructure are in place for immediate launch.
- 10–15 pts: Moderate readiness with some planning completed and potential for replication or sustainability. May need minor adjustments before implementation.
- 1–9 pts: Limited or unclear long-term readiness. Key components (planning, timeline, partners) are incomplete or underdeveloped.
- 0 pts: No long-term plan or evidence of readiness to begin the project.

4. Community Impact (0-25 points)

Demonstrate how the project benefits the broader community (e.g., environmental improvements, public health benefits, increased access to transportation options).

- 21–25 pts: Project is highly scalable and sustainable beyond the grant period.
 Demonstrates strong long-term impact with clear community benefits and potential for replication.
- 16–20 pts: Project shows moderate sustainability or replication potential. Some long-term benefits are identified, with a plan for continued community impact.
- 1–15 pts: Limited or unclear long-term impact. Sustainability or community engagement plans are vague or underdeveloped.
- 0 pts: No long-term community benefit or sustainability plan described.

Total Possible Points: 100