# Section 7: Budget and Timely Expenditure of Grant Funds

The below narrative outlines each budget item for each CPRG implementation program, how those funds will be expended, and the reasonableness of the budget formulation.

## Section 7.1: Budget Details

Below is the overall state CPRG implementation budget by budget category. The budget follows the anticipated distribution across the five years with higher start-up costs in Year 1 and costs progressively reducing over the subsequent four years, with the goal of programming being less reliant on public funding to sustain. And, the budget is designed to standup the state government’s internal functions to manage and oversee CPRG implementation instead of contracting out externally

Table 7: NC CPRG Implementation Budget by Year

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| --- | --- | --- | --- | --- | --- | --- | --- |
| **North Carolina CPRG Implementation Budget by Year** | | | | | | | |
| **Cost Type** | **Category** | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | *Total Personnel* | $2,221,211 | $2,680,233 | $2,704,033 | $2794,534 | $2,754,856 | $13,154,867 |
| *Total Fringe Benefits* | $927,513 | $1,107,295 | $1,087,483 | $1,089,580 | $1,074,163 | $5,286,035 |
| *Total Travel* | $222,527 | $227,526 | $169,239 | $166,920 | $131,921 | $918,132 |
| *Total Equipment* | $0 | $0 | $0 | $0 | $0 | $0 |
| *Total Supplies* | $180,187 | $25,970 | $35,466 | $35,466 | $35,464 | $312,553 |
| *Total Contractual (Including RFPs)* | $22,881,259 | $10,112,173 | $6,286,604 | $4,225,853 | $2,203,066 | $45,708,955 |
| *Total Other* | $68,038,650 | $23,124,500 | $20,598,635 | $14,855,996 | $4,085,750 | $130,703,531 |
| *Total Direct* | $94,471,346 | $37,277,697 | $30,881,460 | $23,168,349 | $10,285,221 | $196,084,073 |
| **Indirect Costs** | *Total Indirect* | $730,964 | $807,002 | $777,762 | $806,176 | $794,024 | **$3,915,927** |
| **Total Funding** | | **$95,202,310** | **$38,084,698** | **$31,659,221** | **$23,974,525** | **$11,079,245** | **$199,999,999** |

Below is the implementation budget by sector, with the amounts allocated to each sector approximately reflecting the total GHG emissions coming from each sector with the Transportation sector receiving the most funding. The NCDEQ administration costs represent funding directed to NCDEQ to manage implementation of the state-wide programs proposed in this application.

Table 8: NC CPRG Implementation Budget by Sector

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| --- | --- | --- | --- |
| **North Carolina CPRG Implementation Budget By Sector (and MSA)** | | | |
| **Project Number** | **Project Name** | **Total Cost** | **% of Total Funding Requested** |
| 1 | NCDEQ Administration costs | $8,356,811 | 4% |
| 2 | Transportation | $63,964,535 | 32% |
| 3 | Buildings | $61,780,688 | 31% |
| 4 | Industry | $15,000,000 | 8% |
| 5 | Waste | $15,499,999 | 8% |
| 6 | CPRC (MSA) | $15,620,107 | 8% |
| 7 | Centralina (MSA) | $19,768,869 | 10% |
| **Total Funding** | | **$199,999,999** | **100%** |

Table 9: NC CPRG Implementation Program by Program

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Program T1. Commercial Fleet and Fuel Transition Program** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $51,950 | | $53,509 | $55,114 | | $56,767 | $58,470 | **$275,810** |
| Notes and Assumptions: Project Manager at Salary 0.5 FTE (assuming annual 3% raise), Staff at salary 0.25 FTE (assuming annul 3% raise) | | | | | | | | |
| *Total Fringe Benefits* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Travel* | $1,392 | | $1,392 | $1,392 | | $1,392 | $1,392 | **$6,960** |
| Notes and Assumptions: Travel for conference and workshop presentations: Airfare - $400 roundtrip @ 1 roundtrip per year, Luggage Fees - $25 per flight @ 2 flights per year, Hotel - $105 per day @ 3 days per year, Per Diem - $49.5 per day @ 3.5 days per year, Taxi - $45 per year, Parking - $20 per day @ 4 days per year, Mileage for local travel (500 miles per year at $0.655/mi) | | | | | | | | |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Contractual (Including RFPs)* | $20,400 | | $20,400 | $20,400 | | $20,400 | $20,400 | **$102,000** |
| Notes and Assumptions: Contractor to assist with program management 25% of time @ $35/hr., Participant Support Costs: Stipends for 2 Summer Interns for six weeks @ $15/hr. | | | | | | | | |
| *Total Other* | $10,387,000 | | $0 | $0 | | $0 | $0 | **$10,387,000** |
| Notes and Assumptions: Non-government RFP MHD Vehicle replacements | | | | | | | | |
| *Total Direct* | $10,460,742 | | $75,301 | $76,906 | | $78,559 | $80,262 | **$10,771,769** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $5,662.55 | | $5,832.43 | $6,007.40 | | $6,187.62 | $6,188 | **$6,373** |
| Notes and Assumptions**:** 10.9% negotiated rate of personnel costs | | | | | | | | |
| **TOTAL FUNDING** | **$10,466,404** | | **$81,133** | **$82,913** | | **$84,747** | **$86,635** | **$10,801,833** |

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| **Program T2. EV Charging Infrastructure** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $88,450 | | $91,104 | $93,837 | | $96,652 | $99,551 | **$357,836** |
| Notes and Assumptions: 2 Project Managers at Salary 0.5 FTE (assuming annual 3% raise), Staff at salary 0.25 FTE (assuming annul 3% raise) | | | | | | | | |
| *Total Fringe Benefits* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Travel* | $1,392 | | $1,392 | $1,392 | | $1,392 | $1,392 | **$6,960** |
| Notes and Assumptions: Travel for conference and workshop presentations: Airfare - $400 roundtrip @ 1 roundtrip per year, Luggage Fees - $25 per flight @ 2 flights per year, Hotel - $105 per day @ 3 days per year, Per Diem - $49.5 per day @ 3.5 days per year, Taxi - $45 per year, Parking - $20 per day @ 4 days per year, Mileage for local travel (500 miles per year at $0.655/mi) | | | | | | | | |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Contractual (Including RFPs)* | $20,400 | | $20,400 | $20,400 | | $20,400 | $20,400 | **$102,000** |
| Notes and Assumptions: Contractor to assist with program management 25% of time @ $35/hr., Participant Support Costs: Stipends for 2 Summer Interns for six weeks @ $15/hr. | | | | | | | | |
| *Total Other* | $5,557,500 | | $0 | $0 | | $0 | $0 | **$5,557,500** |
| Notes and Assumptions: Level 2 publicly accessible charging infrastructure RFP, Level 2 MUD charging infrastructure competitive RFP, Level 2 MUD charging infrastructure rebates RFP | | | | | | | | |
| *Total Direct* | $5,667,742 | | $112,896 | $115,629 | | $118,444 | $121,343 | **$6,136,053** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $9,641.05 | | $9,930 | $10,228 | | $10,535 | $10,851 | **$51,186** |
| Notes and Assumptions**:** 10.9% negotiated rate of personnel costs | | | | | | | | |
| **TOTAL FUNDING** | **$5,677,383** | | **$122,826** | **$125,857** | | **$128,979** | **$132,194** | **$6,187,239** |

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| **Program T3. Government Fleet and Fuel Transition Program** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $51,950 | | $53,509 | $55,114 | | $56,767 | $58,470 | **$275,810** |
| Notes and Assumptions: Project Manager at Salary 0.5 FTE (assuming annual 3% raise), Staff at salary 0.25 FTE (assuming annul 3% raise) | | | | | | | | |
| *Total Fringe Benefits* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Travel* | $1,392 | | $1,392 | $1,392 | | $1,392 | $1,392 | **$6,960** |
| Notes and Assumptions: Travel for conference and workshop presentations: Airfare - $400 roundtrip @ 1 roundtrip per year, Luggage Fees - $25 per flight @ 2 flights per year, Hotel - $105 per day @ 3 days per year, Per Diem - $49.5 per day @ 3.5 days per year, Taxi - $45 per year, Parking - $20 per day @ 4 days per year, Mileage for local travel (500 miles per year at $0.655/mi) | | | | | | | | |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Contractual (Including RFPs)* | $20,400 | | $20,400 | $20,400 | | $20,400 | $20,400 | **$102,000** |
| Notes and Assumptions: Contractor to assist with program management 25% of time @ $35/hr., Participant Support Costs: Stipends for 2 Summer Interns for six weeks @ $15/hr. | | | | | | | | |
| *Total Other* | $30,360,175 | | $0 | $0 | | $0 | $0 | **$30,360,175** |
| Notes and Assumptions: Government MHD replacement RFP, Government LD replacement RFP | | | | | | | | |
| *Total Direct* | $30,433,917 | | $75,301 | $76,906 | | $78,559 | $80,262 | **$30,744,944** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $5,663 | | $5,832 | $6,007 | | $6,188 | $6,373 | **$30,063** |
| Notes and Assumptions**:** 10.9% negotiated rate of personnel costs | | | | | | | | |
| **TOTAL FUNDING** | **$30,439,579** | | **$81,133** | **$82,913** | | **$84,747** | **$86,635** | **$30,775,008** |
| **Program T4. Port Operations Decarbonization** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Fringe Benefits* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Travel* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Contractual (Including RFPs)* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Other* | $1,911,600 | | $1,256,100 | $855,535 | | $365,396 | $0 | **$4,388,631** |
| Notes and Assumptions: Increase efficiency of freight container shipment system to reduce GHG emissions | | | | | | | | |
| *Total Direct* | $1,911,600 | | $1,256,100 | $855,535 | | $365,396 | $0 | **$4,388,631** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| **TOTAL FUNDING** | **$1,911,600** | | **$1,256,100** | **$855,535** | | **$365,396** | **$0** | **$4,388,631** |

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| **T5. Pedestrian VMT Program** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Fringe Benefits* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Travel* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Contractual (Including RFPs)* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Other* | $11,811,825 | | $0 | $0 | | $0 | $0 | **$11,811,825** |
| Notes and Assumptions: Funding is a sum of the following projects: 1) Herford Co., Union Street Pedestrian Project in Murfreesboro; 2) Craven Co., Webb Blvd. Sidewalk Project (Havelock); 3) Craven Co., City of Havelock - Church Road Sidewalk Project; 4) Transylvania Co., US 64 (Asheville Hwy.) Pedestrian Crossing and Sidewalk Improvements; 5) Person Co., N Main Street Sidewalk in Roxboro; 6) Chatham Co., Construct sidewalk in Siler City on E. 3rd St. on north side of street from N. 2nd Ave. to 800 feet west of E. 5th St. (end of new Montaire sidewalk); 7) Chatham Co., Construct sidewalk on the west side of SR 1006 (North Second Avenue) from East Fourth Street to West Eleventh St.; 8) Stanly Co. B-191541 - continue sidewalk along Allenton Rd from Ray Lee Rd  to Lake Tillery; 9) Anson Co., B-192119 - install pedestrian crosswalks at Hwy 74 and Anson High School Rd.; 10) Mitchell Co.; New sidewalk along South Mitchell Avenue from Downtown Bakersville (Morgan Oil Company) to Bowman Middle School (Willis Cove Road) | | | | | | | | |
| *Total Direct* | $11,811,825 | | $0 | $0 | | $0 | $0 | **$11,811,825** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| **TOTAL FUNDING** | **$11.811.825** | | **$0** | **$0** | | **$0** | **$0** | **$11,811,825** |

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| **Program B1. Weatherization+ Assistance Program, Program B2. State Building Decarbonization and Efficiency, & Program B3. Local Public Building Decarbonization and Efficiency Program** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $498,000 | | $512,940 | $528,328 | | $544,178 | $560,503 | **$2,643,950** |
| Notes and Assumptions: Program Analyst I - Energy Managers 6.0 FTE; 3% annual salary increase | | | | | | | | |
| *Total Fringe Benefits* | $164,548 | | $168,106 | $171,772 | | $175,547 | $179,436 | **$859,409** |
| Notes and Assumptions: Medical = $7654 / person, SS = 7.65%, Retirement = 23.82% (31.47% total) | | | | | | | | |
| *Total Travel* | $72,693 | | $72,693 | $72,693 | | $72,693 | $57,693 | **$348,465** |
| Notes and Assumptions: Per diem: 6 staff x event x 3 events/year @41.30/day, Mileage: 6 staff x 3 site visits/month each x 12 months at average 230 miles round trip, Hotel: multi-day Conferences (2,500 pp) x 6 FTE x 2 per year, & Airfare | | | | | | | | |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $42,000 | | $3,000 | $3,000 | | $3,000 | $3,000 | **$54,000** |
| Notes and Assumptions: Office and related supplies to support outreach meetings, trainings, etc. | | | | | | | | |
| *Total Contractual (Including RFPs)* | $60,000 | | $63,000 | $66,150 | | $69,150 | $69,458 | **$328,065** |
| Notes and Assumptions: Contractor to assist with program management | | | | | | | | |
| *Total Other* | $7,680,000 | | $20,110,000 | $15,420,000 | | $10,500,000 | $3,800,000 | **$57,510,000** |
| Notes and Assumptions: Funding is a sum of the following projects: 1) WAP + Readiness funds; 2) EE and Electrification of State-Owned Buildings, Community Colleges and University campuses; & 3) EE and Electrification of public buildings in LIDACs, including schools and local gov't buildings | | | | | | | | |
| *Total Direct* | $8,517,241 | | $20,929,739 | $16,261,943 | | $11,364,879 | $4,670,090 | **$61,743,888** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $68,724 | | $70,786 | $72,909 | | $75,097 | $77,349 | **$364,865** |
| Notes and Assumptions: Using SEO Indirect of 13.8% | | | | | | | | |
| **TOTAL FUNDING** | **$8,585,965** | | **$21,000,525** | **$16,334,852** | | **$11,439,972** | **$4,747,439** | **$62,108,753** |

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| **Program I1. Industrial Electrification, Efficiency, and Process Emissions Reductions** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $40,500 | | $41,816 | $43,175 | | $44,578 | $46,027 | **$216,097** |
| Notes and Assumptions: Project Analyst I @ $81,000/yr., 0.5 FTE | | | | | | | | |
| *Total Fringe Benefits* | $20,250 | | $20,908 | $21,588 | | $22,289 | $23,014 | **$108,049** |
| Notes and Assumptions: Full-time Employees (Includes: FICA, Retirement, Health based on annual rates set by NCGA) @ ~50% of salary | | | | | | | | |
| *Total Travel* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $2,500 | | $0 | $0 | | $0 | $0 | **$2,500** |
| Notes and Assumptions: 1 Laptop Computer @ $2,500 each | | | | | | | | |
| *Total Contractual (Including RFPs)* | $1,300,000 | | $1,550,000 | $1,275,000 | | $25,000 | $23,354 | **$4,173,354** |
| Notes and Assumptions: 1) Contractor to perform 150 energy assessments total in the first three years at industrial facilities, allowing 2 years for facilities to execute EE upgrades; 2) Contractor to provide TA to industrial facilities to guide and support facilities as they work to reduce energy consumption and reduce emissions. | | | | | | | | |
| *Total Other* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Direct* | $1,363,250 | | $1,612,724 | $1,339,763 | | $91,868 | $92,395 | **$4,500,000** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| **TOTAL FUNDING** | **$1,363,250** | | **$1,612,724** | **$1,339,763** | | **$91,868** | **$92,395** | **$4,500,000** |

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| **Program I2. Industrial Decarbonization Workforce Development** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $40,500 | | $41,816 | $43,175 | | $44,578 | $46,027 | **$216,097** |
| Notes and Assumptions: Project Analyst I @ $81,000/yr., 0.5 FTE | | | | | | | | |
| *Total Fringe Benefits* | $20,250 | | $20,908 | $21,588 | | $22,289 | $23,014 | **$108,049** |
| Notes and Assumptions: Full-time Employees (Includes: FICA, Retirement, Health based on annual rates set by NCGA) @ ~50% of salary | | | | | | | | |
| *Total Travel* | $2,319 | | $2,319 | $2,319 | | $0 | $0 | **$6,957** |
| Notes and Assumptions: In-State Travel Expenses - $154.50 per day @ 3 days per year for up to 5 employees during first 3 years of program development | | | | | | | | |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $2,500 | | $0 | $0 | | $0 | $0 | **$2,500** |
| Notes and Assumptions: 1 Laptop Computer @ $2,500 each | | | | | | | | |
| *Total Contractual (Including RFPs)* | $250,000 | | $954,099 | $804,099 | | $704,099 | $704,099 | **$3,416,397** |
| Notes and Assumptions: 1) Subaward for workforce capacity building and coordination with Industrial Working Group (e.g., partnerships, employer engagement, marketing); 2) Subaward for pre-apprenticeship program for 300 students (including personnel and instructors; classroom instruction, hands-on training, curriculum, supplies, supportive services for students, and mentorship program); 3) Subaward for registered apprenticeship program for 300 apprentices (including personnel and instructors; classroom instruction, on-the-job training, curriculum, supplies, employer incentives, supportive services for students). Note: apprenticeship wages paid by the employer in this example. | | | | | | | | |
| *Total Other* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Direct* | $315,569 | | $1,019,143 | $871,181 | | $770,967 | $773,140 | **$3,750,000** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| **TOTAL FUNDING** | **$315,569** | | **$1,019,143** | **$871,181** | | **$770,967** | **$773,140** | **$3,750,000** |

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| **Program I3. Industrial Decarbonization Load Fund** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $0 | | $72,000 | $74,340 | | $76,756 | $79,251 | **$302,347** |
| Notes and Assumptions: Business Officer I @ $72,000/yr., 1 FTE | | | | | | | | |
| *Total Fringe Benefits* | $0 | | $36,000 | $37,170 | | $38,378 | $39,625 | **$151,173** |
| Notes and Assumptions: Full-time Employees (Includes: FICA, Retirement, Health based on annual rates set by NCGA) @ ~50% of salary | | | | | | | | |
| *Total Travel* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $2,500 | | $0 | $0 | | $0 | $0 | **$2,500** |
| Notes and Assumptions: 1 Laptop Computer @ $2,500 each | | | | | | | | |
| *Total Contractual (Including RFPs)* | $2,863,761 | | $2,863,761 | $188,819 | | $188,819 | $188,819 | **$6,293,980** |
| Notes and Assumptions: Programmatic fees @ 15% for financial administrator to manage loan program. Programmatic funds available for no- or low-interest loans or grants. No new funds used during years 3-5 with the expectation that loan repayments will continue to fund future projects. | | | | | | | | |
| *Total Other* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Direct* | $2,866,261 | | $2,971,761 | $300,329 | | $303,953 | $307,695 | **$6,750,000** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| **TOTAL FUNDING** | **$2,866,261** | | **$2,971,761** | **$300,329** | | **$303,953** | **$307,695** | **$6,750,000** |

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| **Program W1. Organic Waste Reduction** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $180,000 | | $180,000 | $0 | | $0 | $0 | **$360,000** |
| Notes and Assumptions: 2 Full-Time DEACS employees @ $90,000/yr. each | | | | | | | | |
| *Total Fringe Benefits* | $71,760 | | $71,760 | $0 | | $0 | $0 | **$143,520** |
| Notes and Assumptions: Full-time staff | | | | | | | | |
| *Total Travel* | $54,288 | | $54,287 | $0 | | $0 | $0 | **$108,575** |
| Notes and Assumptions: Workshops | | | | | | | | |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Contractual (Including RFPs)* | $4,820,000 | | $0 | $0 | | $0 | $0 | **$4,820,000** |
| Notes and Assumptions: 1) Organics RFP; 2) CPRC Organics Program, 3) Simple Gesture Refrigerator Program | | | | | | | | |
| *Total Other* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Direct* | $5,126,048 | | $306,047 | $0 | | $0 | $0 | **$5,432,095** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $34,743 | | $34,743 | $0 | | $0 | $0 | **$69,486** |
| **TOTAL FUNDING** | **$5,160,791** | | **$340,790** | **$0** | | **$0** | **$0** | **$5,501,581** |

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| **Program W2. Waste Operations Electrification and Decarbonization** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Fringe Benefits* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Travel* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Contractual (Including RFPs)* | $5,500,000 | | $0 | $0 | | $0 | $0 | **$5,500,000** |
| Notes and Assumptions: 1) Wake Forest Pilot Project for EVS; 2) RFP for EVs | | | | | | | | |
| *Total Other* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Direct* | $5,500,000 | | $0 | $0 | | $0 | $0 | **$5,500,000** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| **TOTAL FUNDING** | **$5,500,000** | | **$0** | **$0** | | **$0** | **$0** | **$5,500,000** |

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| **Program W3. Landfill Gas Reductions** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Fringe Benefits* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Travel* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Contractual (Including RFPs)* | $4,498,418 | | $0 | $0 | | $0 | $0 | **$4,498,418** |
| Notes and Assumptions: 1) Landfill Gas RFP | | | | | | | | |
| *Total Other* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Direct* | $4,498,418 | | $0 | $0 | | $0 | $0 | **$4,498,418** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| **TOTAL FUNDING** | **$4,498,418** | | **$0** | **$0** | | **$0** | **$0** | **$4,498,418** |

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| **Program CPRC1. Building EE and Emissions Reduction** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $187,629 | | $193,258 | $198,860 | | $204,631 | $162,936 | **$947,313** |
| Notes and Assumptions: Project Manager @ $84,652/yr, 1 FTE, with salary increase for years 1-4 and 0.5 FTE for year 5; Housing Planner @ $56,866/yr, 0.3 FTE, with salary increase; Communications project staff @ $63,242/yr, 0.1 FTE, with salary increase; Supervisor Project staff @ $101,837/yr, 0.1 FTE with salary increase; Project Coordinator staff @ $84,652/yr, 0.15 FTE with salary increase; Director @ $113,422/yr., 0.50 FTE with salary increase | | | | | | | | |
| *Total Fringe Benefits* | $87,181 | | $89,796 | $92,400 | | $95,081 | $75,707 | **$440,165** |
| Notes and Assumptions: Fringe @ 46.4646% of salary | | | | | | | | |
| *Total Travel* | $6,500 | | $9,000 | $9,000 | | $9,000 | $4,000 | **$37,500** |
| Notes and Assumptions: Mileage for meetings, presentations, and home visits; Travel for conference and workshop presentations (Including mileage, boarding and lodging, per diem for 2-3 project staff) | | | | | | | | |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $20,969 | | $1,291 | $1,291 | | $1,291 | $1,289 | **$26,131** |
| Notes and Assumptions: 2 Laptop Computers @ $2,000 each; Blower Door Test Equipment; Energy Assessment Equipment, including IR Thermometers and Thermal Imaging Equipment; Printing paper, pens, postage, markers etc. | | | | | | | | |
| *Total Contractual (Including RFPs)* | $1,083,000 | | $1,714,750 | $1,714,750 | | $1,676,750 | $261,250 | **$6,450,500** |
| Notes and Assumptions: Funding is a sum of the following projects: 1) Kerr Tar COGs; 2) Weatherization Deferral Make-Ready for LIDACs and LMI Homes for Single Family Homes; 3) Incentives for weatherization+ in LIDACs--MFHs, Commercial, Nonprofits, Schools, Faith Based Institutions; 4) Credit Enhancement Measures for Single Family Homes for Those Not Served by Other Federal Programs for Home EE and Electrification; 5) Rebuilding Together of the Triangle Program Implementation Partner/Staff; 6) Community College/Community Based Organization Coordination/State Extension for Workforce Development and Program Outreach | | | | | | | | |
| *Total Other* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Direct* | $1,385,279 | | $2,008,095 | $2,016,301 | | $1,986,752 | $505,182 | **$7,901,610** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $115,411 | | $118,873 | $122,319 | | $125,869 | $100,222 | **$582,695** |
| Notes and Assumptions: Indirect @ 41.9967% (salary + fringe) | | | | | | | | |
| **TOTAL FUNDING** | **$1,500,690** | | **$2,126,969** | **$2,138,620** | | **$2,112,621** | **$605,405** | **$8,484,305** |

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| **Program CPRC2. VMT Reductions** | | | | | | |
| **Category** | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | |
| *Total Personnel* | $209,855 | $216,150 | $222,635 | $229,314 | $236,193 | **$1,114,148** |
| Notes and Assumptions: Project Manager @ $76,350/yr, 0.5 FTE, with salary increase; Communications Project Staff @ $63,242/yr, 0.1 FTE, with salary increase; Data Analyst, reporting and technical staff@ $69,197/yr, 1 FTE, with salary increase; Project Coordinator staff @ $69,197/yr, 1 FTE with salary increase; Executive Director @ $224,682/yr, 0.12 FTE with salary increase | | | | | | |
| *Total Fringe Benefits* | $97,508 | $100,433 | $103,446 | $106,550 | $109,746 | **$517,684** |
| Notes and Assumptions: Fringe @ 46.4646% of salary | | | | | | |
| *Total Travel* | $7,416 | $7,416 | $7,416 | $7,416 | $7,416 | **$37,081** |
| Notes and Assumptions: Travel for professional development, conferences, and workshop presentations (Including registration, mileage, boarding and lodging, per diem for 2-3 project staff); Mileage for local meetings | | | | | | |
| *Total Equipment* | $0 | $0 | $0 | $0 | $0 | **$0** |
| *Total Supplies* | $5,619 | $3,619 | $1,617 | $1,617 | $1,617 | **$14,089** |
| Notes and Assumptions: 3 Laptop Computers @ $2,000 each (includes software and IT support); Printing paper, pens, postage, markers etc. | | | | | | |
| *Total Contractual (Including RFPs)* | $719,111 | $1,236,861 | $1,236,861 | $661,200 | $143,450 | **$3,997,483** |
| Notes and Assumptions: Funding for gaps in existing VMT programs. 50% of funds reserved for LIDACs. 1) Incentivize/Subsidize purchase of 7 electric vans @ 65K each ($65K includes $20K charging infrastructure costs) for a total of $455,000/year for Year 2,3, and 4. 2) Subsidized bus passes (1,000 fully subsidized bus trip/month) @ 3.00/trip = $36,000/year for all years. 3) Commuter E-bike rebate ($2,000 each for a total of 75 e-bikes/year + $150,000/year for all years except Years 1 and 5. For years 1 and 5, 45 e-bikes. 4) Commuter E-scooter rebate ($500 each for a total of 110 e-scooters/year) = @$55,000/year for all years except Year 1. 50 scooters in Year 1. Sidewalks for LIDACs (assume all sidewalks). | | | | | | |
| *Total Other* | $0 | $0 | $0 | $0 | $0 | **$0** |
| *Total Direct* | $1,039,509 | $1,564,480 | $1,571,976 | $1,006,097 | $498,424 | **$5,680,485** |
| **Indirect Costs** | | | | | | |
| *Total Indirect* | $129,082 | $132,955 | $136,943 | $141,052 | $145,283 | **$685,316** |
| Notes and Assumptions: Indirect @ 41.9967% (salary + fringe) | | | | | | |
| **TOTAL FUNDING** | **$1,168,591** | **$1,697,435** | **$1,708,919** | **$1,147,149** | **$643,707** | **$6,365,801** |

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| **Program C1. Building Decarbonization** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $65,060 | | $61,232 | $64,294 | | $67,511 | $71,092 | **$329,189** |
| Notes and Assumptions: Director – CED; 2 Project Staff – CED; Project Manager – CED/CEDD | | | | | | | | |
| *Total Fringe Benefits* | $36,759 | | $34,596 | $36,326 | | $38,144 | $40,167 | **$185,992** |
| Notes and Assumptions: Fringe @ 56.50% of salary | | | | | | | | |
| *Total Travel* | $4,000 | | $1,500 | $0 | | $0 | $0 | **$5,500** |
| Notes and Assumptions: Site visits to existing relevant project examples, 3-5 community forums for outreach | | | | | | | | |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $4,000 | | $4,000 | $4,000 | | $4,000 | $4,000 | **$20,000** |
| Notes and Assumptions: Supplies and Communication Materials | | | | | | | | |
| *Total Contractual (Including RFPs)* | $816,013 | | $819,500 | $807,500 | | $760,000 | $721,706 | **$3,924,719** |
| Notes and Assumptions: Implementation funds for EE pilot project; Industrial Engineering Retro Fit SME Evaluator, Direct improvements to qualified MFHs (DEQ ICAST contract), GHG testing pre- and post-construction | | | | | | | | |
| *Total Other* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Direct* | $923,332 | | $923,328 | $923,328 | | $912,120 | $869,965 | **$4,465,400** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $47,040 | | $44,273 | $46,486 | | $48,813 | $51,402 | **$238,014** |
| Notes and Assumptions: Indirect @ 0.0462% | | | | | | | | |
| **TOTAL FUNDING** | **$970,372** | | **$967,601** | **$958,606** | | **$918,468** | **$888,367** | **$4,703,414** |

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| **Program C2. VMT Reductions** | | | | | | | | |
| **Category** | **Year 1** | **Year 2** | | | **Year 3** | **Year 4** | **Year 5** | **Total** |
| **Direct Costs** | | | | | | | | |
| *Total Personnel* | $181,530 | | $210,355 | $206,248 | | $216,561 | $227,387 | **$1,042,081** |
| Notes and Assumptions: Deputy Executive Director, TDM Program Oversight (.2 FTE), Regional Planner II (TDM Program manager) (1 FTE) (new), Senior Planner (.5 FTE), Regional Planner II (.5 FTE) (RIA), RIA Program Manager, Contract Admin / RFP support (new) | | | | | | | | |
| *Total Fringe Benefits* | $102,564 | | $118,851 | $116,530 | | $122,357 | $128,474 | **$588,776** |
| Notes and Assumptions: Fringe @ 56.50% | | | | | | | | |
| *Total Travel* | $3,172 | | $3,172 | $3,172 | | $3,172 | $3,172 | **$15,860** |
| Notes and Assumptions: Per diem ($2,360); Hotel ($7,500); Air ($6,000) | | | | | | | | |
| *Total Equipment* | $0 | | $0 | $0 | | $0 | $0 | **$0** |
| *Total Supplies* | $1,000 | | $1,000 | $1,000 | | $1,000 | $1,000 | **$5,000** |
| *Total Contractual (Including RFPs)* | $297,559 | | $247,969 | $198,374 | | $148,784 | $99,188 | **$991,874** |
| Notes and Assumptions: Program Implementation Support | | | | | | | | |
| *Total Other* | $330,550 | | $1,758,400 | $4,323,100 | | $3,990,600 | $285,750 | **$10,688,400** |
| Notes and Assumptions: VMT multi-modal projects solicitation, Transit rider support, Regional traveler access solutions (LIDAC focus), Participant Support Costs | | | | | | | | |
| *Total Direct* | $916,375 | | $2,339,747 | $4,848,424 | | $4,482,474 | $744,971 | **$13,331,991** |
| **Indirect Costs** | | | | | | | | |
| *Total Indirect* | $131,251 | | $152,093 | $149,123 | | $156,580 | $164,408 | **$753,455** |
| Notes and Assumptions: 0.0462 | | | | | | | | |
| **TOTAL FUNDING** | **$1,047,626** | | **$2,491,840** | **$4,997,547** | | **$4,639,054** | **$909,379** | **$14,085,446** |

## Section 7.2: Expenditure of Awarded Funds

NCDEQ has successfully managed a variety of federal assistance award agreements, grants, cooperative agreements, and competitive awards in a timely and efficient manner. NCDEQ has policies and procedures that allow the department to establish and maintain effective internal controls and to manage federal awards in compliance with applicable federal statutes, regulations, terms, and conditions. NCDEQ financial practices and accounting standards are promulgated by the Governmental Accounting Standards Board. Proper financial management is a key area of focus for the NCDEQ, and transparency, accountability, oversight, risk management, and efficiency are at the core of this management. Departmental policies shield against waste, fraud, and abuse of funds. The following financial management policies will be adhered to when managing and expending CPRG funds:

* All funds must be budgeted in accounts separate from all other transactions.
* Expenditures and subaward encumbrances must be applied to duly approved budget line items.
* Internal controls for disbursements of funds must have multiple approvals.
* Up-to-date records keeping functions and duties for requisite functions are required.
* Regular reconciliation of budget and expenditures.
* Prior audit findings for subrecipients must be corrected.
* Internal controls ensure robust risk management and prevent fraud, waste, and abuse of funds.

In accordance with the State Budget Act G.S. 143C, funds received by state agencies are budgeted in accordance with rules established by the NC Office of State Budget and Management (OSBM). Additionally, the application for and receipt of are governed by the DEQ Grant Application Policy and are subject to additional accounting procedures established and administered by the DEQ Financial Services Division. The NC General Assembly included a provision in the Appropriations Act of 2023 requiring all grants received over $2.5M go through a 90-day Joint Legislative Commission on Government Operations review before they can be accessed by programs to establish positions and begin work.

NCDEQ worked closely with OSBM on the CPRG PCAP and implementation grant application. OSBM supports state agency financial control structures such as grant planning and management and internal audits. OSBM also works closely with the agencies to manage their budgets and allotment planning over the course of the fiscal year and considers any budget adjustments within the framework of relevant laws, rules, and policies. NCDEQ internal business team staff will work with OSBM and NCDEQ Fiscal Services Division staff to follow state practices for grant budgeting and reporting, contracts, staffing, and auditing. The budget includes funding for staff to focus on contracts, fiscal tasks, and grant reporting, working with the new Business Officer II supervisory position in SEO. The project manager will work closely with subgrantees to ensure program success, who will have financial and project reporting requirements as part of their contracts.

## Section 7.3: Reasonableness of Cost

NCDEQ has carefully planned the CPRG implementation program to focus funding on achieving measurable, transformative results and minimize overhead. The budget is front-loaded so that it prioritizes fund commitment in years one through three and then tapers as programs identify other funding sources for long-term sustainment.

| **Program** | **Reasonableness of Costs** |
| --- | --- |
| **T1. Commercial Fleet and Fuel Transition Program** | This program will utilize existing state infrastructure to keep administrative costs low (e.g., for all Transportation programs approximately 97% of funding will go towards operations and 3% to administrative costs) and with these funds first costs can be reduced to incentivize the transition (via grants to commercial entities) to cleaner vehicles in the short term and bring down costs for these vehicles in the long term as demand rises. |
| **T2. EV Charging Infrastructure** | The majority of the program’s funding supports public EV charging infrastructure program and serves key market gaps for charging infrastructure in MUDs to encourage an uptick in EVs and reduce emissions in the largest emitting sector. |
| **T3. Government Fleet and Fuel Transition Program** | This program minimizes operational costs and focuses the funding on identifying optimal vehicles for fleet transition to those that have the highest abatement potential at the lowest cost to maximize emissions reductions. |
| **T4. Port Operations Decarbonization** | This program addresses a market gap in the short term that has a high return on point-source emissions reductions in LIDACs. |
| **T5. Pedestrian VMT Program** | The majority of this funding will go to support infrastructure installations and has the potential to have a catalytic effect on transportation decarbonization as more and more people utilize cleaner modes of transportation with the new infrastructure. |
| **B1. Weatherization+ Assistance Program** | This program will utilize the existing program infrastructure of the WAP program to minimize startup and management costs – and will better prepare the state to implement the IRA Rebates program to maximize emissions reductions in LIDACs. |
| **B2. State Building Decarbonization and Efficiency** | This program will support the hiring of energy managers to assess and optimize investments (among other responsibilities) in state-owned buildings with the highest abatement potential at the lowest cost. |
| **B3. Local Public Building Decarbonization and Efficiency** | This program will support the hiring of energy managers to support municipalities to assess and optimize investments (among other responsibilities) in municipal buildings with the highest abatement potential at the lowest cost. |
| **I1. Industrial Electrification, Efficiency, and Process Emissions Reduction** | This program will utilize an existing program for the energy assessments - Waste Reduction Partners (retired professionals who volunteer their time and have a proven track record of significant energy reductions from their audits) to reduce program costs and maximize impact. |
| **I2. Industrial Decarbonization Workforce Development** | While this program will not directly reduce emissions, it will enable a skilled workforce to achieve future industrial decarbonization results and will help to establish more energy workforce training program options. |
| **I3. Industrial Decarbonization Loan Fund** | Combining the management of RLF along with this fund will allow NCDEQ to reduce overall startup and management costs related to the loan fund and will seed funds into this hard-to-abate sector to jumpstart future projects. |
| **W1. Organic Waste Reduction** | Given methane has more than 28-80 times the warming power of CO2 in the first 10-20 years it’s produced, funds going towards reducing methane emissions are highly cost effective and the bulk of the funding for this program will support implementation of new activities to mitigate methane emissions and serve as proofs of concept for the market. |
| **W2. Waste Operations Electrification and Decarbonization** | This program is going to build on existing municipal-based programs and will require minimal startup and management costs, with a high emissions reduction payoff. |
| **W3. Landfill Gas Reductions** | This program will seed funds to support proofs of concepts around methane reduction solutions in waste that can be scaled further. |
| **CPRC1. Building EE and Emissions Reduction** | This program reduces costs by leveraging the existing infrastructure of the WAP program for implementation of Make Ready measures in buildings. These projects can also serve as proofs-of-concept to other non-residential entities to encourage further EE and decarbonization projects. |
| **CPRC2. VMT Reductions** | Funding for this program will allow Central Pines to address an unmet need and support the use of alternative modes of transportation to reduce emissions in LIDACs. |
| **C1. Building Decarbonization** | Some of the funding for this program supports TA to advise potential program participants on their options, but the majority will go to funding decarbonization measures in buildings that are ineligible for other benefits. These projects can also serve as proofs-of-concept to other non-residential entities to encourage further EE and decarbonization projects. |
| **C2. VMT Reductions** | Funding for this program will allow Centralina to address an unmet need and support the use of alternative modes of transportation to reduce emissions in LIDACs. |