# RISE PA FREQUENTLY ASKED QUESTIONS

Medium- and Large-Scale Award Track Applicants



### **UPDATED AUGUST 11, 2025**





#### RISE PA MEDIUM AND LARGE-SCALE AWARD TRACKS FREQUENTLY ASKED QUESTIONS (FAQ)

Highlighted text denotes updated sections and new questions.

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### **Acronyms**

AC – Alternating Current

ASHRAE – American Society of Heating, Refrigerating, and Air-Conditioning Engineers

BABA – Build America, Buy America

BAQ – Bureau of Air Quality

BGA – Base Grant Award

CBA – Community Benefits Agreement

CBB – Community Benefits Bonus

CBI – Confidential Business Information

RISE PA Frequently Asked Questions: Medium- and Large-Scale Award Track Applicants
CBO – Community-based Organization
CBP – Community Benefits Plan
CCUS – Carbon Capture, Utilization, and Storage
CPRG – Climate Pollution Reduction Grants
CWTP – Commonwealth Workforce Transformation Program
DBRA – Davis-Bacon and Related Acts
DEP – Pennsylvania Department of Environmental Protection
DOE – U.S. Department of Energy
EPA – Environmental Protection Agency
ESA – Electronic Single Application
FAQ – Frequently Asked Questions
FLB – Fair Labor Bonus
GERB – Greenhouse Gas Emission Reduction Bonus
GHG – Greenhouse Gas
GNA – Good Neighbor Agreement
GW – Gigawatt
GWP – Global Warming Potential
IPCC AR5 – Intergovernmental Panel on Climate Change Fifth Assessment Report
IIJA – Infrastructure Investment and Jobs Act
IRA – Inflation Reduction Act
ITC – Investment Tax Credit
KW - Kilowatt

LAT – Large-scale Award Track

MAT – Medium-scale Award Track

LIDAC – Low Income and Disadvantaged Community

MMV – Measurement, Monitoring, and Verification

RISE PA Frequently Asked Questions: Medium- and Large-Scale Award Track Applicants

MW - Megawatt

NAICS – North American Industry Classification System

PA – Pennsylvania

PennTAP – Pennsylvania Technical Assistance Program

PPA – Power purchase agreement

RAP – Registered Apprenticeship Program

RISE PA – Reducing Industrial Sector Emissions in Pennsylvania

SAT – Small-scale Award Track

SMARTIES – Specific, Measurable, Attainable, Realistic, Timely, Impactful, Equitable, and Supportive

SMM – Small- or Medium-sized Manufacturer

TPC - Total Project Cost

UEI - Unique Entity Identifier

### **Definitions**

Act 129 – Act 129 establishes an Energy Efficiency and Conservation Program that requires electric distribution companies to adopt and implement cost effective energy efficiency and conservation plans to reduce energy demand and consumption.

ASHRAE Level II Energy Audit — An energy audit defined by the American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) as consisting of an energy survey and analysis. A Level II audit provides facilities with a detailed cost-benefit financial analysis of recommended energy efficiency measures and the steps needed for implementation.

"As-a-Service" – A third-party financing and ownership model in which the service provider purchases, installs, owns, and is responsible for the operation and maintenance of eligible decarbonization equipment at an Eligible Applicant's facility. There is no asset or liability added to the Applicant's balance sheet, making the service payment similar to any other operating expenditure, such as a subscription payment.

Base Grant Award (BGA) – the minimum award size that a project is eligible to receive, which equals 50% of eligible Total Project Costs (TPC) for the Small-scale Award Track and 30% of eligible Total Project Costs (TPC) for the Medium- and Large-scale Award Tracks.

Capital costs – Costs associated with project implementation, including materials, equipment, software, construction, installation, retrofitting, tools, and contractual work directly related to the project.

Carbon capture, utilization, and storage (CCS/CCUS) – A process that captures carbon dioxide emissions and either reuses or stores it so it will not enter the atmosphere.

Climate Pollution Reduction Grants (CPRG) – U.S. Environmental Protection Agency program under the Inflation Reduction Act that provided grants to states, local governments, tribes, and territories to develop and implement ambitious plans for reducing GHG emissions and other harmful air pollution.

Collective bargaining agreement – A collective bargaining agreement is an agreement that is consistent with the National Labor Relations Act (29 U.S.C. 151 et seq.).

Commonwealth Workforce Transformation (CWTP) Program – A workforce development program that funds on-the-job training, pre-apprenticeship, and other training and job opportunities to build out the labor pool needed to bring Infrastructure Investment and Jobs Act and Inflation Reduction Act funded projects to bear.

Community Benefits Bonus (CBB) – Increases the Base Grant Award by 10% of the eligible Total Project Costs (TPC) for an Applicant across all three Award Tracks that proposes a project in a LIDAC and submit an approved Community Benefits Plan.

Community Benefits Plan (CBP) – Document(s) that include(s) specific, actionable, and measurable actions to engage communities and labor, invest in America's workers through quality jobs, and benefit impacted communities.

Co-pollutants – Co-pollutants include criteria air pollutants and hazardous air pollutants.

Cost share – The percentage of the Total Project Cost (TPC) that the Applicant is required to contribute, including both cash and in-kind contributions.

Davis-Bacon and Related Acts (DBRA) – DBRA requires that all contractors and subcontractors performing construction, alteration, or repair work under federal or federally-assisted contracts in excess of \$2,000 pay their laborers and mechanics not less than the locally prevailing wage and fringe benefits for the geographic location.

**Decarbonization** – The process of reducing or removing carbon dioxide and other greenhouse gas emissions from the atmosphere.

Department or DEP – The Department of Environmental Protection of the Commonwealth of Pennsylvania.

Fair Labor Bonus (FLB) – Increases the Base Grant Award by 10% of the eligible Total Project Costs (TPC) for an Applicant across all three Award Tracks that proposes a project that incorporates Good Neighbor Agreements, Collective Bargaining Commitments, and Commonwealth Workforce Transformation Program participation.

Financial Feasibility – An eligible entity's ability, as determined by DEP, to generate sufficient revenues to cover its expenses, sufficient cash flow to meet the financial ratios set forth in the competitive grant program.

Foreign Entity of Concern (FEOC) — A foreign entity is a FEOC if it is owned by, controlled by, or subject to the jurisdiction or direction of a government of a foreign country that is a covered nation. For more information, visit <u>DOE's Foreign Entity of Concern Interpretive Guidance</u>.

Fuel switching – Technologies that enable the transition to low-carbon fuels such as fluidized bed biomass furnaces, solar-thermal heating systems, clean hydrogen, and direct reduced iron shaft furnaces designed or retrofitted for hydrogen-based reduction.

Fugitive emissions — Emissions that result from the direct release of GHG compounds from various types of industrial equipment and processes, such as the production, transmission, and distribution of oil or natural gas.

*Grantee* – An Applicant that has an executed RISE PA grant agreement with DEP to receive funding.

Greenhouse Gas Emissions Reduction Bonus (GERB) – Increases the Base Grant Award by up to 10% of the eligible Total Project Costs (TPC) for an Applicant in only the Medium- and Largescale Award Tracks for projects that propose to reduce the total Scope 1 and Scope 2 GHG emissions at an Industrial Facility by greater than 20%.

Greenhouse Gas (GHG) emissions – For purposes of this grant program, GHG emissions shall include carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFC), perfluorocarbons (PFC), sulfur hexafluoride (SF6), and nitrogen trifluoride (NF3) emissions.

*Indirect costs* - Indirect costs are **ineligible** for MAT and LAT reimbursement or cost share and may include general administrative and overhead costs or contingency funds.

Industrial Facility – Industrial Facilities are those that fall within any of the below criteria:

1) Facilities or equipment used for producing, processing, or assembling goods. An Industrial Facility encompasses the following types of activity: manufacturing (North American Industry Classification System (NAICS) codes 31-33); agriculture, forestry, fishing and hunting (NAICS code 11); mining, including oil and gas extraction (NAICS code 21); and construction (NAICS code 23).

- 2) Facilities that produces industrial process emissions, which include cement manufacturing, lime manufacturing, limestone and dolomite use, soda ash, aluminum production, iron and steel production, ammonia production, urea consumption, ferroalloy production, zinc production, carbon dioxide consumption, glass production, lead production, carbide production and consumption, caprolactam production, titanium dioxide production, petrochemical production, HCFC-22 production, phosphoric acid production, semiconductor manufacturing, magnesium production, electric power transmission and distribution systems.
- 3) Active underground or surface coal mine, abandoned underground mine, or coal processing operation.
- 4) Natural gas or oil systems, which include facilities and equipment involved with natural gas production, transmission, and distribution as well as oil production.

*Industrial process heat* – The use of thermal energy to produce, treat, or alter manufactured goods.

Industrial sector emissions – GHG emissions from the combustion of fossil fuels, industrial processes, activities involving coal mining and abandoned coal mines, and activities involving natural gas and oil systems as defined by DEP's annual <u>Greenhouse Gas Inventory</u>.

*In-kind* – Non-cash contributions in the form of goods and services.

Large-scale Award Track (LAT) – \$220,000,000 at a 30% Base Grant Award and 70% cost share available to all eligible Applicants to implement eligible large-scale industrial decarbonization projects.

Low-carbon fuels – Materials that, when burned, provide thermal energy with fewer emissions than traditional fuels. Thermal energy is often used to generate electricity for Industrial Facilities, such as in combined heat and power systems.

Medium-scale Award Track (MAT) – \$100,000,000 available at a 30% Base Grant Award and 70% cost share to all eligible Applicants to implement eligible medium-scale industrial decarbonization projects.

*MMV* – Measurement, monitoring, and verification. See Application Requirements for further requirement details.

North American Industry Classification System (NAICS) code – the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

Pennsylvania Technical Assistance Program (PennTAP) – As part of the Pennsylvania State University, PennTAP serves the entire Commonwealth through a network of geographically

dispersed Technical Advisors, who provide free and unbiased on-site industrial Energy Assessments and energy efficiency recommendations for small- and medium-sized manufacturers. Visit https://penntap.psu.edu/grants-andrebates/rise-pa/ for more information.

**Period of Performance** – The time during which a recipient or subrecipient may carry out the work authorized under a grant award or subaward.

*Pennsylvania Prevailing wage* – Minimum wage rates for the Pennsylvania construction industry as determined by the Pennsylvania Department of Labor and Industry.

**Process Emissions** – Emissions generated from physical or chemical changes to materials in an industrial process that are unrelated to the consumption of energy.

**Process heating** – Used to raise or maintain the temperature of materials in industrial processes.

*Project Labor Agreement* – A Project Labor Agreement is a pre-hire collective bargaining agreement consistent with Section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)).

Scope 1 Emissions – Direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization.

Scope 2 Emissions – Indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling.

Scope 3 Emissions – All indirect emissions not included in Scope 2 that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Small- and Medium-sized Manufacturer (SMM) – An industrial manufacturing facility with 500 or fewer employees at the assessed plant site. The site requesting funds must have manufacturing processes occurring at the assessed plant site. Manufacturing is defined as an entity that engages in the mechanical, physical, or chemical transformation of materials, substances, or components into new products, assembled goods or assembled component parts of manufactured products, or like-new rebuilt goods.

Small-scale Award Track (SAT) – \$40,000,000 available exclusively to SMMs at a 50% Base Grant Award and 50% cost share to implement eligible small-scale industrial decarbonization projects.

Thermal Process – Any process that utilizes heat, without the aid of a catalyst, to accomplish chemical change.

Total Project Costs (TPC) – The total of all eligible costs for a project that serves as the amount from which the Base Grant Award and Bonus Awards are calculated.

### **Useful Emails**

- For general inquiries about the program, please email MAT/LAT Coordinators Ellie Cadden and Timothy Laseinde: <a href="mailto:ecadden@pa.gov">ecadden@pa.gov</a> and <a href="mailto:olaseinde@pa.gov">olaseinde@pa.gov</a>.
- To schedule a 30-minute meeting to discuss your project, please send your availability and a list of questions to **Administrative Officer Cheryl Smith**: <a href="mailto:cherlsm@pa.gov">cheryl Smith</a>: <a href="mailto:cherylsm@pa.gov">cheryl Smith</a>: <a href="mailto:cherylsm@pa.gov">cherylsm@pa.gov</a>
- For eGrants application support, please email: <a href="mailto:egrantshelp@pa.gov">egrantshelp@pa.gov</a>

### **Useful Program Links**

- RISE PA Website
- MAT/LAT Program Guidance Document
- Medium- and Large-Scale Application
- Online Application Guide
- Mock Application Example
- Mock Budget Example

### **Technical Assistance Resources**

#### **Greenhouse Gas Emissions Calculations**

- EPA Simplified Greenhouse Gas Emissions Calculator
- <u>EPA Emission Factor Hub</u> (Spreadsheet)
- GHG Protocol Corporate Standard
- GHG Protocol Project Protocol

#### **Community Benefits**

- ReImagine Appalachia's Community Benefits Resource Page
- SWPA Municipal Project Hub's Webinar and Post-Event Materials:
   "Community Engagement for Industrial Decarbonization Projects"
- RiverWise's Guide to Community Benefits in Southwestern Pennsylvania
- Renewable Thermal Collaborative's Community Benefits Handbook

#### **Technical Resource Providers**

- <u>PennTAP</u>: No-cost energy assessments for Small- and Medium-sized Manufacturers (SMMs)
- Catalyst Connection: No-cost Greenhouse Gas Assessments for SMMs
- Pennsylvania Industrial Energy Assessment: No-cost ASHRAE Level 2 energy audits
- Keystone Research Center: Technical assistance providers spreadsheet

### Questions about the Grant Program

#### Q1: What is RISE PA?

A: RISE PA is a \$396 million statewide industrial decarbonization grant program that will award up to \$360 million to substantially reduce greenhouse gas and co-pollutant emissions by funding small-, medium-, and large-scale decarbonization projects at Industrial Facilities across the Commonwealth of Pennsylvania.

#### Q2: What are the Medium- and Large-Scale Award Tracks?

A: Medium-scale and Large-scale Award Tracks (MAT and LAT, respectively) will be administered by DEP and Applicants must achieve at least a 20% annual facility-wide reduction in GHG emissions per project. All awards issued under RISE PA will include a Base Grant Award (BGA) that is a portion of the total eligible project costs (TPC), requiring the Grantee share in the additional cost. The Award Tracks, available funding, BGA percentage, and award size, are detailed in Table 1 of the Program Guidance document.

### **Questions about Applicant Eligibility**

#### Q3: Who is eligible to apply for Medium-scale and Large-scale RISE PA grants?

A1: Eligible Applicants include:

- An owner of an Industrial Facility, defined as:
  - An owner or operator of one or more Industrial Facilities or equipment used for producing, processing, or assembling goods. An Industrial Facility encompasses the following types of activity: manufacturing (North American Industry Classification System (NAICS) codes 31-33); agriculture, forestry, fishing and hunting (NAICS code 11); mining, including oil and gas extraction (NAICS code 21); and construction (NAICS code 23).
  - An owner or operator of one or more facilities that produces industrial process emissions. See page 5 of the Program Guidance document for examples.
  - An owner or operator of one or more active underground or surface coal mines, abandoned underground mines, or coal processing operation.
  - An owner or operator of one or more natural gas or oil systems, which include facilities and equipment involved with natural gas production, transmission, and distribution as well as oil production.
- Energy-as-a-Service companies, Sustainability-as-a-Service companies, or other "As-a-Service" providers, landlords of Industrial Facilities, and others, may be eligible to apply

for funding provided the project is conducted at an eligible Industrial Facility and all application materials are completed.

A2: The Total Project Costs (TPC) must exceed \$1M to be considered a Medium- or Large-scale project.

A3: Industrial Facilities must be located within Pennsylvania (PA). If a company is headquartered outside of PA, but has an Industrial Facility or Facilities located in PA, the PA locations would be eligible to apply.

#### Q4: How do I determine which Award Track to apply to?

A: Based on the Total Project Cost (TPC), a Medium-scale Award Track (MAT) project would have a Total Project Cost (TPC) of \$1,000,001 to \$66,666,666. A Large-scale Award Track (LAT) project would have a Total Project Cost (TPC) of greater than \$66,666,666.

#### Q5: Are companies headquartered outside the United States eligible to apply?

A: If the project is located in Pennsylvania and the parent company is not a Foreign Entity of Concern, a company that is headquartered outside of the United States would be eligible to apply.

# Q6: How do I determine if my company, parent company, or partner is a Foreign Entity of Concern (FEOC)?

A1: The U.S. Department of Commerce identifies entities reasonably believed to be involved or at risk of becoming involved in activities contrary to the national security or foreign policy interests of the United States. The <a href="Entity List">Entity List</a> can be found on the <a href="Bureau of Industry and Security website">Bureau of Industry and Security website</a>.

A2: Interpretive guidance on the statutory definition of a FEOC can be found on the Department of Energy's website: <u>Foreign Entity of Concern Interpretive Guidance.</u>

#### Q7: Are U.S. companies headquartered outside PA eligible to apply?

A: Like the above question, if a company is headquartered in the U.S. outside of Pennsylvania, but has a facility or facilities located in PA, they would be eligible to apply. The project must occur at a location in PA to be eligible.

#### Q8: Does a facility have to be currently operating at the time of the application to apply?

A: Yes, the facility must be operating at the time of the application because RISE PA can only fund projects that reduce existing industrial sector emissions.

#### Q9: Can a company with more than one location apply for a grant for all its locations?

A: No, each location must submit their own application.

#### Q10: Is there an employee count restriction for MAT/LAT projects?

A: No. Only the Small-Scale Award Track (SAT) requires a maximum of 500 full-time employees (FTE) onsite.

### Questions about Project Eligibility

#### Q11: What types of projects are eligible for funding?

A1: Eligible projects must involve technologies such as electrification, energy efficiency, industrial process emissions reductions, fugitive emissions reductions, fuel-switching to low-carbon fuels, on-site renewable energy generation, and carbon capture, utilization, and storage. Refer to page 5 of the Program Guidance document for a detailed description.

A2: Other technology not explicitly listed that reduces industrial GHG emissions may also be eligible as determined by RISE PA.

A3: Projects submitted to the MAT and LAT must reduce the total Scope 1 and Scope 2 GHG emissions at an Industrial Facility by at least 20% annually, once operational.

#### Q12: Are there any ineligible projects?

A1: Projects required for compliance with federal, state, or local laws, those receiving funding under the <u>IRS's Advanced Energy Project Credit Allocation Program</u>, or those involving well plugging are ineligible. Refer to <u>page 7</u> of the Program Guidance document for more information.

A2: This includes projects to aid regulated entities in complying with EPA regulatory requirements.

A3: In the event that the project location is subject to any such requirements, the Applicant is required to demonstrate all resulting air pollutant and/or energy reduction benefits are in excess of existing reduction or efficiency requirements, or that the reductions will occur at least one year before the requirements mandate.

A4: On-site renewable energy generation projects are eligible only if the energy is consumed onsite by the facility. Projects that produce greater than 100% of the Industrial Facility's usage on an annual basis and put energy onto the grid are reducing emissions from the electricity sector, not the industrial sector. RISE PA can only fund the portion of the project that reduces the facility's on-site consumption.

#### Q13: How long will Grantees have to complete projects?

A: Medium/Large-scale projects will be granted a Period of Performance of up to 3 years, beginning on the date that the award agreement is fully executed. This means the Grantee will have up to three years to operationalize the project and do the necessary MMV after the project is completed to verify the emissions reductions. However, we recognize that unforeseen setbacks and delays may occur once the period of performance has started. If this happens, we can extend the period of performance for up to five years total.

#### Q14: Is a project to build a new facility or expand an existing facility eligible to apply?

A: Projects must reduce existing industrial sector emissions. New-build or expansion projects would only be eligible if an existing facility, or part of an existing facility that is currently in operation, is being decommissioned. Projects must show that the new or expanded facility will result in at least a 20% reduction in Scope 1 and Scope 2 emissions compared to the baseline emissions in the original facility.

#### Q15: Can I define a facility as a process unit within a building?

A: No. The facility boundary must be drawn around the entire building.

# Q16: Can the 20% facility-wide emissions reduction requirement apply to a portion of a facility's entire footprint?

A1: Yes, the Applicant is responsible for defining the boundaries of the Industrial Facility and account for all the Scope 1 and Scope 2 emissions within the identified boundaries.

A2: If an Applicant has more than one building within the footprint of their property, the boundaries of the Industrial Facility can include a single, multiple, or all the buildings within the footprint of the property. If an Applicant is the owner or operator of an active underground or surface coal mine, abandoned underground mine, or coal processing operation, the Industrial Facility can include a single, multiple, or all the boreholes or ventilation shafts within the footprint of the Applicant's property.

# Q17: If my project will reduce 20% of Scope 2 emissions at the facility, does this meet the 20% emissions reduction threshold?

A: MAT and LAT projects must reduce total Scope 1 and Scope 2 emissions by at least 20%. If there are no Scope 1 emissions, then reducing Scope 2 emissions by 20% would meet this requirement.

#### Q18: Are projects that reduce Scope 3 emissions eligible?

A: Projects that are eligible can demonstrate that they will reduce Scope 1 and Scope 2 emissions by at least 20%. Applicants may include information about Scope 3 emissions reduction in other areas of the application, such as the Project Innovation/Transformative Impact section.

#### Q19: Can a company have more than one type of project in their application?

A: A location can have more than one project in their MAT or LAT application (i.e. boiler electrification and on-site solar) in the same application.

# Q20: Can a company split their projects into separate MAT and SAT applications if one project is greater than \$1M and the other is less?

A: A company can submit two separate applications if their projects are unrelated systems (for instance solar in the MAT category vs. energy-efficient lighting in the SAT category). If the two projects are related (for instance solar and new electrical upgrades to support the solar installation), then these would need to be submitted within the same application.

# Q21: Does the facility have to be unionized? If contractors are completing work on the project, do they have to be unionized?

A: Unionization is not a requirement, though it can contribute toward the Community Benefits Bonus or Fair Labor Bonus.

#### Q22: Do I have to pay prevailing wage for project construction work?

A1: Yes, all projects must meet the prevailing wage requirement as most recently determined by the U.S. Department of Labor under the <u>Prevailing Wage Rate Requirements</u>.

A2: In addition, all awarded projects must comply with Federal requirements including Build America Buy America, Foreign National Participation, Transparency or Foreign Connections, Davis-Bacon Act, Environmental Review in accordance with the National Environmental Policy Act, and Flood Resilience, as applicable.

A3: Under Davis-Bacon requirements, contractors must pay all covered workers the applicable geographically determined prevailing wage rate. To ensure compliance, a list of laborer types should be obtained from the contractor or subcontractor to identify any positions with higher wage rates. Learn more about wage determinations <a href="https://example.com/here.">here</a>.

#### Q23: What is considered an eligible cost?

A1: Eligible costs for the Base Grant Award include:

- Labor and capital costs associated with project implementation, including materials, equipment, delivery, software, construction, installation, retrofitting, tools, and contractual work directly related to the project.
- Travel costs are only eligible expenditures if considered integral to the purpose of the Applicant's proposed project, as determined by DEP.

A2: The following costs are eligible to be included in the Total Project Cost (TPC) and cost share, but are not eligible for reimbursement:

 Reasonable costs associated with planning, development, and design of the project and bonus awards, including feasibility and engineering studies, that are incurred after October 1, 2024.

A3: Grantees are required to complete measurement, monitoring, and verification (MMV) over the duration of the project. Project costs associated with MMV should not be factored into an Applicant's Total Project Costs (TPC). Instead, Applicants can apply for reimbursement of up to 1% of Total Project Costs (TPC) or \$70,000, whichever is less, to offset MMV costs. If an Applicant already has source monitoring in place that complies, then they cannot apply for this additional funding.

#### Q24: What is considered an ineligible cost?

A: The following types of costs are ineligible for MAT and LAT reimbursement or cost share:

- Land acquisition, permits, or landscaping
- Advertising or business start-up costs
- Indirect costs (i.e., general administrative and overhead, contingency funds, etc.)
- Construction costs unrelated to the project
- Plant or facility closure costs
- Travel not integral to the purpose of the proposed project, lodging, subsistence, or conference or meeting expenses including catering, conference equipment and room rental
- Legal fees or fees associated with securing financing
- Supplies or equipment under \$1,000
- Costs incurred prior to October 1, 2024.

# Q25: Can projects that qualify for Act 129 or other applicable utility incentive programs also apply to RISE PA?

A: A project could include Act 129 or utility rebate program funding as part of the capital stack for meeting the cost share requirement if the funding has already been secured. The Applicant

must include documentation with their budget information that shows the value of the funding and that it has been approved.

# Q26: My project is required for compliance with local, state, and/or federal law. Is my project still eligible?

A1: Projects are ineligible if they are required for compliance; however, the project may still be eligible if the Applicant can demonstrate one of the following:

- If the Applicant can demonstrate that all resulting air pollutant and/or energy reduction benefits are in excess of existing requirements.
- If the Applicant can demonstrate that the reductions will occur at least one year before the requirements mandate.

A2: Projects required for compliance that would be ineligible include the following:

- EPA's Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review.
- Local building standards and codes.
- Environmental requirements such as the Air Pollution Control Act (35 P.S. §§ 4001-4015).

### **Questions About Solar Projects**

#### Q27: What is considered "on-site" generation?

A: On-site generation occurs if the project is within 2 miles of the facility, which would make it eligible to be net-metered in Pennsylvania.

#### Q28: Is sub-metering allowed?

A: Yes, if necessary.

#### Q29: Are virtual Power Purchase Agreement projects eligible?

A: No. Virtual Power Purchase Agreements are a part of a facility's operational cost, so they would be ineligible for funding. A list of eligible and ineligible costs can be found on <u>page 8</u> of the Program Guidance document.

#### Q30: Is battery storage eligible?

A: Yes, battery storage is an eligible project cost.

#### Q31: Is remote net crediting allowed?

A: Yes, if the meter and building that is producing the credits is included in the defined boundaries and included in the scope of the emissions calculations.

A2: The credits must be directed to a meter also located within the defined boundaries and included in the scope of emissions calculations.

### Q32: If solar projects are below 1MW AC output, are they exempt from the prevailing wage requirement?

A: Paying prevailing wage is a requirement for all RISE PA projects because it involves federal funding from EPA that is subject to Davis-Bacon. So even if a project is under 1 MW, it still must pay prevailing wage.

#### Q33: Can a project be oversized beyond current operations or for planned future growth?

A1: No. If a system is expected to produce more than 100% of the annual capacity, the only eligible cost is the portion of the system that supplies up to 100% of the facility's annual capacity. If the system is expected to consistently produce more than 100% of the facility's annual capacity, the facility must not include the cost associated with the portion of the system producing over 100%.

A2: Oversizing a system may add to the transformative impact of the project because it will reduce electricity sector emissions. Applicants can describe the transformative impact of the project in the *Project Innovation/Transformative Impact* section of the Supplemental Application. Please note that electricity emissions are outside the scope of RISE PA and will not be counted toward the Applicant's total emissions reductions.

Q34: If a solar array will power two of the five buildings at a location, but those two buildings do not have enough roof space for all the panels, can excess panels be placed on the roofs of the buildings that will not receive power from the array?

A: Yes. In this scenario, the building(s) hosting the excess solar panels do **not** need to be included within the boundary of the Industrial Facility, and the Scope 1 and Scope 2 emissions in those building(s) do not need to be included in the baseline emissions calculation.

Q35: Are additional structural improvements eligible to be included in the Total Project Cost (TPC) if required by the project? For example, if a rooftop solar installation requires additional structural support of the building to accommodate it.

A: Yes, this expense can be included in the Total Project Cost (TPC).

### Questions about Greenhouse Gas (GHG) Emissions

#### Q36: What are Scope 1 & Scope 2 GHG emissions?

A1: Scope 1 Emissions are direct GHG emissions that occur from sources that are controlled or owned by an organization and include stationary combustion, mobile combustion (within the boundary of the Industrial Facility), fugitive emissions, and process emissions.

A2: Scope 2 Emissions are indirect GHG emissions associated with the purchase of electricity and purchased heat and steam.

A3: Facilities must describe the boundaries of the Industrial Emissions and provide a baseline calculation of emissions for the past three years. More information can be found on <u>page 12</u> of the Program Guidance document. Use EPA's <u>Simplified GHG Emissions Calculator</u> to determine Scope 1 and Scope 2 GHG emissions

#### Q37: Are projects that reduce Scope 3 emissions eligible?

A: Projects that are eligible can demonstrate that they will reduce Scope 1 and Scope 2 emissions by at least 20%. Applicants may include information about Scope 3 emissions reduction in other areas of the application, such as the Project Innovation/Transformative Impact section.

# Q38: Can the 20% facility-wide emissions reduction requirement apply to a portion of a facility's entire footprint?

A1: Yes, the Applicant is responsible for defining the boundaries of the Industrial Facility and account for all the Scope 1 and Scope 2 emissions within the identified boundaries.

A2: If an Applicant has more than one building within the footprint of their property, the boundaries of the Industrial Facility can include a single, multiple, or all the buildings within the footprint of the property. If an Applicant is the owner or operator of an active underground or surface coal mine, abandoned underground mine, or coal processing operation, the Industrial Facility can include a single, multiple, or all the boreholes or ventilation shafts within the footprint of the Applicant's property.

### Q39: If my project will reduce 20% of Scope 2 emissions at the facility, does this meet the 20% emissions reduction threshold?

A: MAT and LAT projects must reduce total Scope 1 and Scope 2 emissions by at least 20%. If there are no Scope 1 emissions, then reducing Scope 2 emissions by 20% would meet this requirement.

# Q40: Regarding the 20% emissions reduction requirement, is there a minimum reduction quantity in metric tons?

A: There is no minimum metric tonnage reduction requirement. However, in the application, Applicants must state the projected cumulative emissions reductions from 2025-2030 and 2025-2050, and the magnitude of these emissions reductions will factor into the application scoring.

### Q41: Are there any resources available to help me calculate the greenhouse gas emissions baseline?

A1: MAT and LAT Applicants must submit a technical appendix detailing how their estimates of GHG emissions reductions were calculated. It is ultimately up to the facility how they wish to calculate their Scope 1 and Scope 2 emissions.

A2: Applicants must provide 3 years of baseline data and show all of your work and methodology along with references to back it up. See <a href="Appendix A: GHG Emission Calculation">Appendix A: GHG Emission Calculation</a> <a href="Guidance">Guidance</a> in the Program Guidance document for further details.

# Q42: When calculating greenhouse gas emissions, which Global Warming Potential (GWP) values should be used?

A: Applicants should use GWP values from the <u>2013 IPCC AR5 Fifth Assessment Report</u>. Applicants should use the latest available information wherever possible and provide detailed and specific references for any models and/or tools used.

#### Q43: How can I calculate the emissions associated with electricity purchased from the grid?

A: EPA's <u>Emission Factor Hub</u> provides emission factors by fuel and US regional electricity emission factors which can help with calculation of the emissions associated with electricity that is purchased from the grid (Scope 2).

### Q44: What if I have less than three years of emissions data available to calculate the GHG emissions baseline?

A: The Applicant would have to calculate the baseline based on however many years of emissions data they have available. See <u>Appendix A: GHG Emission Calculation Guidance</u> in the Program Guidance document for further details.

### Q45: Is an energy assessment or Technical Assistance Report required for the MAT and LAT application?

A: No. A Technical Assistance Report (TAR) is only required for the Small-scale Award Track (SAT). MAT and LAT Applicants must submit a technical appendix detailing how their estimates of GHG

emissions reductions were calculated. See <u>Appendix A: GHG Emission Calculation Guidance</u> in the Program Guidance document for further details.

#### Q46: Are projects that reduce Scope 3 emissions eligible?

A1: No, RISE PA can only fund projects that reduce Scope 1 and Scope 2 emissions. Projects that reduce Scope 3 emissions are ineligible.

A2: If an eligible project that reduces Scope 1 and Scope 2 emissions will also reduce Scope 3 emissions, the Applicant can describe the Scope 3 emissions reductions in the application, but these emissions cannot be counted toward the 20% emissions reduction or the cumulative emissions reductions from 2025-2030 and 2025-2050.

#### Q47: What are Scope 1 and Scope 2 emissions for projects that involve livestock?

A: According to the Greenhouse Gas Protocol, here is a breakdown of Scope 1, 2, and 3 emissions for livestock:

- Scope 1: This scope includes direct emissions from the farm, such as:
  - Methane (CH4) from enteric fermentation: This is the largest source of emissions from livestock, particularly ruminants like cattle, produced during digestion.
  - Methane and nitrous oxide (N2O) from manure management: Emissions occur during storage and handling of manure.
  - Direct nitrous oxide emissions: These emissions can come from manure application on land.
- Scope 2: This scope includes emissions from the energy used on the farm that is not directly produced on-site. Examples include:
  - Electricity used for buildings, lighting, or equipment.
  - Heat or steam purchased for various farm operations.
- Scope 3: This scope covers a broad range of indirect emissions that are a consequence of the farm's activities but occur outside of the farm's direct control, and projects to reduce these emissions are ineligible:
  - Emissions from the production of livestock feed: This includes fertilizer production for feed crops, and energy used in feed production and transportation.
  - o Emissions from the production of fertilizer used on the farm.
  - o Emissions from transportation of livestock, feed, and other inputs.
  - Emissions from the processing and transportation of livestock products.

#### Q48: What are co-pollutant emissions? Are they factored into the application?

A1: Co-pollutant emissions include criteria air pollutants (Ozone, Particulate Matter, Carbon Monoxide, Lead, Sulfur Dioxide, Nitrogen Dioxide, Volatile Organic Compounds) and hazardous air pollutants (Hydrogen sulfide, Benzene, Toluene, Ethylbenzene, Xylene, Hexane, Ethane, Pentane, Formaldehyde, Butane, Dichlorobenzene, Propane).

A2: These are defined in detail in the guidelines provided in the current version of the <u>BAQ</u> <u>Source Testing Manual</u> as well as the current version of the <u>Source Testing Frequently Asked</u> <u>Questions (FAQ)</u>. Co-pollutants emissions must be listed in the application and are considered in the evaluation.

### **Questions about the Application Process**

#### Q49: How do I apply for a RISE PA grant?

A: RISE PA MAT/LAT applications must be submitted through the <u>DCED Enterprise eGrants</u> <u>System</u>. Step-by-step instructions are provided on the RISE PA website and at <u>this link</u>. More information about application requirements can be found on <u>page 9</u> of the Program Guidance document.

#### Q50: Can I schedule a meeting to discuss my application or project with the RISE PA team?

A: Yes. To request a 30-minute meeting, send an email to Administrative Officer Cheryl Smith (cherlsm@pa.gov) with your availability and a list of questions.

#### **Q51: Can I submit Prescreening Materials?**

A: Yes, pre-screening materials help RISE PA to better understand potential Applicants. Though we cannot provide direct feedback on the project, we can help to make any additional clarification and tailor prescreening support. To submit pre-screening materials, email the following information to RA-EP-CPRG@pa.gov

- a. Brief description of intended project and technology.
- b. The selected Award Track
- c. Bonus Awards sought
- d. Estimated Total Project Cost (TPC)
- e. Subsector emissions source(s) the project will reduce and estimated reductions.

#### Q52: What information is required in the application?

A1: The application consists of the Primary Grant Application, Supplemental Application, Project-specific Questions, Technical Appendix, Detailed Budget Information, and Property Owner and Operator Consent. Details can be found on <a href="mailto:page 9">page 9</a> of the Program Guidance document.

A2: Applicants pursuing the Community Benefits Bonus must submit a Community Benefits Plan. Applicants pursing the Fair Labor Bonus must complete the Good Neighbor Agreement Application, Collective Bargaining Commitment Application, and/or the Commonwealth Workforce Transformation Program (CWTP) Letter of Intent.

#### Q53: Where can I upload letters of support?

A: Applicants cannot upload letters of support directly. However, Applicants may reference letters of support as a part of their response in the *Stakeholder Engagement* section – specifically the question asking for a comprehensive list of stakeholders (i.e. local governments, labor unions, environmental groups, or community-based organizations).

# Q54: Do RISE PA Applicants need to complete a full SAM.gov registration, or just obtain a Unique Entity Identifier (UEI) number?

A: Applicants only need a UEI number, and do not have to complete a full SAM.gov registration.

#### Q55: Once I've submitted an application, can I go back and make changes to it?

A1: No, once you have submitted an application, the submission is final, and the application cannot be changed. Be as accurate and thorough as possible before submitting it. You do not have to submit until the **August 29**<sup>th</sup> deadline.

A2: As a part of the MAT and LAT selection process, RISE PA may determine that pre-selection clarifications are necessary. Pre-selection clarifications may occur before, during, or after the application evaluation process. Pre-selection clarification will typically be carried out through written response to RISE PA's written questions. Information provided by Applicants through this process will be incorporated into their application and contribute to the evaluation process. Information provided by the Applicant that is not directly addressing the clarification questions will not be considered.

A3: If RISE PA contacts an Applicant for pre-selection clarification, it does not signify that the Applicant has been selected for award. RISE PA may invite one or more Applicants to a virtual or in-person meeting to discuss the proposed project. Being invited to a meeting does not mean the Applicant is selected for an award. RISE PA will not reimburse Applicants for travel and other

expenses relating to pre-selection clarification, nor will these costs be eligible for Applicant cost share.

#### Q56: Can I submit multiple applications?

A1: Yes. There is no limit to the number of applications a company can submit, provided each application has a Total Project Cost (TPC) of greater than \$1 million.

A2: However, if multiple projects are submitted on separate applications, then the Applicant will be competing with themselves, limiting their odds. This is a competitive grant and therefore, Applicants are encouraged to submit their best decarbonization project or bundle all the projects into a single application.

A3: If the Applicant has different locations, then each location must submit their own application.

A4: Please note that there will be one guaranteed round of funding for the MAT and LAT award tracks. The application deadline is **August 29**, **2025**.

#### Q57: Can I submit one application for different projects at multiple locations?

A: No. RISE PA currently does not allow for a portfolio approach. An Applicant would need to submit a separate application for each location.

#### Q58: Is there an advantage to applying earlier in this program as opposed to later?

A: No, all applications will be reviewed at the close of the application. The application deadline is **August 29, 2025**.

#### Q59: Will there be subsequent funding opportunities for MAT and LAT?

A: No. RISE PA anticipates that all available funding will be awarded in one round, so Applicants are encouraged to apply by the **August 29, 2025**, deadline.

#### Q60: What is the RISE PA MAT and LAT application timeline?

A1: There will be only one application round for MAT and LAT projects. The application will close at midnight on **August 29, 2025.** Awards will be announced by December 2025.

A2: Please note that the SAT will have multiple rounds of funding. The first application round closes on August 15, 2025. The next round is anticipated to open in September 2025 and close on December 15, 2025.

A3: All awarded MAT and LAT projects must be completed by April 2029 to allow ample time for Measurement, Monitoring, and Verification (MMV).

#### Q61: How do projects compete for funding?

A: Projects will be evaluated based on a set of criteria and list of program policy factors that can be found on page 14 of the Program Guidance document.

#### Q62: Will applications be reviewed and approved on a rolling basis?

A: No. RISE PA is a competitive grant program, and DEP will not review any applications until after the deadline on **August 29, 2025.** 

#### Q63: What is the timeline for application review and award announcement?

A: DEP will begin reviewing applications in September and intends to announce awards in December before the end of the calendar year.

#### Q64: Can RISE PA review application drafts and provide feedback on applications?

A: RISE PA will not review draft application materials, nor will feedback be provided on those materials. RISE PA is available via email or a call to discuss application-related questions.

A2: To request a 30-minute meeting, send an email to Administrative Officer Cheryl Smith (<a href="mailto:cherlsm@pa.gov">cherlsm@pa.gov</a>) with your availability and a list of questions.

#### Q65: How will DEP review MAT/LAT applications?

A: DEP will first conduct an administrative review, followed by a technical review. Applications will then be sent to DEP's third-party consultant to complete in-depth technical and financial feasibility reviews. Finally, the DEP Executive Committee will select the final list of projects to be awarded.

#### Q66: Do all necessary permits have to be secured before I apply?

A: No, however, you will need to specify the permits required within the application and the expected dates that the permits will be secured. There is a Permitting section of the application in which the Applicant will provide a complete list of all federal, state, and local permits, including environmental authorizations (if applicable) or reviews necessary to commence construction of the project.

#### Q67: What are Scope 1 & Scope 2 GHG emissions?

A1: Scope 1 Emissions are direct GHG emissions that occur from sources that are controlled or owned by an organization and include stationary combustion, mobile combustion (within the boundary of the Industrial Facility), fugitive emissions, and process emissions.

A2: Scope 2 Emissions are indirect GHG emissions associated with the purchase of electricity and purchased heat and steam.

A3: Facilities must describe the boundaries of the Industrial Emissions and provide a baseline calculation of emissions for the past three years. More information can be found on <u>page 12</u> of the Program Guidance document. Use EPA's <u>Simplified GHG Emissions Calculator</u> to determine Scope 1 and Scope 2 GHG emissions.

### Q68: Are there any resources available to help me calculate the greenhouse gas emissions baseline?

A1: MAT and LAT Applicants must submit a technical appendix detailing how their estimates of GHG emissions reductions were calculated. Applicants must provide 3 years of baseline data and show all of their work and methodology along with references to back it up. Resources are available to help calculate the GHG emission baseline in <a href="Appendix A: GHG Emission Calculation Guidance">Appendix A: GHG Emission Calculation Guidance</a> of the Program Guidance.

### Q69: How can I calculate the emissions associated with the electricity purchased from the grid?

A: EPA's <u>Emission Factor Hub</u> provides emission factors by fuel and US regional electricity emission factors which can help with calculation of the emissions associated with electricity that is purchased from the grid (Scope 2).

### Q70: What if I have less than three years of emissions data available to calculate the GHG emissions baseline?

A: The Applicant would have to calculate the baseline based on however many years of emissions data they have available. See <u>Appendix A: GHG Emission Calculation Guidance</u> in the Program Guidance document for further details.

#### Q71: What are co-pollutants? Are they factored into the application?

A1: Co-pollutant emissions include criteria air pollutants (Ozone, Particulate Matter, Carbon Monoxide, Lead, Sulfur Dioxide, Nitrogen Dioxide, Volatile Organic Compounds) and hazardous air pollutants (Hydrogen sulfide, Benzene, Toluene, Ethylbenzene, Xylene, Hexane, Ethane, Pentane, Formaldehyde, Butane, Dichlorobenzene, Propane).

A2: These are defined in detail in the guidelines provided in the current version of the <u>BAQ</u> <u>Source Testing Manual</u> as well as the current version of the <u>Source Testing Frequently Asked</u> <u>Questions (FAQ)</u>. Co-pollutants emissions must be listed in the application and are considered in the evaluation.

# Q72: Is an energy assessment or Technical Assistance Report required for the MAT and LAT application?

A: No. A Technical Assistance Report (TAR) is only required for the Small-scale Award Track (SAT). MAT and LAT Applicants must submit a technical appendix detailing how their estimates of GHG emissions reductions were calculated. Applicants are encouraged to include sufficient detail so that DEP can understand the basis for the greenhouse gas (GHG) emission reductions estimated. See <a href="Appendix A: GHG Emission Calculation Guidance">Appendix A: GHG Emission Calculation Guidance</a> in the Program Guidance document for further details.

### **Questions about Bonus Awards**

### Q73: What Bonus Awards are available for MAT and LAT projects and how much are they worth?

A1: MAT and LAT projects can receive the Community Benefits Bonus, Fair Labor Bonus, and Greenhouse Gas Emissions Reduction Bonus.

A2: The Community Benefits Bonus and Fair Labor Bonus are each worth 10% of the Total Project Cost (TPC).

A3: The Greenhouse Gas Emissions Reduction Bonus is an incremental bonus worth up to 10% of the Total Project Cost (TPC), depending on the percentage reduction achieved by the project beyond the required initial 20% emissions-reduction threshold. Information about the GERB can be found in <u>Table 14</u> on page 45 of the Program Guidance document.

#### Q74: What is the maximum bonus award for MAT and LAT projects?

A: The combined maximum bonus award for MAT and LAT projects is 30% of the Total Project Cost (TPC), which would increase the base grant award to 60% maximum of the base grant award.

#### Q75: Where can I find more information about the bonus award requirements?

A: Please refer to the following appendices of the Program Guidance document:

- Community Benefits Bonus (CBB): Appendix B.
- Fair Labor Bonus (FLB): Appendix C.
- Greenhouse Gas Emissions Reduction Bonus (GERB): Appendix D.

#### Q76: How can I identify Low-Income and Disadvantaged Communities (LIDACs)?

A: There is updated guidance to identify LIDACs. Applicants are advised to use <u>DEP's</u>

<u>PennEnviroScreen mapping tool</u>. More guidance on how to use the mapping tool can be found here.

#### Q77: Where can I find resources to help with the Community Benefits Plan?

A1: Applicants must include the four sections in their Community Benefits Plan that are specified in <u>Appendix B: Community Benefits Bonus</u> on page 29 of the Program Guidance document.

A2: Please note that the DOE Community Benefits Plan template is no longer available. Applicants are encouraged to utilize the following resources when drafting the Community Benefits Plan:

- Relmagine Appalachia: Community Benefits Resource Page
- SWPA Municipal Project Hub: <u>Community Engagement for Industrial Decarbonization</u> Projects
- RiverWise: Guide to Community Benefits in Southwestern Pennsylvania
- Renewable Thermal Collaborative: Community Benefits Handbook

# Q78: For the Community Benefits Plan, can I include projects and initiatives that have occurred in the past?

A: You may include a narrative of community engagement and actions that have been completed to-date to provide historical context in Section 1.

A2: The Community Benefits Plan must also include the Applicant's future plans to engage with, and directly involve, community partners and impacted groups in decisions and incorporate each of the four sections must include at least one tangible goal that meets the SMARTIES criteria, meaning that it is Specific, Measurable, Attainable, Realistic, Timely, Innovative, Equitable, and Supportive.

### Q79: Would RISE PA funding cover costs associated with developing a Community Benefits Plan?

A: The costs associated with developing a Community Benefits Plan are not directly reimbursable, but reasonable costs can be included in the Total Project Cost (TPC) and contribute toward meeting the cost share requirement.

# Q80: Can donations specified in the Community Benefits Plan be counted toward the cost share requirement?

A: Yes, provided that the costs are "reasonable" and "associate with planning, development, and/or design" of the Community Benefits Plan.

### Q81: For the Fair Labor Bonus, can Applicants obtain funding from the Commonwealth Workforce Transformation Program?

A1: If an Applicant participates in the Commonwealth Workforce Transformation Program (CWTP), funding from the program will be included in the 10% bonus award amount. To obtain the Fair Labor Bonus, MAT Applicants must complete two (2) of the following and LAT Applicants must complete all three (3) of the following:

- Good Neighbor Agreements
- Collective Bargaining Commitments
- Commonwealth Workforce Transformation Program (CWTP) Participation
  - The CWTP reimburses up to \$30,000 per trainee, and up to \$10,000 per trainee for supportive services. CWTP will reimburse up to ten (10) trainees. MAT and LAT projects must have at minimum two (2) trainees, plus one (1) additional trainee for every \$20M of the Total Project Cost (TPC).

A2: More information about the Fair Labor Bonus can be found in <u>Appendix C</u> of the Program Guidance document.

Q82: Is there flexibility for workers to fulfill the Commonwealth Workforce Transformation Program's hourly work requirement? For example, spreading out the total required hours for students who would work part-time.

A: Work requirements and eligibility under the Commonwealth Workforce Transformation Program (CWTP) may be modified at the discretion RISE PA. Please reach out to <a href="mailto:RA-EP-CPRG@pa.gov">RA-EP-CPRG@pa.gov</a> with any requests for modification.

#### Q:83 Are costs of CWTP Trainees included in the cost share requirement?

A: Yes, CWTP Trainee costs should be included in the 70% cost share requirement. In the *Personnel* section of the Budget Spreadsheet, enter the trainee costs under the Private Match column. Additionally, in the *Detailed Budget* section, Applicants may include a line item for CWTP Trainee costs and indicate whether these costs will be covered by the Fair Labor Bonus.

### Q84: How is funding for the Commonwealth Workforce Transformation Program (CWTP) disbursed?

A: If an Applicant is pursuing the CWTP as a part of the Fair Labor Bonus (FLB), the amount of funding RISE PA will provide for each CWTP Trainee will be included as part of the FLB award. Up to \$40,000 of funding is available per CWTP trainee.

Q85: Under the Fair Labor Bonus, does the Good Neighbor Agreement commitment to pay wages and benefits above the prevailing wage rates for construction extend to contractors and subcontractors performing project construction labor?

A: Yes. Applicants must obtain commitments from any contractors or subcontractors performing construction labor to pay above prevailing wage rates and should include those commitments in the Good Neighbor Agreement application.

A2: Because labor is an eligible expense, Applicants can include the cost of paying above prevailing wage rates in their Total Project Cost (TPC).

Q86: Under the Good Neighbor Agreement for the Fair Labor Bonus, is there a certain amount above prevailing wage that should be paid?

A: There is no specified amount, but the wage must be greater than the Davis-Bacon prevailing wage to be eligible.

#### Q87: When will the Bonus Awards be paid out?

A: Bonus Award funding will be withheld until DEP verifies that the Grantee has met the additional criteria for each bonus. More information about Bonus Awards can be found on <a href="mailto:page">page</a> of the Program Guidance document.

### Questions about Funding, Reimbursement and Cost Share Requirement

#### Q88: How much funding is available per project?

A1: For Medium-scale projects, \$300,000 to \$20,000,000 is available per project for the base grant award. For Large-scale projects, \$20,000,001 to \$110,000,000 is available per project for the base grant award.

#### Q89: How does reimbursement work?

A1: MAT/LAT projects can be reimbursed for up to 90% of the BGA as process costs are incurred, meaning that paid invoices can be submitted in a request for reimbursement throughout the grant period.

A2: Ex: \$10 million project = \$3 million Base Grant Award, so the Grantee can be reimbursed for up to \$2.7 million. The remaining 10% will be withheld until after Measuring, Monitoring, and Verification (MMV) is completed and emissions reductions are verified. RISE PA can reimburse for any eligible costs incurred from October 1, 2024, onward.

# Q90: Can I include the cost of a feasibility study or engineering study in the Total Project Cost (TPC)?

A: Any costs from preparing the application, including feasibility studies, are not reimbursable but may be included in the Total Project Cost (TPC) and count toward meeting the cost share requirement.

#### Q91: Can RISE PA reimburse for costs already incurred?

A: Eligible project costs incurred from **October 1, 2024** onward, may be reimbursed. Reasonable costs associated with planning, development, and design of the project and bonus awards may be factored into the cost share requirement but are not reimbursable.

#### Q92: Can I apply for a project that has already begun construction?

A1: Yes, MAT and LAT projects can begin at their own risk prior to the notification of the award. Eligible costs incurred from **October 1**, **2024** onward, can be reimbursed. Projects that are already completed will not be eligible for funding.

A2: Please note that Small-scale Award Track (SAT) Applicants may not begin work on the project prior to its funding.

#### Q93: When can I start spending money on my project?

A: A facility may start spending money on a project at its own risk prior to award notification. Eligible expenses incurred on or after **October 1, 2024**, may be reimbursed upon award notification.

# Q94: Are the costs associated with performing measurement, monitoring, and verification (MMV) reimbursable?

A: Yes. Project costs associated with MMV should not be factored into an Applicant's Total Project Cost (TPC). Instead, Applicants can apply for reimbursement of up to 1% of Total Project Costs (TPC) or \$70,000, whichever is less, to offset MMV costs.

#### Q95: How will RISE PA funding be disbursed?

A1: RISE PA is a reimbursement grant program. Applicants will submit reimbursement requests as costs are incurred, and invoices are paid. The payment process may take four to six (4-6) weeks from the approval of the reimbursement request.

A2: Grantees will be required to obtain a vendor identification number through the <u>Vendor Data</u> <u>Management Unit</u> and to submit a Form W-9, Request for Taxpayer Identification Number and Certification. Refer to <u>page 16</u> of the Program Guidance document for more information.

#### Q96: What are the cost share requirements?

A1: MAT and LAT Applicants must provide a 70% cost share. Cost share includes cash or in-kind contributions provided by the Applicant, subrecipients, or other project related sources. If the maximum bonus awards are obtained, the cost share would be 40%.

# Q97: My project has received grant funding from another source. Can I get RISE PA funding for the same project?

A: Yes, Applicants may include other sources of federal, state, or local funding that have already been secured as part of the cost share.

#### Q98: Can tax credits be used toward meeting the cost share requirement?

A1: If the tax credit has already been received, then it can be counted toward meeting the cost share requirement. If the tax credit has not yet been received, it cannot count toward meeting the cost share requirement.

A2: If a project such as a renewable energy project will generate the Investment Tax Credit (ITC) upon project completion, a bridge loan could be secured for the value of the tax credit, and that loan could be part of the cost share capital stack.

A3: There is no restriction to apply for the Investment Tax Credit (ITC) in addition to RISE PA funding. Applicants should consult a tax professional to determine whether RISE PA funding is additive to basis.

#### Q99: Will the grantee have to pay taxes at the state level on the grant?

A1: For businesses subject to Corporate Net Income Tax, the general rule is if it's included in Federal Form 1120 (U.S. Corporation Income Tax Return), Line 28, it's taxable unless specifically excluded by statute.

A2: If a business is not subject to Corporate Net Income Tax and remits taxes from the business under Pennsylvania Personal Income Tax, the grant would not be taxable income.

Q100: How much funding does a grantee ultimately receive if the final Total Project Cost (TPC) comes in lower or higher than the Total Project Cost (TPC) that was submitted in the application?

A1: If the final Total Project Cost (TPC) comes in lower than the estimated TPC stated in the application, but higher than the amount of the Base Grant Award (BGA), then the Grantee's BGA will be reduced such that the Grantee will be reimbursed only for eligible expenses equivalent to the adjusted BGA, representing 30% of the project's final TPC. The Grantee will not receive the difference between the original BGA and adjusted BGA, nor will they receive any overage above the original BGA.

Ex: The estimated TPC in the application is \$10 million, and the BGA is \$3 million. If the final TPC is \$6 million, the Grantee will be reimbursed for 30% of eligible expenditures for a final BGA of \$1.8 million.

A2: If the TPC comes in higher than the initial cost estimate, the reimbursements will still only fund the BGA amount specified in the grant agreement.

Ex: The TPC in the application is \$10 million, and the BGA is \$3 million. If the actual TPC is \$12 million, then the Grantee will be reimbursed for eligible expenditures equivalent to \$3 million.

# Q101: Is a Grantee subject to repayment of funding to DEP if a project fails to attain the estimated emission reductions?

A: The Grantee is responsible for ensuring that RISE PA funds are used in accordance with Federal statutes, regulations, and the terms and conditions of the grant. DEP reserves the right to terminate an awarded grant if the grant recipient fails to comply with the terms and conditions of the award.

# Questions about Implementation, Measurement, Monitoring, and Verification (MMV)

#### Q102: What kind of Measurement, Monitoring, and Verification (MMV) is required?

A1: Measurement, Monitoring, and Verification (MMV) is the process of comparing the implemented project and/or process against the prior equipment and/or method. This will be unique to the Applicant's project and will vary due to the different types of eligible projects.

A2: The Applicant is required to submit a narrative describing how MMV will be conducted for the proposed project. If an Applicant is selected to receive an award, they will be required to submit a comprehensive MMV Protocol that will be reviewed for approval by RISE PA. More

information about MMV requirements can be found on and <u>page 19</u> of the Program Guidance document.

#### Q103: Is there a template for Measurement, Monitoring, and Verification (MMV) activities?

A: No, there is no prescribed template to follow when designing a project's MMV plan because of the wide array of potential industrial decarbonization projects. In the application, the Applicant must provide an MMV plan describing how MMV will be conducted throughout the project.

A2: If a project is selected for an award, the Grantee must submit a comprehensive MMV Protocol to DEP for review and approval before beginning the project. The Grantee must carry out the MMV Protocol before the project begins to verify the GHG emissions baseline and after project completion to verify the actual emissions reductions.

### Q104: Are the costs associated with performing measurement, monitoring, and verification (MMV) reimbursable?

A: Yes. Project costs associated with MMV should not be factored into an Applicant's Total Project Cost (TPC). Instead, Applicants can apply for reimbursement of up to 1% of the TPC or \$70,000, whichever is less, to offset MMV costs.

#### Q105: How long will Grantees have to complete projects?

A1: Medium/Large-scale projects will be granted a Period of Performance of up to 3 years, beginning on the date that the award agreement is fully executed. This means the Grantee will have up to three years to operationalize the project and do the necessary MMV after the project is completed to verify the emissions reductions.

A2: RISE PA recognizes that unforeseen setbacks and delays may occur once the period of performance has started. If this happens, DEP can extend the period of performance for up to five years total. However, all projects must be completed by the anticipated sunset date of the program on **April 1, 2029**.

### Q106: Is the RISE PA program affected by federal funding cuts in the Reconciliation Law (OBBBA/H.R.1)?

A1: No. The funding for the RISE PA program comes from the EPA's Climate Pollution Reduction Grants program and DEP's funding has been secured and *obligated*.

A2: The Reconciliation Law rescinds the *unobligated* funding for the Climate Pollution Reduction Grants program. However, since the funding for RISE PA is obligated, the recission does not affect the program.