

## Climate Pollution Reduction Grants Program: Implementation Grants

### Reducing Emissions in Maine's Buildings & Transportation Systems: Accelerating Climate Progress Equitably throughout a Rural State

#### BUDGET NARRATIVE

This budget narrative uses the following budget categories to break out costs associated with implementation of the proposed measures:

- **Personnel:** Direct costs for salaries and wages.
- **Fringe Benefits:** Allowances and services provided by the employer to personnel in addition to regular salaries and wages. These may include the cost of leave, employee insurance, pensions and unemployment, cell phone allowances, holiday bonuses, and similar benefits.
- **Travel:** Costs for transportation services, lodging, per diem, and similar personal expenses allowed under applicable travel policies for trips necessary to implement the proposal.
- **Equipment:** Costs for tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit used by personnel implementing the proposal. Equipment purchased by project participants is classified in the "Other" budget category as participant support costs.
- **Supplies:** Costs for tangible personal property other than equipment with a per item acquisition cost of less than \$5,000 that are necessary to implement the proposal.
- **Contractual:** Costs associated with contracts to acquire property (including intellectual property) and services needed to carry out the proposal.
- **Other:** Direct costs that do not fit in any of the other budget categories, including participant support costs and subawards.
- **Indirect:** Costs incurred for a common or joint purpose that benefit more than the proposed project that is not readily divisible among cost objectives without efforts disproportionate to the results achieved. Examples include space costs, utilities, accounting services, human resources, etc.

An explanation of costs associated with each measure and a consolidated budget are presented below.

#### **Measure 1: Clean Energy, Energy Efficiency, and HVAC Improvements in Maine Public Schools and Municipal Buildings.**

See M1 Muni Buildings and M1 Schools tabs in the CPRG Implementation Grants Budget Table included with this proposal for itemized costs associated with each budget category.

GOPIF Personnel and Fringe Benefits – Total: \$1,170,488

1.0 FTE CPRG Program Coordinator at Public Service Coordinator II, CU 30 for five years to manage CPRG implementation, coordinate with Community Resilience Partnership staff at the Governor's Office of Policy Innovation and the Future (GOPIF) and Green Schools Program staff at Department of Education (DOE) on measure 1 implementation, coordinate subawards to partner agencies and organizations, and manage grant reporting requirements.

Personnel annual salary: \$94,872

Personnel annual fringe at 50%: \$61,193 Fringe includes health care, dental, retirement benefits, FICA  
0.5 FTE Fiscal Officer at Public Service Coordinator, CU 30 for five years to manage grant fund disbursement, fiscal tracking and reporting.

Personnel annual salary: \$47,436

Personnel annual fringe at 50%: \$30,597 Fringe includes health care, dental, retirement benefits, FICA

GOPIF Travel – Total \$12,938

Travel includes in-state vehicle miles traveled by the CPRG Program Coordinator to conduct site visits with awardees. Estimated 5,625 miles traveled per year for five years at \$0.46 per mile. Annual expenditure is \$2,587.50 for a total of \$12,938.

GOPIF Equipment – Total \$0

No funds for equipment are requested.

GOPIF Supplies – Total \$16,000

Supplies include 1 staff computer for CPRG Program Coordinator at \$2,500 with associated software and licensing fees. Calculated at \$4,000 the first year, and \$3,000 annually the remaining four years based on other comparable staff positions in the GOPIF office.

GOPIF Contractual – Total \$1,300,000

GOPIF will issue an RFP for technical assistance of \$325,000 each year for four years to support 5-20 communities annually applying for implementation funds in municipal buildings from the Community Resilience Partnership. This technical assistance need is demonstrated by recent experience, including a recent issuance of federal funds from the Department of Energy through the Community Resilience Partnership. The Community Resilience Partnership has been piloted for three years, and community success implementing projects has been significantly increased with technical assistance from contracted Service Providers in the grant writing and management process. This technical assistance practice will be brought forward to these funds to assist low-income, disadvantaged, and under-capacity communities.

GOPIF Other – Total \$20,263,273

*Municipal Buildings:* GOPIF will award \$5 million as subgrants to municipal and tribal governments over a 4-year period utilizing existing personnel and programming in the Community Resilience Partnership. We anticipate 5-20 awards annually of between \$50,000 and \$200,000.

*Public Schools:* GOPIF will subaward the Department of Education \$15,058,345. This is a significant part of our overall CPRG application, designed to help create more resilient and healthy centers of community service. \$14 million will be directed as subgrants competitively awarded for comprehensive bundled decarbonization projects in 7-10 schools in low-income and disadvantaged communities, leveraging as much as \$28-\$32 million in additional funding through the reinvestment of captured energy savings, federal tax credits, and traditional school financing mechanisms. The funds will be expended in the first 2-3 years of the program. The Department of Education will issue an RFP for

technical assistance contracting services, which will be available across the first 3 years of the CPRG funding period and are expected to serve an additional 10-15 schools each year, budgeted at \$500,000 across the entire grant period. Finally, a 1.0 FTE staff position at the Governor's Energy Office (GEO) will provide direct support across all aspects of this project and will design and administer this project in partnership with Efficiency Maine Trust (EMT) and DOE. Total personnel costs requested is \$313,621, based on five years of salary at Professional/Technical Grade 23 (\$59,072 with annual increases). Fringe Benefits requested is \$244,724 over five years which includes health and dental insurance, retirement benefits and FICA. In total, this investment is expected to reach between 61 to 89 schools directly, or more than 10% of the schools in Maine.

*STACAP Fee* – STACAP is a state assessed fee for contracting services applied to all federal funds, except for subawards or subgrants. For FY 2024, GOPIF has a STACAP fee of 8.199% applied to a base amount of \$2,499,426, equal to \$204,928.

GOPIF Indirect Costs – Total \$227,443

Indirect costs were calculated using the 10% Modified Total Direct Costs. Personnel, Fringe benefits, Travel, Supplies and the first \$25,000 of 40 subgrants of an average of \$100,000 through the Community Resilience Partnership, and the first \$25,000 of 3 subawards to the Department of Education, Department of Transportation and Efficiency Maine Trust were added to create a base amount of \$2,274,426. The base amount was multiplied by 10% to determine the indirect costs of \$227,443.

**Measure 2:** Expand incentives and consumer education support for light-duty electric vehicle (EV) purchase by low-moderate income households.

GOPIF Other – Total \$18,000,000

GOPIF will subaward \$18 million to Efficiency Maine Trust to administer the incentive program for light-duty electric vehicles. This will include an RFP for Fleet Advisory Services to provide technical assistance for fleet operators to participate in this program and cross over to be shared with the Medium and Heavy-Duty Pilot, totaling \$1 million, and an RFP for an educational program for public consumers and vehicle dealers to be offered in the first two years and totaling \$2 million. \$15 million will be offered as rebates for priority low-moderate income consumers (target \$8 million) for the purchase of a qualifying electric vehicle and charging stations, or community fleet vehicles (target \$4 million), and \$3 million (20%) to cover program delivery costs including staffing and contractual costs necessary to administer the program and meet roles and responsibilities, including supplies, travel, modeling and analytical costs, program tracking and evaluation, and reporting accomplishments related to this measure and as detailed in an MOU with GOPIF.

**Measure 3:** Pilot Medium- and Heavy-Vehicle Duty zero-emissions vehicle purchase and operation in key geographic hubs.

GOPIF Other – Total \$5,000,000

GOPIF will subaward \$5 million to Efficiency Maine Trust to administer the incentive program for 40-55 medium and heavy-duty electric vehicles. \$4 million will be offered over three years as vouchers for priority consumers for the purchase of qualifying electric vehicles and up to 10 DC fast chargers and related infrastructure capped at \$100,000 per installation. Program design targets 11 heavy duty

vouchers at an average of \$200,000 per voucher, and 46 medium duty vouchers at an average of \$50,000. Target audiences include local food distribution, such as Maine potatoes, wild blueberries, wild-caught and raised seafood, and microbrews. Incentives for both vehicles and charging infrastructure will be calibrated to cover no more than the incremental cost of a vehicle, and up to 70% of the cost of charging installation. From these funds, Efficiency Maine Trust will use \$1 million (10%) for program delivery to cover staffing and contractual costs necessary to administer the program and meet roles and responsibilities, including supplies, travel, modeling and analytical costs, program tracking, evaluation and reporting accomplishments related to this measure and as detailed in an MOU with GOPIF.

**Measure 4: Extend the State’s rural workforce commuting pilot program with electric vehicles.**

GOPIF Other – Total \$4,000,000

GOPIF will subaward the requested CPRG funds of \$4 million to the Maine Department of Transportation, which would be matched by a minimum 20% local match provided by applicants and partners, bringing total program funding to a minimum of \$5 million. Conservatively, this would support the purchase of 45 hybrid or electric transit vehicles (estimating approximately \$100,000 per vehicle) and necessary charging infrastructure (estimated at 9 at approximately \$50,000 per charger). E-bikes would be allowable under the program as well – any applications including e-bikes would affect the total number of transit vehicles that could be funded through the program. Currently, 40 e-bikes at \$1,250 each are estimated. An appropriate award cap, subject to change, will be established so that many projects can be supported, and so funds are used equitably across the state. The Maine Department of Transportation will provide their own personnel to administer this program.

**Consolidated Budget by Year**

CATEGORY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
TOTAL PERSONNEL	\$142,308	\$142,308	\$142,308	\$142,308	\$142,308	\$711,541
TOTAL FRINGE BENEFITS	\$91,790	\$91,790	\$91,790	\$91,790	\$91,790	\$458,948
TOTAL TRAVEL	\$2,588	\$2,588	\$2,588	\$2,588	\$2,588	\$12,938
TOTAL EQUIPMENT						\$0
TOTAL SUPPLIES	\$4,000	\$3,000	\$3,000	\$3,000	\$3,000	\$16,000
TOTAL CONTRACTUAL	\$325,000	\$325,000	\$325,000	\$325,000	\$0	\$1,300,000
TOTAL OTHER	\$13,160,095	\$11,208,322	\$12,211,571	\$8,714,919	\$1,968,366	\$47,263,273
TOTAL DIRECT	\$13,725,780	\$11,773,007	\$12,776,257	\$9,279,604	\$2,208,051	\$49,762,699
TOTAL INDIRECT	\$227,443					\$227,443
<b>TOTAL FUNDING</b>	<b>\$13,953,223</b>	<b>\$11,773,007</b>	<b>\$12,776,257</b>	<b>\$9,279,604</b>	<b>\$2,208,051</b>	<b>\$49,990,142</b>

### Consolidated Budget by Project

Project Number	Project Name	Total Cost	% of Total
1	M1: CRP Municipal Buildings	\$7,931,797	16%
2	M1: DOE Green Schools Program	\$15,058,345	30%
3	M2: EMT EV Incentives	\$18,000,000	36%
4	M3: EMT Medium-Heavy Duty Pilot	\$5,000,000	10%
5	M4: DOT Rural Transit	\$4,000,000	8%
Total		\$49,990,142	100%

### Expenditure of Awarded Funds

GOPIF will expend and account for awarded funds in accordance with state laws and procedures for expenditures and accounting for the state's own funds. The financial management system for GOPIF complies with the requirements of 2 CFR 200.302(b).

The State Administrative and Accounting Manual (SAAM) provides the financial management requirements that Maine state agencies must meet. The purpose of the manual is: 1) to provide control and accountability over financial and administrative affairs of Maine State Government, and 2) to assist agencies in gathering and maintaining information needed for the preparation of financial statements. The SAAM is available at

[State Administrative and Accounting Manual \(SAAM\) | Office of the State Controller \(maine.gov\)](#)

The SAAM also covers the controls/procedures for disbursement of participant support costs.

GOPIF will enter into a subaward agreement with each partner agency or organization prior to disbursement of subaward funds, including reporting requirements. These agreements will include all applicable pass-through requirements for subrecipients in accordance with [EPA's Subaward Policy](#) and [EPA's General Term and Condition for Subawards](#).

The semi-annual reports and final report will include a breakdown of expenditures associated with implementation of this proposal.