1. Program Plan:

1.1 Program Vision: Appalachian Community Capital ("ACC") established the Green Bank for Appalachia, Energy Communities, and Underserved Rural America (Green Bank for Rural America or "GBRA") to lead the nation's green transition in low-income rural communities impacted by declines in the fossil fuel industry. ACC will use the CCIA award to ensure that coal, energy, underserved rural, and Tribal communities receive funding and technical assistance to develop and finance clean energy projects. As a result of ACC's place-based strategy, these low-income disadvantaged communities ("LIDAC") will build clean energy economies, support thousands of households, businesses, and community institutions. Clean energy projects will create thousands of quality jobs while reducing carbon emissions and improving air quality in hard hit energy communities across the country.

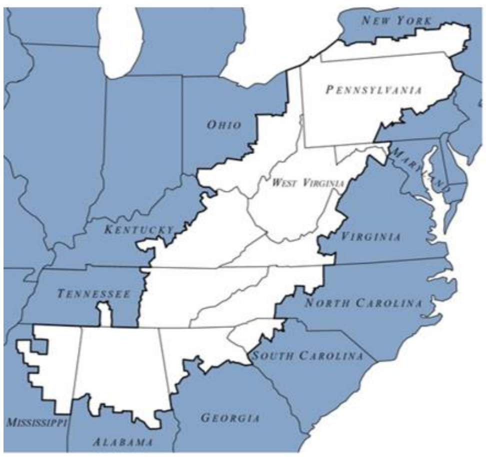
ACC envisions that many organizations with deep expertise in rural communities will be engaged to support this work, and many such organizations assisted in crafting the vision for GBRA. It should be noted that none of the organizations described throughout this proposal are named subrecipients, partners, or vendors. All activities related to engaging service providers to accomplish the public purpose of this award will strictly follow the EPA guidelines for competitive procurement of services.

The focus of GBRA aligns with the Biden Administration's Executive Order 14008 "Tackling the Climate Crisis at Home and Abroad" **to partner with coal, oil and gas, and power plant communities to create good-paying union jobs, spur economic revitalization, remediate environment degradation, and support energy workers**.[1] In signing this order, President Biden stated: "We're never going to forget the men and women who dug the coal and built the nation. We're going to do right by them and make sure they have opportunities to keep building the nation in their own communities and getting paid well for it." We believe this proposal delivers on that promise.

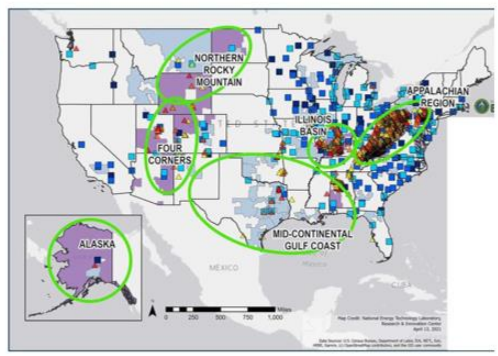
1.1.1 Community Lender Network Strategy: Through its GBRA program, ACC serves a network of community lenders at the forefront of a just energy transition, affecting people, regions, and economies historically dominated by mining, harvesting, production, and distribution of coal and other fossil fuel energy sources. Rural communities, including Appalachia, that are the focus of this application, are at the epicenter of this transition, and are poised to lead in developing new energy sources and making investments to reduce greenhouse gases. Gayle Manchin, Federal Co-Chair of the Appalachian Regional Commission, has stated: "When coal-impacted communities succeed, the rest of the country is made stronger. That's why investments such as those led by Appalachian Community Capital are critical in leveling the economic playing field."

[1] Initial Report to the President on Empowering Workers Through Revitalizing Energy Communities; April 2021; Interagency Working Group on coal and Power Plant Communities and Revitalization

Executive Order 14008 established an Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization (IWG)[2] with representatives from twelve federal departments, the National Economic Council and the National Climate Advisor. The IWG identified the 25 regions ("energy communities") most impacted from coal declines for immediate focus and prioritized federal investment, with the greatest concentration in Appalachia. These 25 areas (illustrated in the map below) include 112 counties in 13 states. To support a broader set of communities facing longer-term declines from the clean energy transition, GBRA identified 470 other energy, rural, and tribal communities for CCIA investment, including fenceline communities impacted by the environmental and health effects of fossil energy generation. In total, 582 counties nationally, including Appalachia, energy, underserved rural, and Tribal communities in all 10 EPA Regions, which includes nearly 30% of the nation's persistent poverty counties (40% of the nation's PPP counties when including fenceline communities) will be the focus of the GBRA Community Lender Network.



Appalachia defined by Appalachian Regional Commission



Coal and Power Plant Closure Areas, InterAgency Working Group

The community finance experts that make up ACC's membership have served energy communities for decades. The hurdles facing these communities as a result of the energy transition are daunting and require the focused capitalization and technical assistance provided by GBRA. Mark Masterson, CEO of Neighborhood Community Development Fund (a CDFI in Central Appalachia) said: "The transition to non-carbon energy is going to be brutal across Southwest Pennsylvania. I don't think that there is anyone else in a position to [pursue a strategy] that will be focused on those communities like ACC."

The community lenders ("CLs") that are the focus of ACC's application are public, non-profit, and quasi-public lenders that work locally, regionally, and nationally in energy, rural, and tribal communities. ACC has identified over 400 CLs focused on the target communities:

- Community Development Financial Institutions (CDFIs), certified as mission-focused with a commitment to deploy at least 60% of financial products and services in targeted LIDAC. 226 CDFIs have been identified including Native CDFIs in target communities.

[2] EO 14008: Tackling the Climate Crisis at Home and Abroad (2021) | Department of Energy

- Economic Development Administration (U.S. Department of Commerce) Revolving Loan Funds (RLFs) that provide loans to businesses unable to obtain traditional bank financing. 167 located in target communities.
- U.S. Department of Agriculture Intermediary Relending Program (IRP relenders) that receive low-cost long-term capital to lend to rural community businesses to help improve economic conditions and create jobs. 54 located in target communities.

The customers served by these lenders are in LIDAC and include high percentages of historically disadvantaged populations including African-Americans, Hispanics, Native Americans, and People with Disabilities. These CLs work with individuals; small businesses; housing developers; energy generation developers; solar installers; automotive and truck financers; child care, education and health care providers; and many others.

Financial products and services offered by this network of CLs to their communities include:

- Lending for green energy generation and storage, housing, small business, commercial buildings, community facilities, charging infrastructure, and consumer finance for home improvements, transportation and trucks
- Equity and tax credit transactions for Investment Tax Credits for Solar and Wind, and/or New Markets Tax Credits (NMTC), and Low-Income Housing Tax Credits (LIHTCs).

Development and technical assistance ("TA") services offered include:

- TA for housing developers, small business owners, and commercial building owners, and community non-profits
- Financial counseling for business sustainability and personal financial education

Through this program, GBRA expects over 100 CLs will receive capitalization and TA subawards covering all ten EPA regions. Of these subawardees, an estimated 30-40% are currently active in green financing and poised to accelerate their lending and impact through this program. The remaining 60-70% are new to green financing, including those that have done fewer than 5 transactions, and will be supported with capital and TA to start and grow sustainable green lending programs.

Suitability to support US climate goals: The network of CLs that will be served by GBRA will generate outputs and outcomes in line with the climate goals outlined in the *Long-Term Strategy of the United States: Pathways to Net-Zero Greenhouse Gas Emissions by 2050*, as well as other strategic priorities of federal agencies and interagency working groups across the government. By focusing on Appalachia, coal and energy communities, and underserved rural America, the GBRA directly supports the White House's directive to "...address the distributional inequities of environment pollution and climate vulnerability [and] improve public health in every community…."[3]

The CLs supported in this application are established and trusted community partners in coal and power plant communities, the fenceline communities near those communities, and across underserved rural and Tribal communities. These lenders have deep knowledge of community needs and financing opportunities, supporting thousands of transactions in the targeted rural communities, as well as exceptional expertise at structuring and managing development finance portfolios. They are uniquely well positioned to achieve the federal government's greenhouse

[3] The Long-Term Strategy of the United States, Pathways to Net-Zero Greenhouse Gas Emissions by 2050 (whitehouse.gov)

gas emissions reduction goals in these communities efficiently and effectively. Optional Document 1. Program Plan 1.1.1 Community Lender Network Strategy outlines a wide range of federal agency priorities, climate goals, and funding opportunities that are supported by this application, including those specifically cited in the question.

Barriers to harnessing the full potential of the network of CLs and unique contribution to filling the gaps: To understand the barriers facing CLs to finance CCIA-qualified projects and the gaps in the current ecosystem of solutions, ACC convened a Green Financial Products Advisory group that met regularly throughout 2023, and surveyed prospective GBRA CLs to identify barriers and solutions. In the spring of 2023, ACC hosted a Green and Inclusive Economy Summit at the Energy Innovation Center in Pittsburgh to focus on the barriers and solutions to green lending in Coal Country. (Optional Document 1. Program Plan 1.2.4.2 Financial Market Building). Through these activities, CLs identified the following barriers to expanding green energy financing in target communities:

Capital, financial products and associated TA:

- Green energy underwriting training, staff development, and impact measurement
- Products for gap and pre-development financing, non-predatory/low-cost financing options for LMI borrowers to finance clean energy projects
- Flexible and low-cost capital for qualified projects, including extended amortization and/or non-amortizing features, forgivable debt, or equity investments
- Use of tax credits (ITC, HTC, NMTC, LIHTC, other), or government permanent financing (USDA Community Facilities, USDA B&I loans, USDA 502 loans)
- Accessing public funding such as the EPA Greenhouse Gas Reduction Fund NCIF, Solar for All programs, and funding programs across the federal government
- TA to access secondary markets for clean energy loans, and Fannie Mae and Freddie Mac for housing; TA to support strategies for attracting private capital
- For distributed energy projects, help structuring financing, navigating energy rate environments, and negotiating with local utilities for off-taker contracts
- For solar installation projects, building relationships with solar installers and developers, and having the technical skills to support customers

Community engagement and workforce development:

- Frameworks and advisors to facilitate community engagement, ensuring green energy projects are locally supported and consistent with community vision and priorities
- Workforce development programs that include training, certifications, internships, and mentorship programs offered through unions, community colleges, and local agencies

GBRA makes a unique contribution to providing solutions with a comprehensive place-based program built on four pillars, further outlined throughout this proposal:

- **Pillar 1 - Capitalization:** Capitalization subawards for community lenders serving the target communities to finance eligible projects for climate benefits and community revitalization, and to create self-sustaining clean energy financing programs for these communities. Pass-Through Strategy, Section 1.2.3
- **Pillar 2 - Technical Assistance:** Technical assistance services in green finance to community lenders and development support to communities for green energy projects. TA services target distributed energy generation, net-zero emissions buildings (including housing), and zero-emission transportation projects, and include pre-development

services such as design, engineering, market studies, business planning and financial structuring. TA Service Strategy, Section 1.2.4

- **Pillar 3 - Community Engagement:** Community engagement to ensure the voices of community stakeholders are at the table as projects are envisioned, developed and financed, ensuring that these new investments align with community priorities and support the community vision. LIDAC Engagement and Accountability, Section 1.2.1
- **Pillar 4 - Workforce Development:** Workforce development for effective programs building the skills and career paths leading to quality jobs for rural residents and supporting the growth of the new energy economies in these communities. Labor and Equitable Workforce Development Plan, Section 1.2.5.2.

Within each pillar, the GBRA coordinates activities with other public, quasi-public, and private resources. The broad range of stakeholders supporting this application (attached letters) attest that ACC is the partner of choice to address systemic challenges facing Appalachia, coal, energy, and underserved rural communities across the country. The GBRA team will be especially intentional to coordinate with other GGRF grantees in the NCIF, Solar for All, and CCIA programs, as evidenced by letters of support from other GGRF applicants. Interconnectivity is embedded throughout all four pillars of the investment strategy. Coordination Plan (Section 1.2.5.5) outlines the activities to leverage existing public and private resources, and to coordinate with other GGRF grantees.

Future state of clean financing and implications for LIDAC: Through the GBRA program, CLs that serve target communities will be strengthened with capitalization funding and TA to overcome their unique challenges to transition to the new energy economy. LIDAC communities will benefit from CLs financing clean energy projects in housing (new and renovated), clean energy generation and storage, and zero-emissions transportation. Not only will the result be cleaner communities, quality jobs, and healthier environments, but also these investments will build a self-sustaining infrastructure that will accelerate the revitalization of these communities. Section 1.2.2 Investment Objectives outlines the Climate, Equity, and Market Transformation goals, metrics, outputs and outcomes that reflect how the network of CLs and the communities they serve will be strengthened as a result of the GBRA program.

1.1.2 Geographic Coverage and Diversity GBRA strategically targets energy and underserved rural communities nationally. The GBRA Community Lender network prioritizes 582 counties in 24 states, including 30% of the persistent poverty counties nationally. These priority areas include Tribal nations and all underserved rural communities. The GBRA is not focused on urban and metropolitan communities outside of the target market. It will work with three overlapping and inter-related networks of CLs serving:

- **Appalachia:** Spanning 13 states and four EPA regions, Appalachia faces significant economic challenges, worsened by the decline in the coal industry. 43% of this region, or 183 counties, are economically distressed or at risk, with household incomes 29% below the national average for rural counties.[4] Health disparities are also prevalent, with the region lagging the US national average in 33 out of 41 health indicators collected.[5]

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[4] The Appalachian Region: A Data Overview from the 2017-2021 American Community Survey Chartbook; page 183;

[5] Marshal, Julie L. et. al., "Health Disparities in Appalachia." A publication of the Appalachian Regional Commission, August 23, 2017. https://www.arc.gov/report/health-disparities-in-appalachia/

- **Coal and Energy Communities:** Found in 18 states across all EPA regions, these communities, along with the fenceline communities, which are often communities of color or tribal communities, experience disproportionate pollution and environmental impacts from fossil fuel activities.
- **Underserved Rural America:** Encompassing the entirety of the US and Tribal lands located in all 10 EPA regions, rural poverty rates surpass metropolitan rates by 29%.[6] Nearly 100% of the IWG priority communities are defined as rural by the Census Bureau.

The GBRA CL network comprises local, regional, and national CLs of various sizes, as well as not-for-profit, public, and quasi-public entities. The GBRA pass-through strategy emphasizes community engagement and workforce development, and financing clean energy projects that promote a sustainable local economy. The GBRA lender types include EDA Revolving Loan Funds, USDA Intermediary Relenders (IRPs), and Community Development Financial Institutions. Optional Document 1. Program Plan 1.1.2 Geographic Coverage and Diversity provides a list of over 400 community lenders serving the target communities, demonstrating wide and deep coverage of these communities in each of the ten EPA regions.

1.1.3 Demonstrated Interest Letters of Interest from 59 CLs from 31 states covering all 10 EPA Regions, requesting $678 million in capitalization funding (see Attachment 1.1.3 Community Lender Letters of Interest and Optional Document 1. Program Plan 1.1.3 Demonstrated Interest which presents a pipeline of transactions provided by CLs and local communities) represent a range of size, experience, and sectors:

- Asset sizes: Ranging from $4 million to over $1 billion in assets
- Founding: Established lenders and new lenders
- Staff: Staff sizes ranging from 2 employees to over 400 employees
- Lending experience: cumulative lending under $20 million to over $2 billion
- Lending sectors: Housing (individual, multi-family), business (including equipment and transportation, community facilities
- Clean lending experience: While over 75 of CLs surveyed indicate they have completed a clean lending project, only 30% indicated they have financed more than 5 projects. 100% indicate their interest in starting and/or expanding their clean energy lending capacity.

Four CL profiles illustrate the diversity and reach of CLs that have provided letters of support:

- Fahe is a nationally recognized CL that has served Appalachia for more than 40 years through a network of 50 housing counseling and financing agencies across six Appalachian states. It works with secondary market issuers including Fannie Mae and Freddie Mac to leverage financing for home ownership. Fahe will use GBRA capitalization funding to invest in new energy efficient homes and community energy generation to reduce energy costs and increase net zero emissions housing.
- Rural Communities Assistance Corporation (RCAC) works in 13 western states and 174 Tribal communities. RCAC is the Environmental Finance Center for EPA Region 10. RCAC finances water infrastructure, affordable housing, and community facilities. RCAC will use GBRA capitalization funding to accelerate their green lending program,

[6] "Rural Poverty & Well-Being" a publication of the USDA Economic Research Service. Last updated September 28, 2023. https://www.ers.usda.gov/topics/rural-economy-population/rural-poverty-well-being/#historic

building on their established lending and trusted community relationships to build rural economies across the rural West.

- Bridgeway Capital serves energy and rural communities in Pennsylvania, Ohio, and West Virginia. It has financed less than ten clean energy projects to date and is eager to use a capitalization award to finance net-zero emissions buildings. Bridgeway sees TA needs for impact measurement for greenhouse gas reduction, training staff to structure and underwrite clean energy transactions, and use of tax credit structures and secondary markets to leverage capital.
- IFF serves ten midwestern states. IFF has over $500 million in assets and focuses on community facility financing and development, including healthcare, educational, and childcare facilities. IFF anticipates using a CCIA Award to reduce green emissions in rural, persistent poverty, and tribal communities by financing net-zero emissions buildings, and remediating legacy pollution.

1.2 Investment Strategy: 1.2.1 Low-Income and Disadvantaged Communities (LIDAC) Engagement and Accountability Strategy

1.2.1.1 LIDAC Engagement Plan: GBRA's target communities are underserved and require large investments in clean energy to meet the national greenhouse gas targets. The Climate Policy Institute estimates these target priority communities have a projected investment in green and clean energy projects of $730 billion through 2030 to meet the U.S. Greenhouse Gas goals. (Detailed in Optional Document 1. Program Plan 1.1.1 Community Lender Network Strategy.) Yet many of these communities have complex and fraught relationships with developers who have exploited, disregarded, or ignored local voices in the past. GBRA will engage key stakeholders in LIDACs which have never had a self-determining role in their own development or community building efforts. The LIDAC engagement strategy is designed to address these barriers and grow long-term capacity for developing and financing beneficial place-based pollution-reducing projects. It is not only required but also an imperative that communities are engaged and involved in all projects financed by the GBRA network of CLs.

GRBA's LIDAC engagement plan is designed to engage "overburdened and underserved" communities in Appalachia, coal, energy and underserved rural communities so that financed green projects reflect local community priorities and developers are accountable to local voices. In designing the GBRA community engagement plan, ACC conducted extensive outreach to CLs, organizations, and public agencies similarly committed to energy and rural communities to ensure the plan will meet the needs of GBRA target communities. In addition to the 59 CLs supporting this application, outreach was conducted with organizations such as:

Just Transition Fund: Leading national development organization focusing on energy communities, works with 127 coal communities nationally	White House IWG on Energy Communities: Engagement of participating rural communities and organizations
Aspen Community Strategies Group: Leading national organization focused on underserved rural communities	Development Districts Association of Appalachia: Association of 74 primarily rural local development districts in 13 states
USDA RD: Consulted with senior leadership	Native CDFI Network: 69 members in 27 states in primarily rural communities

Appalachian Regional Commission: Consulted with senior and state leaders	National Association of Development Organizations: More than 500-member regional development organizations
Main Street America: Works in over 1,500 small communities nationwide	HBCU Community Development Action Partnership: More than 100 members in 20 states serving primarily rural communities
Grow America (NDC): Works in over 500 communities nationwide	

These organizations will continue to be important channels for community outreach as GBRA engages communities nationally. Many of those listed serve on GBRA's Advisory Committee, Steering Committee, or have expressed interest in providing TA services providing mechanisms for their perspectives to continue to guide the work of GBRA's network of community lenders.

The LIDAC Engagement and Accountability Plan (See Optional Document 1. Program Plan 1.2.1 LIDAC Engagement and Accountability Plan) was developed for GBRA by ACC Member the West Virginia Community Development Hub ("The Hub"), a nationally recognized community engagement organization supporting underserved coal communities across Appalachia. GBRA's LIDAC Engagement Plan outlines a robust strategy based on deep experience in coal, energy, and rural communities to offer community engagement and accountability services through the TA Hub for Community Engagement. TA Hub for Community Engagement services include:

1) Ensure CLs include provisions for the use of underwriting criteria, Community Benefits Agreements, and loan covenants that mandate GBRA-financed projects support local priorities and have local participation.
2) For communities with a vision and strategy for a clean energy future, provide project TA to support community-led, pollution-reducing projects that are ready for financing.
3) Support communities to unlock matching community engagement TA funds from foundations, agencies, and others to multiply the impact of the TA pass-through grants made to CLs through GBRA.
4) For communities uncertain of their future participation in a clean energy economy, support development of a vision and strategy for green project development through a well-tested cohort model. This model will involve GBRA sponsored and consultant-led community coaching to include facilitated community meetings, market assessments, community surveys, and focus groups leading to the adoption of a community vision, strategic plan, and identification of specific projects to be financed by GBRA CLs.
5) Engage with the GBRA Advisory Committee, CLs, local stakeholders, and others to discuss GBRA community progress, identify areas requiring additional resources, match communities to TA providers, and obtain feedback from participating communities.

Community engagement in low-income and disadvantaged communities ("LIDAC") is a core pillar of the ACC GBRA investment strategy:

- **Pillar 3 - Community Engagement:** Community engagement to ensure the voices of community stakeholders are at the table as projects are envisioned, developed and financed, ensuring that these new investments align with community priorities and support the community vision.

Mechanisms for community engagement in LIDACs (further described in Optional Document 1. Program Plan 1.2.1 LIDAC Engagement and Accountability Plan) include:

1. Technical assistance for communities to develop community-led, pollution-reducing projects that are ready for financing
2. Support for CLs to engage with diverse leadership teams in communities who will lead community engagement and feedback processes for projects through a mixture of facilitated open meetings, market assessments, surveys, and focus groups
3. Facilitate work with community teams to coordinate contracted community engagement TA from regional and/or national partners
4. Training and education through quarterly webinars, enewsletter, website resources, sharing relevant community and economic development information, data, models, and best practices from across the globe.

1.2.1.2 LIDAC Accountability Plan The GBRA maintains accountability to LIDAC through its governance structure and program design. In designing GBRA, ACC formed a 17-member Advisory Committee, described in Optional Document 1. Program Plan 1.2.1 LIDAC Engagement and Accountability Plan, comprised of individuals with extensive knowledge of underserved rural and energy communities nationally, as well as broad background in development finance, green energy project development, workforce development, and community engagement. This Advisory Committee will meet quarterly with the GBRA leadership team over the program performance period to provide community insights and feedback on the program implementation. The GBRA Steering Committee, composed of ACC members with national experts in community lending, workforce development and community engagement, will oversee the GBRA program for the benefit of all target energy and rural communities. The Steering Committee Chair is ACC's President and CEO, who reports to the ACC Board of Directors.

In the GBRA program design, CLs will report on their financing, community engagement and workforce development activities. Investment Agreements for CL subawards outline the requirements that 100% of all financing is in LIDAC. CL annual reporting requires reporting on all financing transactions broken down by LIDAC characteristics (income, historically underserved demographics) and GBRA target markets (Appalachia, Coal and Energy Communities, Underserved Rural America, Tribal/Native Lands). GBRA relationship managers visit CLs in the first year of the award to ensure they understand the LIDAC financing and reporting requirements. TA Hub for Community Engagement team members will reach out to support CLs to develop plans to use at least 10% of their TA subawards for LIDAC community engagement. External program audits will be conducted on 20% of CL Subawardees over the program period. CLs that fail to meet the LIDAC requirements will be required to redeploy those funds into geographies or return the funds to GBRA. Details found in Management and Oversight Plan (Section 1.2.3.6) and Optional Document 1. Program Plan 1.2.3.6 Community Lender Reporting.

Investment Objectives for Equity and LIDAC benefits have outlined outputs and outcome metrics that will be reported regularly to the GBRA leadership team, Steering Committee, ACC leadership and board of directors, and the EPA. The Head of Community Engagement, with support from GBRA communications staff, will gather and communicate progress transparently. CLs will submit annual borrower stories so that examples can be shared and successes promoted.

ACC has received broad support for the GBRA program from rural communities across the country. Organizations in Appalachia, coal and energy communities, and Tribal communities have submitted 64 letters of support from 19 states presented in Attachment 1.2.1 LIDAC Engagement and Accountability Letters of Support, including these comments:

ARCH Community Health Coalition, Michael J. Howard, PhD, CEO Kentucky	"*The counties served by the Appalachian Solar Finance Fund are struggling economically. The Green Bank for Rural America will act as an accelerator to engage with community stakeholders and finance clean technology projects.*"
Bronze Valley, Neill S. Wright, CEO Alabama	"*We serve four coal-impacted non-attainment counties in Alabama: … among the most economically depressed and ranks in the worst 10% of the nation's counties. We would be well-positioned to take this opportunity to strengthen and restore our community.*"
Visibility Outreach Touch Engage, Sylvia C. Brown, Executive Director Arkansas	"*We are rated highest in the four categories of CDC Social Vulnerability. Our residents are ideally situated to learn about and adopt measures to counter energy vulnerability. This opportunity offers us a chance to be a part of cutting-edge transformation for America and especially rural Arkansas.*"

Through this integrated program, GBRA will ensure that 100% of funds benefit LIDAC communities, and in the words of ACC member The West Virginia Hub: "not merely to transition to a new energy economy but to do so in a way that listens to, and involves, the energy and rural communities at its heart."

<u>1.2.2 Investment Objectives</u> The GBRA investment strategy will catalyze community lenders to be highly effective at advancing the GGRF program objectives of reducing greenhouse gas emissions, delivering benefits to LIDAC communities, and mobilizing financing and private capital. To reach the U.S. Climate goals by 2030, the Climate Policy Institute[7] estimates the investment needs for energy generation, buildings, and transportation in GBRA's 582 priority counties in 24 states and with over 40 Tribal nations to total over $730 billion. With a $1 billion CCIA award, GBRA will set and achieve ambitious targets to multiply the impact of these public investments and create self-sustaining green lending programs for scores of CLs. The financing and impact investment goals are detailed below and highlighted here:

Climate and air pollution benefit goals:

- $4.5 billion of investments in 5,500 clean energy projects through 2030
- 2.8M MWh annual reduction in energy generation from carbon-based sources
- 1,300 Megawatts of clean energy generation and/or storage installed through 2030
- 2.4 million tons of annual carbon emission reduction from financing buildings and transportation
- Reduction of other pollutants such as NOx, SO2, VOC, NH3, PM2.5

[7] Climate Policy Initiative - expertise in climate finance and policy analysis. https://www.climatepolicyinitiative.org/

Equity and community benefit goals:

- $200 million of direct investment in community engagement activities touching LIDAC populations in 582 priority energy and rural communities in all 10 EPA regions
- $500 million of direct investment in workforce development to support creation of over 32,000 quality jobs

Market transformation benefit goals:

- Nearly 5,500 total green lending transactions covering all 10 EPA regions, 25 IWG priority communities, and with at least 40 Tribal nations
- Financing leverage of nearly 5:1 unleashed by the CCIA subgrants
- 1,000 LIDAC in GBRA target markets benefit from sustainable clean lending programs from 100 CLs supported by GBRA
- 100 GBRA network CLs use TA subawards and services to start or expand clean lending programs that use standardized climate metrics, embed community engagement, and support workforce development

The assumptions and investment projections underlying these objectives are provided in Optional Document 1. Program Plan 1.2.2. Impacts, result from a range of investments, including replacing highly energy inefficient mobile homes which are prevalent in rural America with energy efficient site-built homes, and packaging financing from multiple sources to underwrite the total project cost of energy efficient commercial redevelopments and community facilities, as these financing structures are required to support larger, catalytic projects in underserved rural areas.

1.2.2.1 Climate and Air Pollution Benefits: The GBRA will support community lenders to reach ambitious goals in financing green energy projects, activities, and technologies that reduce greenhouse gasses and other air pollutants through TA for distributed energy generation and storage, net-zero emissions buildings, and zero-emissions transportation. GBRA utilized the EPA's Avoided Emissions and Generation Tool (AVERT) and Energy Savings and Impacts Scenario Tool (ESIST) to calculate the reductions in air pollution and greenhouse gasses from CL financing activities in qualified projects. CLs that receive subgrants will be trained to embed climate and air pollution metrics into their product development and lending processes and supported to report climate benefits of their financing activities accurately and efficiently.

Climate & Air Pollution Objectives	Outputs related to the climate objectives	Outcomes from carrying out the program
Clean Energy Investments	5,500 of projects $4.5 billion of financings	Cleaner climate and air due to the reduction of greenhouse gases from energy generation, buildings, and transportation. (2.4M tons annual reduction in CO2 emissions) Clean, cost-effective, energy generation in coal, energy and rural communities. (1,300 MW of non-carbon electricity installed; 200 MW of storage)
Distributed Energy Generated	$1.3 billion to finance 500 clean energy generation projects $48 million to finance 120 battery storage projects	
Improved Air Quality from Net-Zero Emissions Buildings	$1.6 billion to finance 1,700 new residential projects with zero emissions standards	

	$290 million to finance 1,500 renovated residential projects with zero emissions standards $280 million to finance 75 new C&I buildings with zero emissions standards $670 million to finance 225 renovated C&I buildings with zero emissions standards	Healthier, clean-energy, net-zero emissions residences and buildings for people living in LIDAC communities. (3,000 residential projects; 300 buildings) Buses, trucks, and automobiles with zero carbon emissions. (600 vehicles; 700 charging stations) Substantial reduction of other pollutants in lbs, annually NOx (-2.4M), SO2 (-1.5M), VOC (-680,000), NH3 (-142,000), PM2.5 (-237,000)
Reduced emissions from Zero Emissions Transportation	$215 million to finance 600 zero-emissions vehicles $105 million to finance 700 charging stations	

<u>1.2.2.2 Equity and Community Benefits:</u> The GBRA will support community lenders to deliver the benefits of greenhouse gas- and air pollution-reducing projects LIDAC. GBRA will ensure that 100% of financial assistance and technical assistance services benefit LIDACs to support healthier communities, where local voices are at the table, and quality jobs are created. GBRA TA will support CLs and LIDAC and maximize the impact of the TA subgrants reserved for these activities. CLs that receive subgrants will embed equity and community benefit metrics into their product development, lending, and reporting processes.

Equity and Community Benefits Objectives	**Outputs related to the objectives**	**Outcomes from carrying out the program**
Lower energy costs, improve health outcomes, and other outcomes.	$4.5 billion and 5,500 of projects financed in LIDAC coal, energy, and/or rural. Community Types: All 10 EPA regions and 25 IWG Priority Areas. 100% in Appalachia or rural; 30% in Persistent Poverty Counties; 5% in Native lands; 30% in energy communities. 2,650 businesses receiving financing: 80% locally owned small business; 40% women-owned; 30% BIPOC; 5% Native-owned. 2,800 low-income households	Clean Energy and Energy Efficiency: -Reduction of energy burden by 2.8M MWh annually. -Deployment of clean energy - establishment of communitywide microgrids, residential and commercial rooftop solar: 1,300 MW installed Clean Transportation: 700 EV charging facilities. 600 public and commercial EV vehicles. Affordable and Sustainable Housing: 3,000 sustainable residential projects, 13,000

	receiving financing for residential projects. Projects financed by Benefit Type noted in Climate Table above	workforce and affordable units financed. Outcomes for emissions reductions in the Climate Table above.
Community engagement activity to ensure the voices of the community are at the table	$100 million of TA pass-through grants allocated to Community Engagement, unlocking $200 million of services 100% of CLs active in community engagement	1,000 LIDAC benefit from the Community Engagement TA Hub (Section 1.2.4) ensuring clean energy projects reflect local priorities and voices
Creating high-quality jobs	$100 million of TA pass-through grants allocated to Workforce Development, unlocking $500 million of services	Projects create 38,000 jobs; 80% quality jobs that provide 120% of living wage with benefits. Opportunity to join union bargaining units. 11,300 persons trained for new jobs. 1,000 LIDAC benefit from the Workforce Development TA Hub (Section 1.2.4)

1.2.2.3 Market Transformation Benefits: The GBRA will support community lenders to mobilize financing and private capital to stimulate additional deployment of greenhouse gas- and air pollution-reducing projects. GBRA will provide robust financial market building TA services to support the use of tax credits, secondary market access, municipal finance, and applying for private and public sources of capital. CLs will unlock, leverage, and multiply the use of their awards to finance more green lending projects, while building sustainable programs that benefit their communities beyond the performance period. CLs will receive TA to embed market transformation metrics into their measurement and reporting processes.

Mkt. Transformation Benefits Objectives	**Outputs related to the objectives**	**Outcomes from carrying out the program**
Total grant funds committed to projects	100 Community Lenders 90 receive capital subawards 10 receive subsidies 100 receive TA subawards	Support for CLs in 1,000 coal, energy, and/or rural communities in all 10 EPA regions; all 25 IWGs; and with at least 40 Tribal nations
Total financing by CLs	5,500 projects financed $4.5 billion deployed 4.7 capitalization ratio	See climate, equity benefits in previous two tables

Access to capital	$3.7 billion of financing leverage on $800 million of capitalization awards (4.7:1)	Private, secondary market, and public resources will amplify the climate and equity benefits to LIDAC communities
Sustainable clean energy programs that extend beyond program performance period	100% of CLs have clean lending programs; 100% of CLs use standard clean lending reporting metrics; 100% of CLs embed community engagement and workforce development into clean energy programs; 100% increase in current % of lending activity in clean energy	100 CLs start new clean energy programs or expand existing programs 1,000 communities benefit from CL programs to spur economic development and create quality jobs CLs have the know-how and financial resources to sustain clean lending programs for years to come

1.2.3 Pass-Through Strategy: 1.2.3.1 Capitalization Funding and TA Subaward Design
GBRA will pass through 90% of CCIA funds as capitalization and TA subawards to CLs in target communities. The pass-through strategy is designed to achieve the investment objectives, revitalize communities, and build sustainable green financing programs across energy and rural communities. GBRA respects the challenges facing target communities articulated by the National Economic Transition Coalition, a group of 100 energy communities representatives across the country:

> "Communities affected by the decline of the coal industry often lack the capacity needed to navigate the federal funding landscape and develop competitive applications. Moreover, federal program requirements and evaluation criteria put our resource-constrained communities at a systemic disadvantage."[8]

The GBRA's pass-through strategy is designed as a straightforward, transparent, equitable process which does not put undue burden on CLs working in places that face some of the most significant pollution burdens in the country while having the least resources to address them.

GBRA provides application support for CLs in the target markets so they can be evaluated equitably in a rigorous and competitive process. Aligned with the NOFO definitions, the GBRA outlines 4 capitalization funding instruments with the following characteristics:

1. Capitalization Subgrant:

[8] Revitalizing Energy Communities: Two-Year Report to the President, Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization. Page 7. https://energycommunities.gov/wp-content/uploads/2023/04/IWG-Two-Year-Report-to-the-President.pdf

a. Amount of capitalization subgrant: 1. Subgrants range from $1M-$10M; a limited number exceeding $10 M using the exceptions framework below. CLs may apply for a subgrant amount the greater of: 100% of net assets or the cumulative of the past three years' total loans deployed. 2. Emerging CLs with a limited track record, the amount will be determined by additional factors such as: organizational capacity, project pipeline, community need, CL coverage
b. Leverage requirements and support services: 1.CLs will not be required to raise matching capital to receive a capitalization award. 2. Leverage capital expected at the transaction level and vary based on size and sophistication of the CL. Transaction level leverage expected to be nearly 5:1. The GBRA TA Hub for Financing Strategies will support CLs as they access and structure transaction level leverage.
c. Investment Agreement: The subgrant terms and conditions will be documented in the Investment Agreement. (Section 1.2.3.6 Management and Oversight).
d. Use of Funds: Capitalization subgrants must be used exclusively to provide financial assistance for CCIA-eligible projects in target markets. Financial assistance restricted to: 1. Debt: loans, partially forgivable loans, forgivable loans, zero-interest and below-market interest loans, interest rate buydown loans, secured and unsecured loans, lines of credit, subordinated debt, warehouse lending, loan purchase programs, and other debt instruments. 2. Equity: equity project finance, private equity investments, equity in tax-credit transactions, and other equity instruments. CLs that plan to make equity investments will be required to demonstrate they have investment policies, staffing plans, and financial risk management to support this form of financial assistance. 3. Hybrid: mezzanine debt, preferred equity, and other hybrid instruments. 4. Credit enhancements: loan guarantees, loan loss reserves, and other instruments. 5. Note: subgrants are not eligible use of financial assistance
e. Time Horizon: Capitalization subgrants are made and deployed as follows: 1.Funding upfront at the time of award; or Commitment upfront with drawdown of funds over a mutually agreed upon timeframe. 2. Deployment: Capitalization subgrants are expected to be deployed within three years, documented in the Investment Agreement. Deployment goals: 30% YR1; 30% YR2; 40% YR
f. Undeployed funds/ineligible uses: Undeployed funds, funds determined to be deployed for ineligible projects (and not redeployed to eligible uses), and ineligible financial assistance products (and not redeployed to eligible products) will be returned to GBRA as outlined in the Investment Agreement. These funds may be redeployed to other CLs in GBRA lender network, or a portion of these funds may be restructured/redeployed to the original recipient CL.

2. Capitalization Funding Subsidies (Participant Support Costs "PSC")

a. Amount: Eligible amounts range from $1M to $10 M. Subsidies are not eligible for limited exceptions to exceed the $10 M cap.
b. Leverage requirements: 1. CLs will not be required to raise matching capital to receive a capitalization award. Leverage capital expected at the transaction level and varied based on size and sophistication of the CL. Transaction level leverage expected to be nearly 5:1. The GBRA TA Hub for Financing Strategies will support CLs as they access and structure transaction level leverage.

c. Subsidy terms and conditions: Documented in the Investment Agreement which will outline terms and conditions. (Section 1.2.3.6 Management and Oversight)
d. Use of funds/subsidy: Subsidize a CL's financial assistance to a qualified CCIA project in the GBRA target market. Subsidies are subject to EPA rules and regulations related to "reasonable" participant support costs and may include origination fees or other transaction and operating costs. Subsidies may not exceed 20% of the total project cost being financed.
e. Time Horizon: Subsidies must be utilized within three years of commitment. Subsidies unused within that time revert to the GBRA as outlined in the Subsidy Agreement.
f. Undeployed funds/ineligible uses: Same as Capitalization subgrant

3. Framework for Limited Exceptions to Capitalization Subaward Cap of $10 Million

a. Rationale/Objective: Limited number of exceptions to the $10 M capitalization subaward cap will be made to meet the investment objectives, recognizing uneven coverage in rural communities and varying capacity of CLs to finance CCIA-eligible projects. Larger awards will be made to CLs that are committed to reach communities that do not have a robust CL infrastructure, such as a regional CL that provides financial assistance in otherwise underserved rural areas, or a CL that provides specialized lending services in homeownership or community solar.
b. Limited number: Less than 10 CLs exception awards are estimated.
c. Exception criteria: CLs will be evaluated on their ability to serve otherwise underserved rural communities, provide otherwise unavailable financial assistance, and demonstrate engagement with and support from local stakeholders. They will also be evaluated on their ability to redeploy the funds after the initial financing is complete, generating a multiplier effect of impact toward the investment objectives. Must show lending activity in the target market; demonstrated limited CL coverage; and plans to collaborate with local CLs, projected transaction pipeline supporting the requested amount; Letters of Support from targeted community stakeholders required.
e. Amount: Up to $50,000,000. CLs may apply for up to the greater of 100% of net assets or the cumulative of the past three years of total loans deployed.
f. Leverage requirements. g. Investment Agreement. h.Use of funds. i. Time horizon/ Undeployed funds/ineligible uses: Same as capitalization subgrants

4. TA subawards:

a. Eligibility: Only CLs that have been selected for capitalization funding through a capitalization subgrant or subsidy will be eligible to receive a TA subaward
b. Amount: Up to 10% of capitalization subaward, including awards made under the limited exceptions framework. As an example, a CL with a $10 M capitalization subgrant would be eligible for a $1 M TA subaward.
c. Subaward terms and conditions: Documented in the Investment Agreement which will outline terms and conditions. (Section 1.2.3.6 Management and Oversight)
d. Eligible uses: Training; technical support; hiring staff; developing new financial products; pre-development activities such as market studies, business plans, design and engineering, financial structuring, and accessing energy tax credits, or other activities to support eligible projects; community engagement; and workforce development

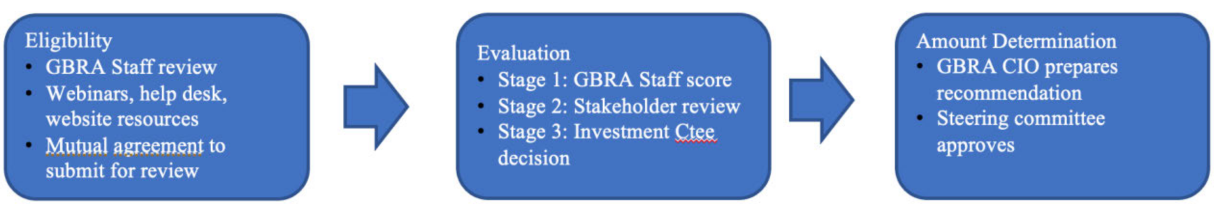
e. Time horizon: Use of funds will match the capitalization subaward time frame.
f. Undeployed funds/ineligible uses: Same as capitalization subgrants.

1.2.3.2 Distribution Process Design: GBRA has designed an open competition for CLs targeting GBRA target markets. The aim is to distribute up to 75% of capitalization and TA funding to CLs in the program's first year, and the remainder in the second year. In years 3-6, GBRA will reallocate undeployed capitalization and TA subawards to ensure the entire deployment to eligible projects in target LIDAC. Additional TA Awards will be available in years 5-6 to support high-impact projects and in high-need communities.

The open competition will not have specific deadlines, although funding requests will undergo quarterly review based on the process outlined below. After the second year, the GBRA primary focus will be to support CL performance to deploy funds, build capacity for sustainable green lending programs, and if necessary, redistribute funds undeployed by CLs. If funds are returned to GBRA as outlined in Management and Oversight, those funds will be redistributed to CLs using the same pass-through strategy and processes described here.

CLs apply for capitalization funding and TA subawards using one application, and those requests are evaluated together. The CL Outreach and Accessibility strategy outlines how GBRA will ensure CLs serving the target market are aware of the opportunity and supported to apply for funding. Complementing the GBRA distribution strategy is the establishment of TA Hubs, which will provide CLs with application support (among other services). The TA Hub will provide free application webinars, develop website resources such as self-assessment tools, and provide help desk support. Throughout the distribution process, GBRA will survey stakeholders to assess satisfaction and quality of services to support continuous improvement.

1.2.3.3 Eligibility Review Process The GBRA's eligibility process illustrated here is described in detail below.



The Eligibility Review Process is the first screen in the GBRA's open competition to distribute awards for CLs serving target markets. The GBRA Investment Team conducts rigorous and transparent reviews to ensure that applicants meet the eligibility criteria outlined below.

- **Initial Documentation:** Review organizational documents and bylaws of the applicant, verify legal status as an eligible public, quasi-public or not-for-profit CL. Confirm federal tax status and corporate status with the IRS and state regulatory agency.
- **Financial assessment:** Confirm applicant's operational and lending activity by reviewing three years of audited financials, if available, or Certified Public Accountant (CPA) prepared compiled financial statements - along with available tax filings, including 990s.
- **Lending track record:** Confirm applicant is an existing lender and assess past performance deploying capital, which includes a review of loan portfolios.

- **Geographic target market:** Confirm applicant is currently or plans to lend in the GBRA target markets (Appalachia, energy communities, and other rural communities). Review organization strategic plans, business plans, loan program documents, and loan portfolios.
- **Award requests:** Confirm application is complete and aligned with the capitalization and TA funding characteristics outlined in 1.2.3.1, such as maximum award, eligible uses.
- **Community engagement:** Confirm applicants have or are committed to community engagement for green energy projects, including a review of organization strategic plans, business plans, loan program documents, board of director/advisory board representation.
- **Labor and equitable workforce development:** Confirm applicants are committed to workforce development to generate high-quality, accessible jobs and willingness to comply with regulatory requirements outlined in 1.2.5.2.
- **Consumer protection policies** (if applicable): Confirm applicants that engage in consumer lending have consumer protection policies in place (see 1.2.5.3), and that they do not have unresolved complaints filed with various consumer protection agencies.
- **Housing affordability policies** (if applicable): Confirm that applicants that engage in housing development have affordability policies in place and in practice (see 1.2.5.4), and applicants have no unresolved complaints filed with HUD or other housing authorities.
- **Conditions of Ineligibility:** We identify applicants suspended or debarred from receiving public funds using the federal SAM database and relevant state systems.

The GBRA Investment Team reviews applications (see 1.2.3.4 for application content) for completeness and to identify responses that might benefit from TA services. GBRA team members refer such applicants to the TA Hub for upcoming application webinars, online resources, or direct TA support. Applicants may revise and resubmit their applications. The funding request will be deemed complete when both the GBRA Investment team and the applicant sign off on a final version. Ineligible applicants will be directed to other sources of financial and TA support on the GBRA website. New website resources and updated FAQs will reflect topics that arise during the eligibility review process. Applicants better suited to other GGRF programs will be introduced to appropriate contacts at NCIF or Solar for All programs. Applicants that pass the Eligibility Review will advance to the next stage of Evaluation.

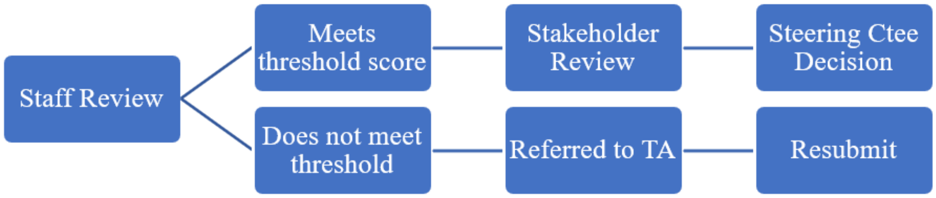
1.2.3.4 Evaluation Process In the evaluation process, the GBRA assesses the CL's plan for using the CCIA funding and their capacity to carry out that plan to achieve the investment objectives in a rigorous, consistent, and equitable process. The evaluation process starts with a comprehensive assessment and scoring of the CL's application by a well-trained GBRA Investment Team member using systematic approaches and evaluation tools. Following the staff scoring, stakeholder committees bring specialized and localized knowledge of lender types and community characteristics to assess the applicant's capacity to carry out their planned use of capitalization funding and TA to support those plans. Finally, the GBRA Steering Committee reviews the feedback and scoring from both reviews and makes a funding decision. These steps are depicted in the diagram and explained below.

Step One: In the first stage, the GBRA Investment team completes a rigorous evaluation of the funding request, scoring each **Application Element**:

Target market: Commitment to and/or Experience serving GRBA target markets
Financing experience: Lending and TA track record in target markets
Impact record: Track-record having positive community impacts in those target markets
Investment strategy objectives: Commitment to building lasting capacity to finance green projects aligned with GBRA investment strategy objectives
Capitalization subaward: Planned uses of subaward to finance green energy projects
TA subaward: Planned uses to build organization capacity and support green projects
Workforce development plan: Established and/or planned partnerships with workforce development partners
Community engagement plan: Track-record and/or plans for community engagement
Private and/or public capital: Plans, goals, and readiness to access private and public sources of capital/funding at either the project level or the CL level
Reporting: Planned reporting on uses of the GBRA subaward, including climate, community, and economic outputs and outcomes
Financial sustainability/Program Budget: Financial capacity to manage GBRA award. Evaluated using the appropriate benchmarks, e.g., CAMEL, Aeris, Regulator performance metrics, EDA RLF assessments, etc.
Governance, Mgmt., Compliance, and Risk management: Capacity to execute on plan, manage risk, and comply with program requirements

To ensure a consistent and equitable approach in evaluation, the GBRA team uses scorecards with specific criteria to evaluate each application element. Scoring guidelines/rubrics define the characteristics associated with each score. Investment Team members, overseen by the Chief Investment Officer, will have significant expertise in development finance and in the target markets. Prior to evaluating applications, team members will undergo training in the application scoring. Over the course of the award period, Investment Team members will receive ongoing training and reinforcement of the scoring guidelines so that applications are scored consistently and equitably over time.

As illustrated below, applications that reach the minimum threshold score will be passed to the Stakeholder review stage. Those that do not meet the threshold score will be provided feedback and introductions to appropriate TA resources. Applicants are encouraged to revise and resubmit their applications once identified opportunities for improvement are addressed.



For applications that meet the threshold score, the Investment Team summarizes the application in a standard format, including feedback (strengths and opportunities for improvement) for the applicant and the Stakeholder reviewers. The Investment Team also recommends a funding level - either that requested by the CL or a reduced level based on application evaluation and scoring.

Step Two: In the second stage, GBRA staff convene Stakeholder review meetings with representatives with expertise in the target markets, workforce development, and relevant development finance expertise. As an example, a typical Stakeholder review team would include:

- Representative with expertise in the target community (i.e., Appalachia, coal and energy, rural, and/or tribal) to assess the application from a community engagement perspective.
- Representative with workforce development expertise to assess the applicant's plan to create quality jobs and connect with workforce development partners
- Representative with expertise in development finance specific to the CLs application. The CIO may invite an external Stakeholder with specialized expertise to perform this role or rely on a GBRA Investment Team member with relevant expertise.

Stakeholder review committees have three functions to provide feedback on: (1) the overall application plan and the potential impact of the plan to achieve the investment and community development objectives; (2) the applicant's likelihood of success in deploying the capitalization funding requested, whether the TA requested adequately supports the applicant's plan, and whether the community engagement plan and workforce development plan are likely to be impactful; and (3) level of funding requested.

The Stakeholder review process will be conducted in a fair and efficient manner, ensuring there are no conflicts of interest. After the Stakeholder review process, the application receives two scores reflecting the committee's perspective on (1 - Impact Score) the potential impact of the proposal; and (2 - Deployment Score) the applicant's likelihood of success to deploy and utilize subawards, and recommended level of funding. Scorecards with specific criteria and scoring guidelines ensure an equitable and consistent process.

Third and final stage: Following the Staff scoring and Stakeholder review process, the CIO prepares a recommendation to the GBRA Steering Committee, which includes ACC's CEO and the GBRA CEO. The recommendation summarizes the scores from the staff and stakeholder evaluations. The CIO also analyzes the applicant's requested capitalization and TA subaward requested amounts and recommends a funding level. The GBRA Steering Committee decides to fund an application or turn down an application with feedback. Steering Committee members with possible conflicts of interest will be recused following GBRA Conflict of Interest policies, outlined in Section 2. All decisions will be documented and communicated to the applicant. Applications not recommended for funding will be given the opportunity to revise and resubmit.

<u>1.2.3.5 Amount Determination Approach</u> The amount determination process builds on the capitalization funding design and evaluation process. **GBRA aims to fund the full amount**

requested by a CL recommended for funding, with the clear and transparent guidelines for CLs to request funding in Section 1.2.3.1.
Evaluation scores contribute to the funding level recommended to the Steering Committee by the CIO. In the likely event that demand exceeds supply of available funding, the CIO and Steering Committee will follow consistent parameters to adjust award amounts including:

1. The subaward design sets parameters for the maximum amount that CLs can request based on their size and lending track record.
2. GBRA aims to support CLs in all 10 EPA regions and the amount determination process takes this coverage goal into consideration as funds are allocated.
3. CLs may reference opportunities to unlock substantial sources of capital in their applications. This potential for catalytic impact is incorporated in the Impact Score and considered by the CIO and Investment Team in recommending the award amount.
4. Approved CLs may receive all funding in the current year or in tranches. CLs with a Deployment Score in the top quartile will receive all funding in the current year. Other CLs will have funding disbursements negotiated with the Investment Team.
5. Between years 3-6, GBRA focuses on reallocating returned capitalization and TA awards.
6. TA subawards will be 10% of the capitalization funding award unless there is a rationale for a larger, smaller, or no TA award.

1.2.3.6 Management and Oversight Plan GBRA has structured a management and oversight plan to ensure accountability, compliance, and support for subawardees.
Award documentation: Subawards are documented with Investment Agreements that outline requirements for deployment, funding tranches based on specific milestones, use of funds, compliance, reporting, and consequences of non-compliance. Other documentation required by the EPA are incorporated, such as BuildAmerica/BuyAmerica Act, Davis-Bacon Act, Uniform Relocation Act, National Historic Preservation Act, DBE vendor use, and the Justice40 Initiative. GBRA's General Counsel, alongside the Compliance, CIO, and Investment Teams oversee subaward documentation.
Orientation: Following documentation, orientation is provided that covers award expectations, management, and oversight, including: Investment objectives for Climate, Equity, and Market Transformation; Target communities in Appalachia, coal, energy communities, rural and tribal; Eligible and ineligible uses of the capitalization funding, including the CCIA-eligible project checklist for qualified and priority projects; Deployment and transaction-level leverage expectations; Guidance for program income expenditures: Community engagement and workforce development expectations; Award milestones to receive funding tranches; Consequences for non-compliance; TA services in the TA Hubs and eligible uses of the TA subaward; Review of reporting requirements (as outlined below);Support services, including quarterly peer calls, and remedies for non-compliance.
Relationship management: CLs are assigned a GBRA Investment/Lending Team relationship manager who helps them connect to TA Hub services and provides guidance to meet (or exceed) the subaward expectations. Relationship/Lending team managers check in with the CLs quarterly and visit the CLs in the first year of the award, and regularly during the performance period.
GBRA subaward distribution: Approved CLs might receive all funding in the current year or annual funding with all funding being provided by year 3. The GBRA Investment Team oversees funding disbursements, ensuring milestones documented in the Investment Agreement are met.

CLs that do not meet Investment Agreement milestones or are not current or complete with their reporting requirements may have all or a portion of their disbursements withheld.

Reporting requirements: GBRA reporting requirements align with the reporting requirements of ACC as the CCIA hub and grant recipient as described in Program Reporting. The reporting plan meets the EPA Program Performance requirements as outlined in the NOFO (VI.E) and aligns with the Investment Objectives related to measuring climate, equity, and market transformation benefits. TA Hubs will develop templates and provide TA to help CLs report on climate investment objectives. Reporting requirements for CLs that receive capitalization and TA subawards are summarized below and further outlined in Optional Document 1. Program Plan 1.2.3.6 Management and Oversight - CL Reporting:

- **Closed Transaction Reporting:** CLs report on all closed financing transactions with required data fields and views aligned with the Program Vision and Investment Objectives; including use of program income
- **Investment Objectives/Impact Report:** CLs report on Investment Objectives outputs and outcomes (Section 1.2.2) and Program Reporting Plan (Section 1.3.1)
- **TA Subaward Report:** CLs report on uses and impact of TA Subawards
- **Financial statement reporting:** Annual audited financial statements or CPA compiled financial statements for CLs receiving below $750,000 in subawards
- **Program evaluation**: Evaluation feedback from CLs annually
- **Annual compliance/performance review:** To ensure financing and TA to eligible projects capture impacts, and review for completeness of required reporting.

Once GBRA funds have been fully deployed to eligible projects, CLs submit a final report. After acceptance of this report by GBRA, reporting requirements are no longer mandatory. After the six-year performance period, CLs will be requested, at their option, to continue to gather climate, equity, and economic impact data on the target rural communities, measure the extent of market transformation, and provide case studies.

Performance Review: The GBRA Investment Team annually reviews each CL for completeness of reporting and compliance with the Investment Agreement and CCIA program requirements. This review entails assessment of financing and TA to eligible projects, and completeness of transaction level reports, impact reports, TA reports, use of program support costs, and financial reports. If it is determined that a CL financed or provided capital or TA to an ineligible project with CCIA funding, the CL will be required to redeploy those funds to an eligible project or return the funds to GBRA. Evidence of incomplete or inaccurate reporting will result in the assignment of TA support to the CL, and if improvement is not evidenced may result in a restructuring of the Investment Agreement which could include the return of GBRA subaward, see Remediation, below.

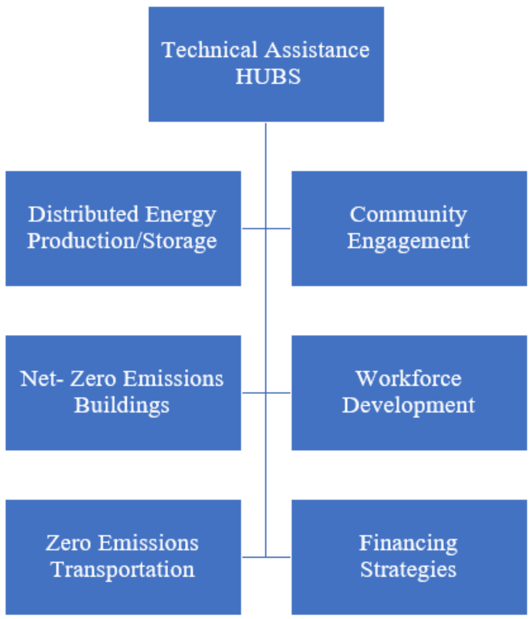
Program Audits / Verification: GBRA will contract with an external provider through a competitive procurement process for a random program audit of 20% of participating CLs. Program audits will review sample reports to evaluate the validity of project eligibility checklists, TA reports, impact reports and other materials. For areas identified for improvement, CLs will be allowed to prepare a Responding Scope of Work and a period to cure deficiencies.

Remediation - Investment Agreement Restructuring, Funds Distribution and Recapture: If CLs don’t meet the performance milestones, the remediation process will be implemented: **Year 1**, Relationship Manager highlights performance expectations and offers training assistance and TA services. **Year 2**, CLs that fail to meet Investment Agreement requirements will be elevated to the CIO for review and potential restructuring of the Investment Agreement, which may result in the reduction and/or return of a portion of subaward funds provided or committed to the CL. **Year 3**, if Investment Agreement milestones are not met, the CL will be notified that they are in non-compliance and will be required to return some or all of the capitalization and TA support provided or committed, or agree to restructured terms.

Returned funds (Capitalization and TA subawards) will be reallocated to other CLs in years 4-6 using the same pass-through strategy. The priority uses for redeploying returned funds is to support additional CLs with standard awards under $10 M especially in communities that have been building plans for green energy lending under the LIDAC engagement plans. Additional TA subawards will be made in years 5-6 to support existing CL subawardees working on high-impact projects and in high-need communities.

<u>1.2.4 TA Services Strategy: 1.2.4.1 Targeted Community Lender Support Plan</u> GBRA offers TA through six Hubs as illustrated in the graph below.

Distributed energy: Deploy community power generation and/or storage technologies plus enabling infrastructure.
Net-zero emissions buildings: Retrofit existing buildings toward achieving zero-over-time or construct new net-zero emissions buildings.
Transportation: Finance zero emissions transport modes and enabling infrastructure.



Community engagement: Ensure community support for the green energy transition and the development of projects aligning with local priorities.
Workforce development: Provide support to CLs to collaborate with worker training partners ensuring creation of local quality jobs resulting from new energy projects.
Financing strategies: Support to raise private/public capital, structure tax credit deals, access secondary markets, and connect with other GGRF programs.

Each TA Hub will be staffed by a dedicated leader who will engage qualified TA providers following the EPA guidelines for competitive procurement of services. TA providers will offer free resources and training opportunities for all community lenders (new and existing), as well as fee-based services. CLs may use their TA subawards on fee-based services from a Hub provider or identify their own local, regional, or national TA providers. TA subaward agreements will require CLs to invest 10% of their TA award for Community Engagement and 10% for Workforce Development activities to ensure projects are developed in under-resourced communities lacking a community vision or priorities for clean energy project development (Section 1.2.1), and that local residents are trained - and local jobs created - to meet the demand for new clean energy work (Section 1.2.5.2).

The TA services strategy reflects feedback from the GBRA's target market including CLs that are experienced in clean energy lending and CLs that are inexperienced. Other feedback came from workforce and community engagement organizations active in energy, rural, and tribal communities. The TA Hub design and services reflect the needs identified to accelerate financing for clean community investments including:

- CLs value access to curated green lending experts that align with their investment goals. Many CLs do not know where to find TA resources for green lending priority projects - how to start, how to expand, how to measure impact, or how to comply with applicable regulations. TA Hubs will help them get the needed expertise effectively and efficiently.
- CLs, workforce development organizations, and community engagement organizations recognize they need to work together for sustainable green programs and revitalized economies. TA Hubs will provide success stories and best practices for energy, rural, and tribal communities, and TA providers with place-based experience to translate those models for target communities.
- CLs want to learn financing techniques to utilize tax incentives, access secondary markets, incentivize deals, and increase capital availability. TA Hubs will provide expertise, experience, and resources to level the playing field to help CLs access financial resources and leverage those they have for sustainable Green Lending programs

GBRA has already identified 25 potential TA providers who can deliver expert TA in all six TA Hubs. These potential TA providers have supported hundreds of CLs and LIDAC, structured billions of dollars in development transactions, and trained tens of thousands of workforce clients. Discussions have resulted in requests for participation to provide these services, as presented in Optional Document 1. Program Plan 1.2.4.1 TA Services, which also details GBRA's service quality methodology, range of services to be provided, and competitive selection process in compliance with EPA contracting guidelines.

TA Hubs will offer services at different stages along a CL's journey to build green lending capacity. At each stage, robust and free TA services will be available to all CLs including:

- **Application Support:** For CLs considering applying for a capitalization subaward, the TA Hub will offer free informational webinars and online resources, including self-assessment tools, FAQs, and Help Desk support.
- **Awardee Support**: For CLs that receive a subaward, the TA Hubs will curate TA services from pre-vetted qualified experts in each TA Hub. CLs may also identify their own experts for TA or utilize a hybrid approach. TA subawards may be used to translate materials, offer services in languages used by local borrowers and community members, and provide support services to persons with disabilities.
- **Non-Awardee Support:** For new or existing CLs that have not yet received a capitalization and/or TA subaward, the TA Hubs provide a robust set of online resources, training webinars, FAQs, and Help Desk support.

The staffing model and budget for the TA Hubs anticipates that over $60 million of free TA services will be provided to CLs and LIDAC as reflected in the Program Budget (Section 1.2.4). In addition, the TA subawards will provide $100 million of support for CLs to build lasting clean energy financing capacity in LIDAC.

Financing strategies ($12M of free TA services) will support the use of tax credits (ITC, HTC, NMTC, others), energy loan secondary markets, and other permanent financing take-out programs, outlined in the Financial Market-Building Plan (Section 1.2.4.2). Net-zero emissions buildings ($6M) will provide expertise in new construction and renovation for energy efficiency for residential (single- and multi-family), commercial, and community facilities. Distributed energy generation ($3.6M) will have experts in community solar and wind generation and storage for backup generators at critical facilities, such as hospitals. Zero emissions transportation ($3.6M) will support financing of community and commercial transportation, and EV charging infrastructure.

Workforce development ($6M of free TA services) experts work with CLs and their community partners to create and implement frameworks and programs for the creation of clean energy quality jobs (further described in Section 1.2.5.2). Community engagement ($6M) will offer CLs and their community partners TA support for developing a local vision for clean energy development, where needed, and ensuring financed projects align with locally identified priorities (1.2.1 LIDAC Community Engagement and Accountability). Climate measurement services ($2M) will support the measurement of climate impact from CL financing. Integrated throughout TA services will be resources for compliance with labor regulations, consumer financial protection, supporting disadvantaged business enterprises (DBE), and housing affordability, where applicable (Sections 1.2.5.2-4 for more detail).

TA and peer learning groups will be available for experienced and inexperienced green lenders led by the TA Hubs. Experienced lenders will have TA and peer support to develop new financial products and services to expand their existing green lending. The TA Hubs will help experienced lenders in housing, business, and community facilities incorporate net-zero emissions practices into current lending, and develop new processes for climate impact reporting, workforce development, and community engagement. Less experienced community lenders will be supported to expand into new types of lending needed in their communities (building their own capabilities and/or partnering with other CLs) and use more complex tools often used by experienced CLs to access low-cost, long-term sources of capital such as tax credits, secondary markets supported by the TA Hub for Financing Strategies.

Optional Document 1. Program Plan 1.2.4.1 TA Services and TA Providers outlines details regarding the TA service strategy, including: 1) Products and services offered in the TA Hubs; 2)Potential TA Provider landscape - including those submitting Letters of Support or expressing interest in providing services; 3) TA Provider Competitive Selection process - RFQ process to ensure vetting of high quality providers; and, 4) Service & Quality Methodology for TA Providers - reporting and quality control methodology

1.2.4.2 Financial Market-Building Plan GBRA's plan to build a robust financial market for community lenders to finance CCIA-eligible projects is embedded in the TA Strategy and the design of the TA Hubs. The products and services provided by the TA Hub for Financing Strategies are informed by best practices from active green lenders, and by needs identified by CLs new to green lending. GBRA has engaged in active dialogue with CLs to understand barriers to green lending - including through formation of a Financing Working Group and use of a CL survey - and has adopted the best practices of successful CLs in designing our TA Hubs. Financial market-building support sought by CLs is illustrated by these representative comments:
Bridgeway Capital, **western Pennsylvania/Appalachia**: "Limited familiarity with tax credits and other benefits borrowers can accrue to reduce financing needs and add equity to the transaction."
Clean Energy Credit Union, LIDAC nationally: "Maintaining adequate liquidity to keep up with loan demand [use securitization and secondary market strategies]."
Genesis Loan Fund, rural Maine: "We need the [additional] capital but are otherwise ready to expand our financial products for qualified projects."

For 21 additional comments, see Optional Document 1. Program Plan 1.2.4.2 - Financial Market Building Plan.

The TA Hub for Financing Strategies will have a dedicated Head of Financing Strategies who will oversee training and TA for CLs to support market-building activities for financial products and services. This TA Hub will focus on strategies to help CLs increase their volume of financing - and leverage of private capital - for eligible projects that align with market transformation investment objectives. As documented in its Investment Objectives, GBRA aims to help CLs finance nearly $5 billion in transactions from the deployment of $800 million in capitalization awards and $100 million in TA awards. Support will be provided for the development of the financial products and services offered by CLs to finance eligible clean energy projects. In addition, the TA Hub will provide TA for project structuring and access to subsidy and secondary markets, enabling rural energy projects to be sustainably financed – thereby building an enduring financial market to support rural clean energy projects.

The TA Hub for Financing Strategies leader will coordinate with the other TA Hubs for priority projects – distributed energy generation and storage, net-zero emissions buildings, and transportation – to create resources to accelerate CL work on these projects, such as underwriting guidelines, documentation, performance criteria, new product features, templates, resources, and training. As outlined in 1.2.4.1, the Financing Strategies leader will also identify qualified TA providers following the EPA guidelines for competitive procurement of services and/or subawards to establish financial assistance agreements.

The TA Hub for Financing Strategies will also help CLs access incentives for clean energy projects through strategies to raise equity, provide liquidity, and reduce risk for financing clean energy projects. To build financial markets and address existing market-wide barriers to CL capacity to finance CCIA-eligible projects, the TA Hub for Financing Strategies will be providing training and TA for:

- Tax credit subsidy through ETC, HTC, NMTCs, LIHTCs, etc.
- Secondary market access/permanent financing take-outs through Fannie Mae, Freddie Mac, USDA 502, USDA Community Facilities, USDA B&I
- Bank lending partners for market rate financing of stabilized projects, tax equity investing, and participation lending. ACC has long-term relationships with bank regulators (Federal Reserve, FDIC, US Treasury), national banks (Bank of America, Well Fargo, and others), and regional banks (Truist, US Bank, and others). These engagements have resulted in creative financing partnerships which will be employed to support green project finance.
- Climate United - an EPA NCIF applicant. Accessing financing from this national GGRF platform led by some of the largest development finance organizations in the nation.

Other important financing resources to leverage through the TA Hub for Financing Strategies include access to the significant amounts of public and philanthropic funding for energy communities - as identified by the IWG and posted online in the Energy Clearinghouse. As of September 2023, $400 billion of public funding for energy communities was identified in by the Energy Clearinghouse[9]. In addition, philanthropies and banks have expressed their interest in financial participation in GBRA projects, including:

[9] Funding Clearinghouse maintained by Interagency Working Group on Coal & Power Plant Communities. https://energycommunties.gov

- Bloomberg Philanthropies - a longtime investor in energy communities with a commitment to moving beyond carbon, having $8 billion in assets
- Appalachian Funders Network - a group of over 60 local, regional and national philanthropies committed to supporting the economic transformation of central Appalachian coal communities, with collective assets over $50 billion

Optional Document 1. Program Plan 1.2.4.2 Financial Market Building Plan and Letters of Support from Investors includes letters from FreddieMac, Bloomberg Philanthropies, the Appalachia Funders Network, Climate United and other banks and foundations.

1.2.5 Implementation Plan:

1.2.5.1 Community Lender Outreach and Accessibility Plan GBRA is focused completely on reaching community lenders in energy, rural, and Tribal communities, those with environmental justice concerns, and persistent poverty counties. 100% of CCIA funding and technical assistance provided by the GBRA will benefit these community lenders and the communities they serve. Nationally, the GBRA Community Lender Network targets 582 counties in Appalachia, energy and underserved rural communities, which includes nearly 30% of the nation's persistent poverty counties (40% of the nation's PPP counties when including fenceline communities). The target counties are in all ten EPA regions across 24 states and Tribal nations. The Community Lender Outreach plan focuses on approximately 166 CDFIs, 60 Native CDFIs, 167 EDA Revolving Loan Funds, and 54 USDA Intermediary Revolving Program lenders that are focused on serving GBRA's target markets in all 10 EPA regions. (Optional Document 1. Program Plan 1.1.2 Geographic Coverage and Diversity).

The outreach activities will be led by GBRA's Communications team with content provided by the Chief Investment Officer and Lending team. Regular calls and in-person meetings will be held with CLs and community partners to explain the parameters of the program, criteria for eligibility, and resources available to support the application process. Outreach messaging will emphasize how GBRA capitalization and TA funding is designed to benefit communities by financing clean projects, improving air quality, lowering the cost of energy, investing in workforce development, and engaging community stakeholders.

GBRA will activate a broad and trusted network of organizations with deep connections in the target markets to support outreach so that community lenders in these communities are aware of the opportunities to access funding and technical assistance. Working with partners well-known and trusted in the target markets increases the GBRA's program accessibility for the CLs working there. For all target markets, GBRA will conduct direct outreach to community lenders and will leverage relationships with trusted organizations focused on their economic revitalization. Organizations supporting GBRA's application crucial to outreach include:

National Association of Development Organization: With 400 members in all ten EPA regions, NADO members are Economic Development Entities in EDA designated federally-distressed communities primarily in rural communities. **Native CDFI Network:** With over 60 certified Native CDFI members in 27 states, the Native CDFI Network works to ensure that Native peoples are represented in the national economic development policy dialogue. **HBCU Community Development Action Coalition**: Working to benefit the communities where Historically Black Colleges and Universities are based, HBCU CDAC brings together community stakeholders including CLs to build long-term economic opportunities by removing systemic barriers. Other organizations with deep ties ready to support the GBRA outreach to CLs include: Central Appalachian Network, NeighborWorks America affiliates, American Sustainable Business Network, the Just Transition Fund, Aspen Institutes' Community Strategic Group (CSG), and GBRA Steering Committee members Grow America, West Virginia Hub, Coalfield Development, Inc., and Main Street America.

GBRA will also reach out through established government and quasi-government agencies that focus on the target markets such as Appalachian Regional Commission, State Economic Development Offices, State Energy Offices, and State Rural Electric Cooperative Associations. Integrated communications strategy and tactics will be coordinated by GBRA's Communications team including newsletters, webinars, articles in local papers/websites. National and regional informational webinars will be held, and the outreach team will travel to communities invited by GBRA partners. A critical part of the outreach and accessibility strategy is the GBRA website with robust, accessible information for community lenders and their partners. The site map (Optional Document 1. Program Plan 1.2.5.1 Community Lender Outreach and Accessibility Plan) outlines the accessible, ADA-compliant, intuitive design that GBRA plans to launch soon after the award is made. Features that support outreach and accessibility include a regular schedule of free application webinars, FAQs, self-assessment tools, and access to free TA Hub resources. As requested, GBRA will make resources available via closed-captioning and support the use of TA funding for translation of materials.

1.2.5.2 Labor and Equitable Workforce Development Plan As outlined by the IWG, the closure of mines and power plants leave already challenged Energy Communities with even fewer good-paying jobs. As GBRA supporter the Just Transition Fund notes: "In the last decade, more than 300 coal-fired power plants have shut down, cutting the number of mine-related jobs in half. For every job lost to a power plant closure, up to four more are impacted." Yet, through the GGRF investment, the IWG identifies "an opportunity to make large strides in the near term … to create good-paying union jobs today."
GBRA's program plan is estimated to create over 37,000 jobs (26,000 construction and 11,000 permanent) and train over 11,000 persons. The workforce development plan is designed to provide TA and support so that 80% of those jobs are quality jobs that pay a living wage with benefits. Workforce development is the fourth pillar of the GBRA investment strategy and has been referenced throughout every section of this application.

- **Workforce Development:** Workforce development for effective programs building the skills and career paths leading to quality jobs for rural residents and supporting the growth of the new energy economies in these communities. See Labor and Equitable Workforce Development Plan, Section 1.2.5.2.

The workforce development pillar supports CLs to ensure that financed projects create high-quality jobs with a diverse, skilled workforce. Workforce programs will be designed for optimal impact, to include training, certifications, internships, and mentorship programs that are offered through labor unions, community and technical colleges, workforce development boards, vocational centers, certification organizations and other local agencies. In addition, the workforce pillar provides resources to understand and comply with the intent and requirements of legislations such as Build America, Buy America Act and Davis-Bacon and Related Acts.

The head of Workforce Development is a direct report to the GBRA's CEO and manages a team of highly qualified and experienced TA contractors (following EPA procurement guidelines) to ensure the workforce development objectives are integrated throughout all GRBA programs and activities, as described below in Policies and Standards. GBRA's labor and equitable workforce plan was developed by and builds on the success of GBRA Steering Committee Member (and ACC member) Coalfield Development, Inc., a nationally renowned workforce organization which for over a decade has achieved significant impacts in the heart of Appalachian coal country. Coalfield Development was recently highlighted by the IWG for launching the Appalachian Climate Technologies Coalition (ACT Now Coalition) - one of only 21 winners nationally in the highly competitive U.S. EDA Build Back Better Regional Challenge.

GBRA's labor and equitable workforce plan (outlined fully in Optional Document 1. Program Plan, 1.2.5.2 Labor and Equitable Workforce Development Plan) has support from the Appalachian Regional Commission, Bloomberg Philanthropies, the Heinz Foundation, and others, which have expressed their support for GBRA as evidenced by Letters of Support.

GBRA's labor and equitable workforce plan covers these critical topics:

1. Regional Sector Analysis to increase good jobs in clean energy sectors
2. Best Practices for Effective Workforce Development - including paid on-the-job training, provision of supportive services such as childcare, assistance to address health/dental/vision issues, mental health issues including substance abuse disorders, transportation limitations, justice involvement, and housing insecurity
3. Key local partnerships for good clean energy jobs
4. Union involvement and support for collective bargaining - including pre apprenticeships, apprenticeships, worker's agency and power, labor-management training, and pre-hire collective bargaining agreements
5. Compliance with Federal Laws and Regulations - including Build America, Buy America Act and Davis-Bacon and Related Acts
6. Technical Assistance Model for Workforce Development - utilizing the award-winning WRAPS 33-6-3 workforce model providing: Job skills training (33 hrs. a week), Associates degree matriculation (6 hours a week), and Life skills (3 hours a week).
7. Employer responsibilities and best practices to support their employees

1.2.5.3 Consumer Protection Plan GBRA will diligently work to ensure robust consumer protection across the Community Lender network. Confirming adherence to consumer protection policies is part of the eligibility review process, the evaluation and selection process, and is included in the Investment Agreements (see Sections 1.2.3.3 Eligibility, 1.2.3.4 Evaluation, 1.2.3.6 Management and Oversight). Further, the annual review process for CLs checks for consumer complaints, compliance with consumer protection policies and any related enforcement actions by regulatory agencies, and the CL audit process includes a review of consumer lending practices, if applicable. While GBRA is not a consumer lender and does not have its own consumer protection plan, the investment strategy process will review the consumer protection policies of all consumer lenders that receive pass-through subawards and/or technical assistance from us. Attachment1.2.5.3 Consumer Protection Policies and Procedures provides a model consumer protection policy used for reviews and provided to CLs to adapt for their use. To ensure compliance with applicable consumer protection laws at both jurisdictional and federal levels, the program will institute a holistic framework of rigorous checks and balances. Key legislation, including the Federal Trade Commission Act (15 USC § 45), Consumer Financial Protection Act (12 USC § 5536), and the Fair Debt Collection Practices Act (15 USC § 1692e) will be central to the training modules, ensuring all stakeholders fully grasp the importance of deterring unfair, deceptive, and abusive actions. Organizations with expertise in consumer protection will be engaged to assist in the provision of educational and training services, such as the Consumer Financial Protection Bureau and non-profit consumer protection groups. In line with the Truth in Lending Act (15 USC § 1601 et seq.) and Regulation Z (12 CFR §1026), the commitment will be to guarantee transparency, necessitating that all community lenders provide clear disclosures regarding the terms and costs of consumer credit. This is imperative to empower consumers, providing them with the substantive protections they deserve. Lastly, we will insist that community lenders stand unequivocally against any form of discrimination in credit processes. Adherence to the Equal Credit Opportunity Act (15 USC § 1691 et seq.) and Regulation B (12 CFR § 1002) will be non-negotiable, with continuous monitoring in place to ensure consumers face no discrimination when seeking or receiving credit.

GBRA expects consumer lending to be a modest component of projects financed by the participating CLs, below 10% of projects financed, and will instead focus support on CLs that provide project financing for multifamily residential and C&I buildings, distributed clean power generation, and zero emission transportation such as public EV charging infrastructure, school buses, and commercial trucks, as indicated in Section 1.2.3 Investment Objectives. When consumer requests are received that do not fit the financing parameters, GBRA and the participating CLs will refer consumer borrowers to appropriate green lending organizations such as Inclusiv and suitable member credit unions, Climate First Bank and other appropriate regulated entities, and CDFIs with green lending programs.

1.2.5.4 Housing Affordability Protection Plan GBRA's plan to ensure housing affordability protection is an essential component of the Investment Strategy and is embedded in the evaluation process and the technical assistance services strategy. As part of the eligibility and evaluation review processes, we ensure that the community lenders that engage in housing development have affordability policies in place and in practice, and that the community lender does not have unresolved complaints filed with HUD or other housing authorities. Confirming adherence to housing affordability protection policies is part of subsequent annual review processes, and GBRA program audit of CLs.

An integral part of the TA Hub for net zero-emissions buildings will be to ensure that housing lenders and developers have robust housing affordability processes in place that focus on maintaining affordability of existing housing stock, minimizing displacement, and preventing rapid cost increases. Leading regional and national fair housing organizations will be engaged to provide education, training, project technical assistance and share best practices with participating housing CLs, including these potential service providers: US Department of HUD, USDA Rural Housing Service, FannieMae, FreddieMac, National Community Reinvestment Coalition, NeighborWorks America, Housing Assistance Council (which focuses on rural housing development), National Rural Housing Coalition, Fahe (a leading housing developer in central Appalachia with 50 local non-profit Housing Development Organizations as members and a CL providing a Letter of Interest to GBRA), Housing Partnership Network, RCAC (which has provided a Letter of Interest), National Development Council (which has provided a Letter of Interest and serves on the GBRA Steering Committee), Main Street America (which has provided a Letter of Interest and serves on the GBRA Steering Committee), state rural housing associations and others. Note that the organizations named are not named subrecipients, partners or vendors. All contracts and agreements to provide technical assistance services will undergo a competitive procurement process compliant with EPA guidelines. GBRA's Housing Affordability Protection Plan can be found in Optional Document 1. Program Plan 1.2.5.4. - Housing Affordability Plan.

1.2.5.5 Coordination Plan GBRA's investment strategy is a place-based strategy targeting energy communities across all 10 EPA regions, Appalachia, and underserved rural communities. In addition to providing capitalization and technical assistance awards in target markets, GBRA also plans to leverage existing public and private resources and coordinate with other GGRF grantees to maximize the effectiveness of the CCIA investments.

The coordination plan is built on: (1) harnessing existing federal and private philanthropy resources that are already available to support our target market; (2) mobilizing diverse financing mechanisms that are already available but not widely used in GBRA target markets (such as tax credit transactions, use of secondary markets); (3) collaborating with other GGRF grantees to complement each other's focus target markets and priority activities; and, (4) presenting a shared commitment to the GGRF program vision and finding opportunities for synergy.

1. Harnessing existing resources for energy communities

- Federal Resources: GBRA aims to capitalize on the comprehensive work done by the IWG, specifically targeting the 25 most impacted energy communities. We will actively leverage the IWG Energy Clearinghouse, which maps out $403 billion in federal funding, ensuring maximum benefit to energy communities.
    - Federal Government Funding Opportunities: Optional Document 1. Program Plan 1.1.1 Community Lender Network Strategy outlines over $400 billion of funding opportunities across the federal government, specifically available through the Energy Clearinghouse including those from 12 federal departments such as the EPA, ARC, U.S. Departments of Energy, Health and Human Services, Education, Agriculture, Commerce, Labor, and the Interior.
- Private resources: Many foundations have long supported Appalachia, energy communities, and underserved rural and Tribal communities. Armed with support from foundations such as Bloomberg Philanthropies, The Pittsburgh Foundation, The Hillman Foundation, Dogwood Trust and many others, GBRA's Head of PR and Communications will elevate the opportunities for mission-aligned philanthropies to support and amplify the historic investments being made in the GBRA target markets.

2. Mobilizing Diverse Financing Mechanisms

- GBRA's TA Hub for Financing Strategies will be instrumental in building the capacity of CLs to access private financing tactics that are available yet often underutilized in GBRA's target markets. As outlined in Technical Assistance Services Strategy (1.2.4) and Optional Document 1. Program Plan 1.2.4.1 Targeted Community Lender Support Plan, TA Hubs will help CLs understand and utilize financing strategies to maximize the leverage and financing totals from available capital.

3. Collaboration with GGRF Grantees

- Synergy with CCIA, NCIF, and Solar for All: Open sharing and engagement with applicants from these programs have been integral during the program design phase and will remain a cornerstone once GBRA becomes a CCIA Hub. The active dialogue with Solar for All applicants across various states, and letters of support received, underscore the collaborative approach.

- Mutual Support and Collaboration: GBRA's interactions with various CCIA applicants and the letters of support exchanged emphasize the commitment to mutual growth. NCIF's application from Climate United, as well as the interactions with Calvert Impact, Self-Help, Inclusiv, Council of Development Finance Agencies, Opportunity Finance Network, and Solar for All are testaments to the collaborative ethos of GBRA.

4. Commitment to Synergy & Shared Vision: GBRA recognizes the collective strength of the GGRF ecosystem. By actively collaborating with other GGRF grantees and applicants, we aim to create a robust network of shared resources, knowledge, and strategies. This interwoven approach not only maximizes the impact of each individual program but also collectively drives us closer to achieving the overarching goals of the GGRF. NCIF applicant Climate United illustrates the support GBRA has from applicants to other programs and the mutual approach to collaboration with other GGRF awardees, saying: "As partner applicants to the two programs, we intend to work together with ACC's [GBRA] to coordinate strategies, support a network of shared Community Lender partners, create common platforms for definitions to ease reporting burdens, and otherwise support each other in implementation. Climate United whole-heartedly supports ACC's application and strongly urges the EPA to support their proposal."

1.3 Program Reporting:

1.3.1 Reporting Plan: GBRA has established Investment Objectives for climate and air pollution benefits for the priority categories of: net-zero emissions buildings, distributed energy generation and storage, and zero emissions transportation. For each category, output goals are set for the number of transactions and total financing. Outcome goals are established to measure the estimated benefits to the climate and air quality as a result of financing clean energy projects in all three categories from GBRA's network of CLs in the target Appalachia, energy, rural, and Tribal communities. Output and outcomes goals are outlined in Investment Objectives (Section 1.2.2).

The methodology to calculate the environmental benefits is based on deep understanding of the target market and the types of projects that are needed and likely to have community support and generate high-quality jobs. GBRA used the EPA's Avoided Emissions and Generation Tool (AVERT) to calculate potential environmental benefits for this proposal. The methodology starts with a granular definition of the 582 counties in the GBRA target market. Each county was then mapped to an AVERT region. Financing volume by priority category was estimated based on the percentage of anticipated total financing (60% buildings, 20% energy generation and storage, 20% transportation). For each priority category, transaction types, average size, and number of projects were estimated. For instance, in buildings, the methodology estimates residential and commercial/community facilities. Within residential, estimates are made for new and renovated single-family homes and new and renovated multi-family units. Commercial/community facility estimates include both new and renovated existing buildings. Private leverage ratios of the CCIA subawards to CLs by transaction type are based on similar lending by ACC members, and other rural development lenders utilizing financing strategies including tax credits, access to secondary markets, and permanent financing take-outs as described in Financial Market-Building (1.2.4.2). Data on energy efficiency savings over baseline and cost per watt of renewable energy production, by project type financed, was gathered from a variety of sources including NREL, Lawrence Berkeley National Lab, and US EIA. Building on these assumptions, the climate and energy impacts were generated using AVERT. In addition, high-quality job creation estimates

are also tied to the financing types and mix. A robust presentation of all modeling assumptions is provided in Optional Document 1. Program Plan 1.2.2 Investment Objectives.
As outlined in Reporting Capacity (1.3.2) and Management and Oversight (1.2.3.6), GBRA requires CLs that receive subawards to report on all Investment Objectives with standard templates, including for climate and air pollution benefits. TA Hubs for each of the priority categories will provide training and support to CLs to embed climate impact data collection and metrics into their lending processes. A dedicated Impact and Monitoring team will manage compliance and quality assurance.

1.3.2 Reporting Capacity: ACC has designed the GBRA program to meet all of the grant reporting category requirements outlined in Section VI.E including: grant expenditure; environmental outcomes and outputs, program evaluation and other evidence building; and organizational financial statements and disclosures. GBRA staff positions in Impact and Monitoring, Compliance and Risk, and Finance will coordinate with the TA Hubs to ensure GBRA reporting and that the CLs meet the EPA grant reporting requirements and standards, including EPA Order 1000.33, EPA Policy for Evaluations and Other Evidence-Building Activities, as described below. TA Hub leaders will establish standard reporting templates for the outputs and outcomes in climate and air pollution, equity and community benefits, and market transformation.
ACC will provide additional financial reporting and comply with administrative requirements as requested by the EPA during the period of performance, including, but not limited to: Federal financial reporting; financial records retention; MBE/WBE utilization; and real property status report. As required by the EPA, ACC will revise and publish the GBRA investment strategy at least once every three years. ACC will provide timely disclosure to the EPA of material changes that impact ACC and/or GBRA, such as acquisition/disposal of fixed assets; material impairments; change of certifying accountant; changes to the Board of Directors; and material changes to subcontractors related to execution of the GBRA program. ACC will provide the EPA required quarterly and annual reports within 30 days after the end of each reporting period and will issue a final performance report within 90 days after the end of the performance period. Reports will be reviewed, signed, and submitted by the Chief Executive Officer of ACC, and GBRA's CEO, who acts as the chief reporting officer for this program.
ACC's plan includes collecting information from CL sub-awardees. The Management and Oversight Plan outlines reporting requirements for CL subrecipients that align with EPA's program performance requirements in NOFO (VI.E) summarized below and described more fully in Optional Document 1. Program Plan 1.2.3.6 -Management and Oversight including: Investment Objectives/Impact Report; Closed Transaction Reporting; Technical Assistance Subaward Report; Financial statement reporting; Program evaluation; Annual compliance review; and External review of CL reporting.
GBRA staff positions outlined in the Program Budget (Section 1.4) include Impact and Monitoring, Compliance and Risk, Finance, and TA Hub staff who will coordinate to ensure GBRA reporting and that of the CLs meet the EPA grant reporting requirements and standards.

1.3.3 Past Performance and Reporting History: A list of funded assistance agreements performed within the last five years is presented in Optional Document 1. Program Plan 1.3.3 Past Performance Report, listing over 35 grants awarded from federal agencies, financial institutions, and philanthropies. All activities have been successfully completed or are in progress, with accepted final reports or approved extensions. Progress reports were submitted per grant schedules, and progress was noted towards achieving expected program outcomes and challenges were identified, as appropriate.

1.4 Program Budget:

1.4.1 Expenditure and Disbursement of Awarded Funds

ACC will ensure that awarded CCIA grant funds are expended and disbursed in a timely and efficient manner. The approach, policies, procedures and controls build on proven capabilities of ACC's management team, Board of Directors, and the GBRA Steering Committee. As outlined in Section 2.1, the GBRA Steering Committee and the planned GBRA Management Team have extensive experience setting up complex, effective, and efficient programs totaling tens of billions of dollars with decades of experience and track record.

As reflected in the Program Budget and described in Section 2.2 (Governance and Senior Management Capabilities), GBRA plans to hire extremely capable senior leadership in the CEO, CFO, Chief Risk and Compliance Officer, Chief Investment Officer, and Chief Legal Counsel. The budget outlines the staffing model to support each of these roles, and the use of contracted services to bring best practices and cost efficiency to audit activities (including fraud detection), technology services (including cybersecurity) and HR activities (including background checks as permitted by law).

The Pass-Through Strategy Management and Oversight Plan (Section 1.2.3.6) outlines processes to document capitalization awards with Investment Agreements that outline specific performance expectations, roles and responsibilities, compliance and reporting requirements, regular performance reviews, random audits, and processes for addressing non-compliance.

1.4.2 Budget Description and Table: The GBRA budget will deploy 100% of the $1 billion grant to benefit LIDAC communities in Appalachia, energy and underserved rural and Tribal communities. GBRA will direct $900 million (90%) of the funds as pass-through capitalization and technical assistance awards to the GBRA network of CLs serving the target LIDAC. CCIA grant funds totaling $800 million (80%) will be direct capitalization funding subgrants and project subsidies (called participant support costs "PSCs") awards that CLs will use to accelerate their clean lending activity. Direct pass-through technical assistance grants to CLs that receive capitalization funding subgrants will total $100 million (10%) to build long-term clean lending capacity, engage community stakeholders, and support equitable labor and workforce development. In addition to the $900 million in pass-through awards to CLs in the target LIDAC, the GBRA budget outlines over $60 million of expenditures to provide free technical assistance services to CLs and the communities they serve with a combination of personnel and contractual services. Technical Assistance Services align with Technical Assistance Services Strategy (Section 1.2.4) and the Investment Objectives (Section 1.2.2). More than 96% of the GBRA grant will provide direct benefit to LIDAC Communities, while building long-term sustainable capabilities in clean energy lending.

The GBRA budget summary provides an efficient, clear, and granular vision of how the CCIA funds will be deployed to reach the program goals, meet the investment objectives, and build a sustainable program that will benefit LIDAC CLs and communities well beyond the program period. The budget outlines: Personnel, Fringe Benefits, Travel, Equipment and Supplies, Contractual Services, and Other. In the Other category, the budget breaks out subawards for nonprofit financial assistance agreements, capitalization funding subawards and transaction subsidies, technical assistance subawards, and indirect costs.

Personnel: The budget table summarizes the Personnel and Fringe Benefits Tab found in the same spreadsheet. GBRA expects to hire nearly 34 people to manage the $1 billion program, at a fully loaded cost of $33.2 million over 6 years. Base salaries are "loaded" to include employer share of payroll taxes and paid time off. The work overall is led by the GBRA CEO, as described in Governance and Management (2.2). Nearly half of the staff are focused on providing or managing technical assistance services to CLs and the LIDAC communities. Robust staffing is planned for the pass-through strategy activities led by the Chief Investment Officer and the Head of the Lender Network. Chief Risk and Compliance Officer, CFO, and their staff ensure qualified use of the funds in alignment with all EPA and other regulations and requirements. Head of HR and Head of Technology oversee these areas and contracted service providers. Community Engagement, Workforce Development and Impact Reporting roles are outlined in Contractual Services.
Fringe Benefits: The budget table summarizes fringe benefits provided to all employees at a cost of $3.1 million over 6 years in these categories: health insurance, including health, vision, and dental; group life, short-term, and long-term disability insurance; and defined contributions to a retirement plan. Unemployment insurance and paid time off are included in the fully loaded salary calculation. Fringe benefits provide a higher percentage of remuneration to lower salaried employees at nearly 20% of base salary benefit.
Travel Expenses: The budget table estimates $781,000 in travel expenses based on the need for certain jobs to travel to accomplish the program plan. Four categories are defined: CEO, Heads of Workforce Development, and Community Engagement who are expected to travel every month by plane or car. The Lending Network leaders and staff travel quarterly to visit CLs, with allowances made for remote locations and extended travel times. PR, Strategic Partnership, and Communications staff travel monthly to amplify the work occurring in target markets as a result of the CCIA investments. Other staff travel is also budgeted.
Contractual Services: The budget table identifies two categories of contractual services totaling $52 million that will be selected through EPA compliant competitive procurement processes. First, contractors that provide free technical assistance services as part of the GBRA TA Hubs totaling $43.2 million. The second category are organizational service contracts to ensure efficient and best practices in HR and Technology including cybersecurity, as well as augmenting GBRA bandwidth in legal services, PR, and to provide annual financial audits and CL performance/evaluation audits. Yr1 includes GBRA Rapid Start Up costs. Organizational Services total $8.8 million.
Capitalization Funding - subawards and PSCs: The budget table outlines a total of $800 million (80%) of capitalization and participant support cost (PSC) funding to over 100 CLs in target LIDAC communities. We expect to deploy $775 million with capitalization subawards and $25 million with transaction subsidies (PSCs) in less than three years. The budget also accounts for $75 million (approximately 10%) of capitalization funding being returned and redeployed in years 4-5.
Technical Assistance subawards: The budget table outlines $100 million (10%) of TA

subawards to over 100 CLs in the target LIDAC communities. We expect to deploy $80 million of awards at the same time as the initial $800 million of capitalization funding in less than three years. The budget accounts for $7.5 million of TA subawards being returned and redeployed in years 4-5. In addition, GBRA will also deploy an additional $20 million of TA subawards to existing CLs in Years 5-6, to address challenges and accelerate development of high-impact projects.
Indirect Costs: Indirect costs total $9.1 million over 6 years, representing 10% of the direct expenses that are not capitalization and technical assistance subawards, $991 million. Direct costs are related to personnel, fringe benefits, travel, contractual services (outlined above) and other direct costs for rent, leases and business insurance.

The budget table outlines how at least 80% of the grant funds are passed through to CLs in the GBRA LIDAC target markets, and how at least 90% of grant funds are passed through as capitalization and TA subawards.

Part 2: Description of Programmatic Capabilities

ACC is a well-established and mature nonprofit CDFI led and governed by proven executives with nationally-recognized profiles of excellence. ACC was founded as a uniquely regional development finance impact organization in 2013 by initial investors that included the Appalachian Regional Commission, the Ford Foundation, Bank of America, Calvert and others. ACC increases small business and structured finance lending across the Appalachian Region by providing capacity-building support and new sources of capital to more than 40 regional CDFIs and other mission-driven lenders who re-lend in underserved communities. ACC's members manage over $4 billion in assets supporting development lending, and ACC further assists loan funds and the business enterprises they serve through market research, product development, technical assistance, and programs to help reach the most underserved small businesses in the region, with a particular focus on ensuring the participation of diverse and distressed rural communities across the region in the clean energy and broader green economy transition.

Given the unique nature and requirements of the GGRF and CCIA, ACC created GBRA as a wholly-owned subsidiary with a Steering Committee having deep expertise in Green Financing, Community Engagement, Workforce Development and Technical Assistance, reflective of the Investment Strategy outlined in this application. These Steering Committee members have guided the design of this CCIA proposal and will oversee its implementation. This place-based initiative will catalyze investments and provide technical assistance to community lenders, local leaders, and workforce development partners in rural communities across the United States.

The GBRA will be a nationally-impactful institution with deep roots in the collective experience and expertise of leading organizations grounded in decades of frontline work in coal-impacted and rural communities across Appalachia and other regions of the United States. Led by ACC as the sole and founding GBRA member shareholder, and its ethos of funding for its members' capital and capacity needs, GBRA will benefit from a best-in-class governance and management team, empowered by supporting policies, procedures and practices. Embedded in the missions of both ACC and GBRA is the priority to serve disinvested frontline rural communities facing climate, energy, and economic disruptions.

ACC's organizational history, achievements, and policies, emphasize its success in managing programs that provide capital and technical support to community lenders, and key results of these initiatives are highlighted below. ACC's foundational commitment to Diversity, Equity, and Inclusion (DEI) is presented, as is the independent governance model. The leadership profiles of both ACC and GBRA are showcased, underscoring a proficient cadre equipped to optimize GBRA's operations, along with GBRA's staffing blueprint and the policy framework for the Executive Management Team, encapsulating role specifications, conflict management, and succession strategies. The Risk, Management, and Compliance Framework and ACC Financial Statements underscore a financially healthy organization with strong practices for management of federal awards.

It should be noted that none of the organizations listed here or throughout the proposal are named subrecipients, partners, or vendors. All activities related to engaging service providers to accomplish the public purpose of this award will strictly follow the EPA guidelines for competitive procurement of services and/or subawards to establish financial assistance agreements.

2.1 Organizational Background, Track Record and Policies

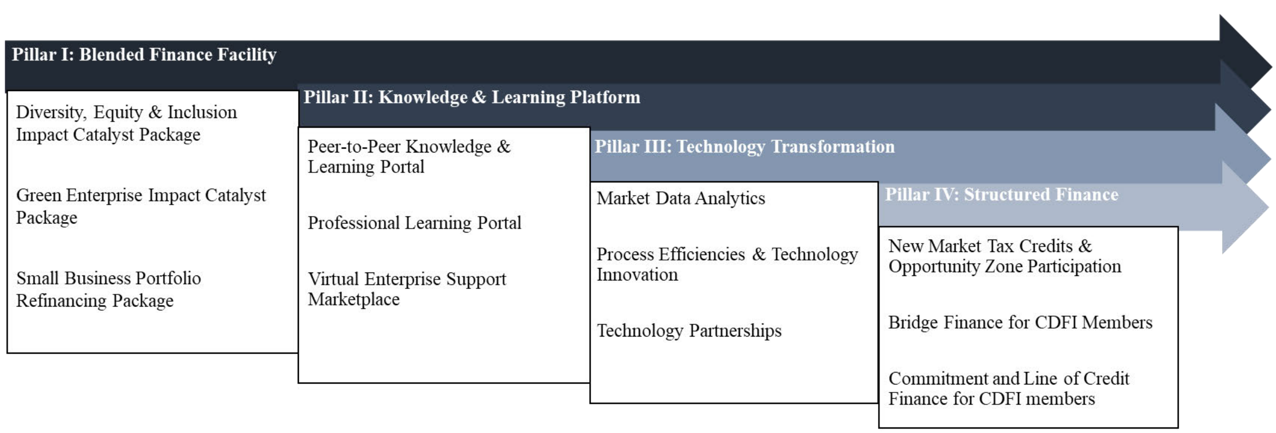
2.1.1 Organizational and Governing Documents

The organizational and governing documentation for ACC, inclusive of its subsidiary GBRA, indicates a robust commitment to the objectives of the CCIA program. Specifically, ACC's mission emphasizes emissions reduction and the provision of financial and technical assistance to underserved communities, as presented in the Amended and Restated Articles of Incorporation. The governing documents present two classes of ACC members, including a class of members with regional scope in providing technical assistance to support the development of clean energy financings in Appalachia and similar coal, energy, and underserved rural communities nationally. GBRA's Articles of Organization and the ACC Board of Directors Resolutions identify the members of GBRA's Steering Committee, along with roles and responsibilities of the Steering Committee, who were appointed by the ACC Board of Directors.

The attached documents include: ACC Articles of Incorporation & Bylaws (with certification); ACCDF - 501(c)3 Determination Letter; ACC CDFI Fund Certification Letter; ACC 501(c)(4) Designation Letter; Articles of Organization for Appalachia, Coal and Energy Communities, and Underserved America LLC; Resolutions of ACC Board of Directors; Exhibit A: Amended & Restated Articles of Incorporation; Exhibit B: Articles & Operating Statement of Green Bank for Appalachia, Coal and Energy Communities, and Underserved America LLC; Exhibit C: Membership Qualification & Application Process; Exhibit D: ACC Green Bank LLC Steering Committee Roles & Responsibilities. All are available for review in 2.1.1 Organizational and Governing Documents – ACC.

2.1.2 Organizational Experience

The ACC Strategic Roadmap, approved by the Board in early 2022, highlights a core focus on expanding access to green and inclusive financing for diverse regional businesses and LIDAC communities through a cross-cutting approach that includes technology transformation, knowledge and learning, blended financing and structured finance approaches. This is summarized in the following chart, presenting the four reinforcing Pillars of the Roadmap:



ACC has historically served the Appalachian Region, which encompasses 423 counties in 13 states. It has one of the highest concentrations of economically distressed counties in the nation, with 25 of the 100 poorest counties and 106 Persistent Poverty Counties (28% of all PPCs in the U.S.). Of the region's 25.6 million residents, 42% are rural compared to 20% nationally, and 19% are BIPOC. However, Appalachia is also one of the most entrepreneurial rural regions in the United States, with over 2 million registered and active small businesses, or one small business for roughly every 11 residents.

Throughout Central Appalachia, communities have been significantly impacted by the coal industry decline over the past decade. Multiple studies have identified the decline in coal employment and production – and related employment reductions in supply chain industries like transportation, maintenance, and services -- and linked this decline to broader economic setbacks in the Region[10].

Through GBRA's creation and the formation of its Steering Committee, ACC will leverage this deep development expertise in rural energy communities to accelerate the transition to clean energy in similar communities across the United States.

Past Performance and Organizational Capacity

ACC has specific relevant experience in effective management of major awards that support pass-through capital and provision of technical assistance to rural lending organizations, with aligned capacity of ACC Board of Directors and GBRA Steering Committee Members (Optional Document 2. Description of Programmatic Capabilities, 2.1.1.1 Organizational Experience PPR). ACC and its members collectively manage over $4 billion in assets targeted to supporting development in LIDACs, reaching in excess of 20,000 regional businesses and supporting tens of thousands of locally-based jobs - all underpinned by $40 million in deeply subordinated, highly leveraged catalytic funding raised and deployed by ACC. Two examples include:

1) In June 2020, ACC received a grant from the Appalachian Regional Commission (ARC) to start the Emergency Business Response Assistance Program due to COVID-19. With a $3.5 million investment from ARC funds, 31 regional CDFIs and community lenders like EDA RLFs were supported. The funds helped these lenders manage operational costs and compensate for reduced borrower payments during the pandemic. Additionally, ACC helped them offer operational guidance and technical support to Appalachian small businesses and nonprofits. This initiative served more than 9,000 distinct businesses or nonprofits, retaining or creating more than 40,000 jobs, and has facilitated more than $430 million in loans.
2) ACC's Opportunity Appalachia initiative has propelled significant project development funding in the region. Between 2020 and 2023, ACC raised over $8 million from various sources, including federal agencies, financial institutions, and philanthropy. These funds helped 88 rural communities develop and finance projects that promote local revitalization, focusing on downtown development, manufacturing, healthcare, and more. Projects underwent a rigorous selection process and received assistance in various forms, such as business planning and

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[10] Eric Bowen, Ph.D., Christiadi, Ph.D., John Deskins, Ph.D., and Brian Lego. "An Overview of Coal and the Economy in Appalachia: Fourth Quarter 2020 Update." Commissioned by the Appalachian Regional Commission. West Virginia University, 2020.

financial structuring. These projects encompassed diverse financing methods, from HTCs to bank and CDFI financing. The projects are poised to create more than 1,700 jobs and bring in over $500 million, especially in small towns in Central Appalachia. Currently, communities involved have secured over $100M for 10 projects.

ACC has managed over 35 other grant and pass-through programs, as presented in the 1.3.3 Past Performance History.

In the last five years, ACC Members - including GBRA Steering Committee members - have jointly delivered more than $3 billion in new loans and grants to businesses and communities, emphasizing support for BIPOC and underprivileged rural partners. Furthermore, ACC has been a pivotal player in promoting clean energy transition investments. Noteworthy members like Partner Community Capital, Pathway Lending, and Mountain Association have been at the forefront of clean energy and sustainable financing innovations. The ACC Strategic Roadmap underscores the importance of reshaping the green and inclusive finance landscape; the goal being to craft models that are scalable and replicable, especially for rural and diverse communities impacted by coal. Recent impacts from ACC Board Member organizations include:

- **Launch of the Green Appalachia Innovation Accelerator** in April 2023 at a regional strategic roundtable involving 13 ACC Member CDFIs and 6 major US commercial banks and national community lenders, focused on clean energy and Net Zero transition resulting in a Green and Inclusive Roadmap for Appalachia (Optional Document 2. Description of Programmatic Capabilities)
- **Pathway Lending** (led by ACC Board Chair Clint Gwin) was awarded the 2022 Governor’s Environmental Sustainability Leadership Award for its energy efficiency lending portfolio of $60M already comprising 200 projects
- **Mountain Association** innovated in financing and providing capacity support for dozens of community-led solar installations, including ground-breaking approaches to developing microgrids for townships to build resilience in the face of recurring catastrophic flooding and other effects of climate change
- **Virginia Community Capital** is leading the charge into business retrofits and community-level solar installations as part of their overall $970M track record of loan origination, generating 18.7MW of community-based power through YE 2022
- **Partner Community Capital (PCAP)**, has a foundational focus on sustainable finance, and combines awareness, education, and technical assistance support around clean energy options integrated within its broader lending programs, and in 2022 nearly 30% of portfolio companies reported implementing new energy-saving measures

Nationally, ACC members and GBRA Steering Committee members have an extensive track record of investing in, and providing technical assistance to, underserved rural communities. These members have deep knowledge of community needs and financing opportunities, supporting thousands of transactions in the targeted rural communities, as well as exceptional expertise at structuring and managing development finance portfolios in the tens of billions USD in cumulative deployments. Their experience includes:

- **The National Trust for Historic Preservation and its subsidiaries Main Street America (MSA) and National Trust Community Investment Corporation (NTCIC) -** works in over 1,500 communities providing technical and financial assistance to transform neighborhoods and revitalize local economies. The affiliate NTCIC has invested over $2 billion in development transactions using NMTCs, HTCs, and ITCs, and operates community technical assistance programming with funding from USDA, NPS, NEH and DOT, among other federal, state and philanthropic partners
- **Grow America (formerly National Development Council)** – provides technical know-how and capital to support community and economic investments, having participated in financing over $6 billion in community facilities, housing, small business lending, and related transactions in more than 500 communities. As part of their EDA-supported RLF Community of Practice, Grow America provides targeted capacity-building and technical support to 82 EDA RLFs in rural energy communities nationally
- **Coastal Enterprises, Inc.** – one of the nation's leading rural CDFIs, CEI and affiliates create good jobs and support environmentally sustainable development, deploying $1.5 billion in business loans, NMTCs, Opportunity Zone investments, and other financial products. CEI has financed 48 solar deals across Maine and New England, resulting in over 30MW of developed projects, with $25.6M directly invested by CEI and $46.3M additionally leveraged through bank and peer CDFI participations. CEI is also a US market leader in applying the global Principles for Carbon Accounting Financials (PCAF) to its entire small business and commercial real estate portfolio, which most recently accounted for over 13,000 tonnes of Scope 1 and 2 emissions, and over 5,000 tonnes of Scope 3 emissions across these portfolios;
- **Coalfield Development Corporation** - works with business, educational partners, and labor unions to train employees for high-quality job opportunities, including those in the new energy economy. Coalfield Development has supported and grown more than 72 new businesses, trained 1,750 people in new economic sectors, created 700+ new jobs, attracted $100M+ in new investment to the West Virginia coalfields. In 2022, it was the lead partner in a coalition of universities, nonprofits, organizations, and municipalities that received a $63 million EPA Build Back Better Regional Challenge award, which Coalfield deployed to 7 participating organizations through subawards to strengthen coal communities across the state.
- **West Virginia Community Development Hub** - deploying an innovative and highly catalytic community engagement, coaching and change-maker seeding approach to engaging and leveraging community resources. In 2022 alone, the Hub reached more than 490,000 West Virginia residents, engaging them and providing technical assistance to attract over $7M in core funding to enable key community priority projects, involving over 250 organizational partners, all with a core focus on environmental sustainability and emphasis on DEI.

Leveraging the organizational experience described above, the GBRA will disburse capitalization funding and technical assistance sub-awards to participating CLs, bringing new investment to target communities, creating quality jobs and businesses that support sustainable growth. GBRA will be structured to be a self-sustaining entity.

2.1.3 Equity Policies and Practices

Donna Gambrell, ACC's President and CEO and GBRA Steering Committee Chair, brings four decades of community development experience to the role of leading GBRA's implementation. As ACC President and CEO, and previously as Director of the U.S. Department of Treasury

CDFI Fund, she notably doubled flagship program funding and introduced initiatives targeting underserved markets, such as the Capital Magnet Fund, Healthy Foods Finance Initiative, and the Bond Guarantee Program. Donna is also the founder and board chair of the African American Alliance of CDFI CEOs, an entity striving to channel resources to Black-led CDFIs and BIPOC communities, with an aim to diminish the racial wealth disparity.

ACC's commitment to diversity, equity and inclusion has been longstanding and impactful, and has been a core objective since the launch of ACC in 2013. DEI starts at the top of an organization, and the two CEOs of ACC appointed to date have both been African-American women. A core emphasis of the 5-year ACC strategic plan is around broadened and deepened access to finance and complementary support for diverse founders and business owners across the region, including BIPOC, LGBTQ+, veterans and those from LIDAC communities. ACC intends to at least double current member CDFI outreach to these founders by 2026 through blended finance, data analytics and transformative technology approaches, knowledge-building, and structured finance. In September of 2022, ACC hosted a DEI Roundtable in Greenville, SC, attended by a half-dozen member CDFIs, including four led by African-American CEOs, to build a comprehensive regional vision for greater impact in this area. As a result of this commitment, the composition of ACC's Board of Directors and staff reflect 100% female African-American executive leadership (current ACC CEO and Chief Lending and Impact Officer, and also GBRA CEO-candidate), 40% BIPOC Board members, 25% female Board members, and 75% from rural and/or LIDAC backgrounds. GBRA will continue this commitment to DEI principles and with ACC as its sole shareholder, embeds such in its mission and strategic planning. GBRA's Equity Policies, overseen by the Chief Risk and Compliance Officer, adhere to the standards set in 40 CFR Part 33 and emphasize ensuring DEI across all GBRA affiliations. This encompasses procurement policies benefiting disadvantaged enterprises, equitable investment practices and grantmaking, and governance. For further details, please see Attachment 2.1.3 Equity Policies and Practices - ACC.

2.2 Governance and Management

2.2.1 Governance Structure

Incorporated in the state of Virginia in 2013, ACC's Articles of Incorporation and Bylaws establish a strong and independent, member-led Board of Directors. Per the ACC Articles of Incorporation and Bylaws, the Board is composed of no fewer than five, and no more than nine Directors, two-thirds of whom must be serving officers of member Appalachian CDFIs. Members serve for staggered, three-year terms. There are no shareholder members in ACC, and all corporate powers are vested in the Board, which operates with full independence directly and through its delegates. All ACC Board Members are independent, as no ACC staff or ACC corporate members serve on the Board.

The ACC Board is the ultimate decision-making body on all statutory, strategic, budgetary and policy matters, including regular review and consideration of Enterprise Risk Management frameworks and the Risk Appetite of the institution, and also confirms leadership appointments and succession planning. The Board meets on a quarterly basis, and undertakes an annual self-assessment of performance, along with periodic training and capacity-building in areas related to good governance, DEI, performance management and others provided by qualified external consultants.

ACC has established an outstanding track record of good governance practices and outcomes that reflect the unique nature of the organization as one led by independent directors of non-corporate member CDFIs, each bringing proven equitable, good governance practices and decades of applied experience to their roles. This well-recognized track record informs and underpins the governance policy framework presented herein for the GBRA.

ACC Board Committee Overview

Executive Committee: Composed of the Board's Officers, this committee convenes as necessary to address urgent decisions or matters for the full Board. Their tasks include overseeing compensation for senior management, and staff; managing board nomination and senior management succession; and establishing and overseeing the operation of the risk management framework.

Loan Committee: Guided by the Good Governance Policies and Practices, the Loan Committee includes a Director and two independent financial experts. The committee examines all funding applications from CDFI Members, undertaking due diligence and risk assessments, with authority to approve loans on an exception and review basis.

Audit Committee: Chaired by the Board Chair and including all Board Directors, this committee monitors ACC's financial performance, ensuring alignment with requirements from the CDFI Fund and other funders. It handles treasury management, liquidity, and compliance with debt covenants and budget comparisons, and supervises the annual independent audit.

For further details, please see Attachment 2.2.1 Board Policies and Procedures, including good governance frameworks and conflict of interest practices.

The current Officers and Board of ACC are as follows:

Clint Gwin, ACC Chair and President of Pathway Lending in Tennessee. Mr. Gwin has expertise in “growing” a CDFI. Under his leadership, Pathway loan originations grew from $3.4 million in 2003 to more than $138 million by 2020, including ground-breaking energy-efficiency and solar-lending initiatives, as well as a statewide focus on expanding lending to BIPOC small businesses.

Marten Jenkins, ACC Treasurer and founder and CEO of Partner Community Capital (PCAP). Over the past decade, PCAP has expanded its lending and technical assistance services to a nine-state region, spanning central Appalachia and the Southeast, including West Virginia and North Carolina and the Appalachian regions of Maryland, Ohio, Kentucky, Tennessee, Virginia, South Carolina and Georgia. With roots in the natural capital and clean energy finance space, PCAP continues to be an innovative leader in clean energy finance, as well as engaging with disinvested communities, including BIPOC and rural LIDACs focused on environmental justice and support to energy communities..

Neill S. Wright, ACC Secretary and President and CEO of Birmingham-based Bronze Valley, an early stage venture-focused CDFI investment platform that supports high growth, innovation and technology companies led by diverse, underrepresented, and underestimated founders. Mr. Wright has nearly 30 years of experience as an investor, entrepreneur, and operating executive. Most recently, he served as Chairman, President and CEO of First Tuskegee Bank, a CDFI commercial bank.

Ray Christman, Chair of the ACC Loan Committee, is *a non-ACC Member Board Director*. He has previously served as the President and CEO of the Federal Home Loan Bank (FHLB) of

Atlanta, chair of the FHLB of Pittsburgh, and as Secretary of Commerce for the State of Pennsylvania, among other leadership roles. Mr. Christman has a long history of involvement in the conservation field, including serving as Senior Vice President of the Trust for Public Land In addition to serving on ACC's board, he is also a board member of Southern Bancorp Community Partners, a nationally recognized CDFI in Little Rock, Arkansas.
Lori Chatman, President of *non-ACC Member,* Enterprise Community Partner's Capital Division. Ms. Chatman manages one of the nation's largest affordable housing finance platforms while serving an integral role on the organization's senior leadership team. With more than three decades of experience, she leads a $16 billion platform with a full suite of equity, debt, and tax credit products for the affordable housing and community development industries.
Clyde Cornett, CFO of Virginia Community Capital, a CDFI located in Christiansburg, Virginia. Mr. Cornett previously served as VCC's Chief Operating Officer, where he helped set the foundation for its current focus on community solar financing. He has advised and consulted with more than 25 community banks in various roles, including as auditor of record, internal audit consultant, and credit review consultant.
Grace Fricks, founder, President and CEO of ACE in Georgia, a leader in serving both rural and BIPOC LIDACs, with 95% of its loan portfolio going to underserved populations. ACE recently launched its Energy Efficiency loan program as part of the Georgia Green Lending initiative. Over the last 20 years, ACE has deployed more than $97 million helping 1,400+ businesses create or retain 12,000 jobs across 68 LIDAC counties in Georgia. Ms. Fricks also serves on several Boards of Directors and Advisory Boards of regional and national CDFI associations, a NMTC CDE, and the University of North Georgia's Center for Business Leadership, .
Matt Raker, Executive Director of Mountain BizWorks, where he helps expand the opportunity of local business ownership across Western North Carolina by increasing access to capital and high-quality peer learning programs. Over the last 5 years, Mountain BizWorks has increased its lending capacity more than five-fold, supporting 473 new company startups, and expansion of over 750, with a successful priority focus on BIPOC and distressed rural businesses and communities. Prior to Mountain BizWorks, Mr. Raker directed entrepreneurial development at a state-sponsored economic development agency where he led projects generating more than $150M in regional investment and 400 jobs.

Please find detailed resumes in Attachment 2.2.1 Resumes of Board Members.

Green Bank for Rural America
In order to serve the unique demands of Appalachia, energy communities nationally, and underserved rural areas, ACC has developed a specialized governance and management structure for GBRA. The Steering Committee and Executive Management are composed of experts in finance and clean energy, and also include voices that understand and represent the development needs of priority energy communities and LIDACs. Through a well thought-out, balanced, and inclusive structure, ACC has developed an institution that can effectively achieve its mission of accelerating the transition to the clean energy economy in these hard-to-serve areas.

The ACC Board of Directors has approved a new Member Class of ACC enabling select organizations "focused on lending and providing technical assistance to support the development of clean energy financings in Appalachia and similar coal, energy, and underserved rural communities nationally" to join at the discretion of the ACC Board of Directors. (See

Attachment 2.1.1 Organizational and Governing Documents)**.** The ACC Board of Directors also formed a Steering Committee responsible for GBRA's strategic oversight and operational review of the GBRA CEO and management. Named members of the Steering Committee are :

- **Chair Donna Gambrell, President & CEO of ACC**, a national leader in the field of development finance, having served with distinction as the Director of the U.S. Treasury Department's CDFI Fund, and with the FDIC as Deputy Director for Compliance and Consumer Protection. In these roles she has overseen deployment of more than $35 billion in federal grants, bonds and tax credit issuance to LIDACs. Ms. Gambrell chairs the Boards of Opportunity Finance Network, the Alliance of African American CDFI CEOs, and sits on the Board of Directors of several regional and national CDFIs.
- **Keith Bisson, President, Coastal Enterprises**, one of the nation's leading rural CDFIs, which creates high-quality jobs through community lending and technical assistance. CEI supports environmentally sustainable development through deploying $1.5 billion in business loans, NMTCs, Opportunity Zone investments, and other financial products.
- **Brandon Denison, Founder and CEO, Coalfield Development**, a nationally renowned workforce organization which for over a decade has achieved significant impact in the heart of Appalachian coal country. Coalfield implements workforce development strategies that engage labor unions, community colleges, municipalities, private businesses, workforce development boards, and nonprofits, keeping good-paying jobs in LIDACs. Mr. Denison participates on the President's Interagency Working Group for Coal and Energy Communities.
- **Patrice Frey, Senior Advisor and former CEO of Main Street America**, which along with its parent organization the National Trust for Historic Preservation (NTHP) and sister organization the National Trust Community Investment Corporation (NTCIC) works in over 1,500 communities to transform neighborhoods and revitalize local economies. Affiliate NTCIC has invested over $2 billion in development transactions using NMTCs, HTCs, and ITCs, supporting over $8 billion in project activity.
- **Stephanie Tyree, Executive Director of West Virginia Community Development Hub ("The Hub")**, works alongside communities to support inclusive economic development. The Hub's model is embedded in the National Association of Counties' (NaCo) model for Building Resilient Economies in Coal Communities, and Ms. Tyree participates on the President's Interagency Working Group for Coal and Energy Communities.
- **Dan Marsh, President of Grow America (formerly National Development Council)**, oversees the deployment of hundreds of millions of dollars each year to underserved rural, tribal, and energy communities across the country. Grow America offers technical know-how and capital to support community and economic investment, having participated in financing more than $6 billion in green lending, commercial buildings, community facilities, housing, small business lending, transportation and related transactions in more than 500 communities.
- **CEO, Green Bank for Rural America**. To be selected.

GBRA's Steering Committee acts as the governing body, overseeing its management and operations, and reports to ACC, the sole member shareholder. Steering Committee duties include:

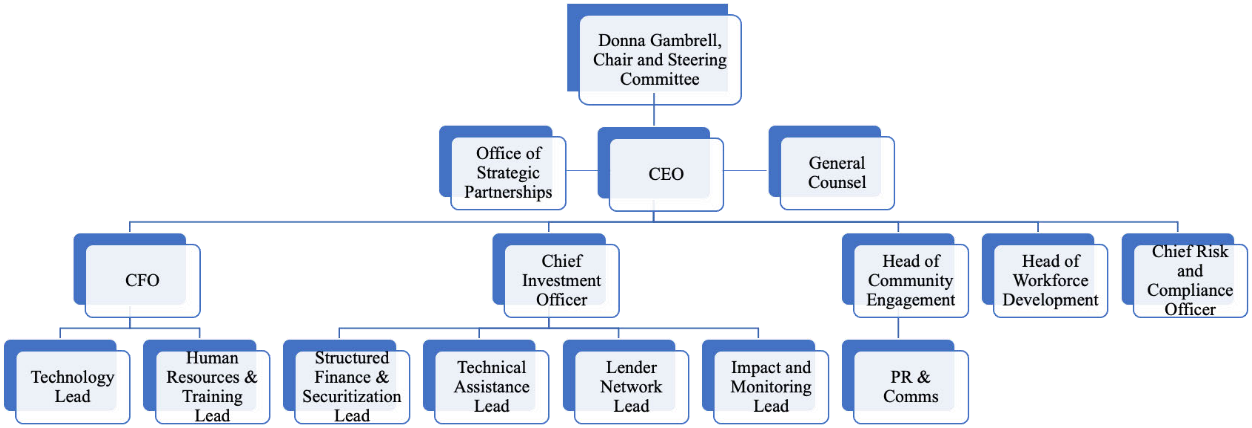
1. Strategic Direction: Establishing GBRA's mission, vision, and long-term goals, in line with guidelines from the ACC's Board of Directors
2. Financial Oversight: Approving budgets and financial statements
3. CEO Appraisal: Assessing and, if necessary, appointing or dismissing the GBRA CEO
4. Operational Review: Overseeing aspects like funding strategy, technical support, community engagement plans, workforce development, coordination, and evaluation work plans
5. Stakeholder Communication: Ensuring transparent communication with various stakeholders, including funders, partners, agencies, and private sectors

Additionally, a Risk Management, Audit & Compliance Sub-Committee will regularly evaluate GBRA's enterprise risks, audit subawards as per EPA standards, and manage compliance within the Executive Team. This sub-committee supports ACC's oversight role of GBRA as sole member shareholder, and consists of a Steering Committee member and two external and independent experts in audit, risk, and compliance.

For detailed resumes of GBRA Steering Committee members, please see Attachment 2.2.1 Resumes of Board Members.

2.2.2 Senior Management and Staff Capabilities

To effectively administer the capitalization funding and technical assistance as outlined by the CCIA, GBRA aims to establish a top-tier executive management team. This team will consist of seasoned professionals skilled in essential technical and management domains and will be complemented by a proficient supporting team. The ultimate goal is for GBRA to become a lasting hub for capital initiatives centered on the clean energy transition. The GBRA Steering Committee will lead the formation, set strategic direction and oversee the work of the Executive Management Team. The Steering Committee is comprised of a seasoned group of CEOs leading highly successful organizations that have direct experience in deploying and catalyzing close to $50 billion in investment to low wealth communities, leveraging tens of billions in funding from public and private sources. With a deep knowledge of Appalachia and energy communities, these members have the track record, leadership ability and are committed to building a management team to successfully lead this effort.



Key Responsibilities of the GBRA Executive Management Team:

- **Strategic Implementation**: Convert Steering Committee strategies into actionable steps
- **Financial Management**: Ensure optimal handling of capital, assets, and liabilities
- **Investment & Operations**: Deliver quality services and products to target communities and associated CLs
- **Compliance**: Guarantee adherence to GBRA subaward conditions and relevant regional and national regulations
- **Risk Management**: Pinpoint potential risks and devise mitigation strategies
- **Sustainability**: Prioritize eco-friendly projects, aligning with the organization's mission
- **Human Resources**: Oversee staff recruitment, development, and retention
- **Technology**: Utilize technology to introduce novel products and enhance operational efficiency

Executive Management Team Composition

In preparation for GBRA's launch, several distinguished individuals have expressed interest in occupying key leadership positions, as noted below. If circumstances change, the roles will be filled by equally competent professionals. Additional descriptive information on positions to be filled is available in Optional Document 2. - Description of Programmatic Capabilities 2.2.2.1 Executive Management Team Composition and is not provided in this narrative due to space constraints.

-ACC President and CEO and GBRA Steering Committee Chair, Donna Gambrell

Providing strategic leadership and overall direction to the GBRA, Ms. Donna Gambrell is a national leader in the field of development finance with over 40 years of executive and management experience, having served with distinction as the Director of the U.S. Treasury's CDFI Fund, and with the FDIC as Deputy Director for Compliance and Consumer Protection. In these roles she has overseen deployment of more than $35 billion in federal grants, bonds and tax credit issuance to economically distressed communities.

-Chief Executive Officer PII [redacted]

PII [redacted]

-Chief Investment Officer, PII [redacted]

[redacted]

-Chief Financial Officer, PII [redacted]

[redacted]

-General Counsel, PII [redacted]

[redacted]

GBRA is prepared to hire for the following key roles upon notification of an award:

- **Office of Strategic Partnerships:** Intrinsic to managing partnerships with external entities to bolster the GBRA's mission
- **Chief Risk and Compliance Officer:** A crucial role managing risk and ensuring compliance with regulations
- **Head of Community Engagement:** Will focus on community relations, public messaging, and project support
- **Head of Workforce Development:** Essential for the design and management of a comprehensive workforce development strategy
- **Technology Lead:** Manages all technology aspects, ensuring security and business continuity
- **Human Resources and Training Lead:** Overseas recruitment, training, and policy updates

- **Structured Finance and Securitization Lead: Expertise in finance and underwriting.**
- **Technical Assistance Lead:** Provides services and oversees technical teams focusing on clean energy
- **Lenders Network Lead:** Handles pipeline development and oversight of capital deployments
- **Monitoring and Impact Lead:** Manages an integrated reporting system with standards like PCAF and EPA's AVERT

For further details, please review Optional Document 2. Description of Programmatic Capabilities, 2.2.2.1 Executive Management Team Composition.

Rapid Start Task Force

To jump-start GBRA operations, an expert team will work for 6 months post-CCIA award, under the guidance of the ACC President and CEO, GBRA Steering Committee, and GBRA CEO. This team will be selected using competitive contracting procedures consistent with EPA subaward policies. A team of experienced professionals specializing in institutional development, inclusive and clean/green finance, grants management and subaward systems development, and community development is currently under contract to ACC to perform a variety of services, have expressed their interest in and will be considered for this role. Full details on the proposed Rapid Start Task Force as well as prospective credentials of current ACC team members, are available in Optional Document 2. Description of Programmatic Capabilities 2.2.2.2 Rapid Start Task Force.

For full resumes of the Executive Management Team please see Attachment 2.2.2 Resumes of Senior Management - ACC. The Attachment 2.2.2 Management Policies and Procedures offers a comprehensive overview of policies and procedures for the GBRA's Executive Management Team. It clarifies roles between Management and the Steering Committee, addresses conflict of interest practices, and outlines strategies for management succession, retention, and development.

2.3 Risk Management and Financials

2.3.1 Legal and Compliance Risk Management Program

GBRA’s legal and compliance risk management program is built upon ACC’s existing enterprise risk management framework to reflect CCIA’s specific demands and requirements, ensuring an effective program to assess legal and compliance risks associated with the applicant’s program, as well as a robust plan to mitigate those risks. It provides financial management that complies with 2 CFR § 200.302(b), internal controls that comply with 2 CFR § 200.303, and requirements for pass-through entities that comply with 2 CFR § 200.332, as well as appropriate OMB regulations and good practices for management of Federal awards. This policy establishes GBRA's commitment to fostering a well-managed culture by incorporating risk management principles, practices, and processes throughout the organization. This includes training, risk-aware approaches, risk monitoring, and strategic alignment.

The GBRA program:

- Aligns with 2 CFR § 200.302(b), 2 CFR § 200.303, and 2 CFR § 200.332 by mandating robust financial management, establishing strong internal controls, and detailing requirements for pass-through entities.
- Addresses legal and compliance risks through a blend of proactive risk assessments and

reactive remediation steps.
- Crafts a mitigation-centric approach by emphasizing preventative training, incentivizing compliance, and enforcing strict consequences for non-compliance.

The GBRA framework offers a holistic, rigorous, and iterative approach to grant management and broader organizational risk. With a balance of proactive measures and responsive actions, the GBRA is poised to uphold the highest standards of compliance and stewardship of federal funds.

GBRA will draw upon the collective deep expertise and implementing track record of its Steering Committee Members to deploy a buildable, best-in-class enterprise risk management structure, including legal and compliance management frameworks and policies that meet or exceed EPA requirements, as detailed following and in Attachment 2.3.1 Legal and Compliance Risk Management Policies and Procedures.

2.3.2 Financial Statements:
ACC's audited financial statements for the past three years and quarterly financial statements for the current year are attached and demonstrate continued financial health and loan portfolio performance for this non-profit CDFI, with prudent systems and policies in place to address impacts resulting from future potential economic challenges. ACC's financial ratios for completed fiscal years indicate prudent levels of leverage, a current ratio over 11 with strong operating liquidity, consistent positive changes in net assets, and a self-sufficiency ratio averaging over 82% for the 3-year period, as noted:

- Net Asset Ratio - ranges from 16.4 % to over 19%
- Current Ratio - ranges from 11 to 37
- Operating Liquidity Ratio - ranges from 4.6% to nearly 10%
- Change in Net Assets - annual positive change in net assets
- Self-Sufficiency Ratio - 97% and above in 2020 and 2022 which is exceptional for non-profit CDFI, and 45% in 2021 when ACC invested net assets to support new program expansion.

For comprehensive details, including ratio analysis, Q1 and Q2 unaudited financials, and last three year audited financials, please see Attachment 2.3.2 Financial Statements - ACC