

## IMPLEMENTATION OF WISCONSIN'S EMISSIONS REDUCTION ROADMAP WORKPLAN NARRATIVE

### 1. OVERALL PROJECT SUMMARY AND APPROACH

The Wisconsin Department of Administration (DOA), Office of Sustainability and Clean Energy (OSCE), respectfully submits this application to the U.S. Environmental Protection Agency's (US EPA) Climate Pollution Reduction Grants Program (CPRG): Implementation Grants General Competition to secure just over \$176 million for a five-year statewide strategic emissions reduction effort that is estimated to reduce emissions by approximately 2.1 million metric tons (MMTCO<sub>2</sub>). The funding secured from this competition will enable the state and key partners, including local governments, Native Nations, and residential and commercial partners to: (1) reduce greenhouse gas (GHG) and harmful pollutant emissions through energy efficiency, electrification, and transportation projects in public sector buildings; (2) reduce barriers to residential electrification via heat pump adoption with a focus on serving historically marginalized communities; (3) launch new statewide initiatives to accelerate the adoption of electric vehicle (EV) infrastructure, clean alternative fuel fleets that reduce emissions, and electric small engine equipment for residential and business applications; (4) support the formation of a Tribal Climate Action Program to ensure that the 11 federally recognized Native Nations of Wisconsin have the capacity, technical resources, and funding needed to accelerate the implementation of emissions-reducing projects; (5) grow the state's clean energy workforce, bolstering existing and new apprenticeship pathways, and building partnerships with local workforce development boards; and (6) expand the Wisconsin Climate Action Navigators (WI CAN) program, driving transformative climate action within neighborhoods, communities, organizations, cities, regions, and state agencies.

In alignment with and driven by the ambitious vision of the *Wisconsin Emissions Reduction Roadmap* (Roadmap), the CPRG implementation funds secured under this proposal are essential to accelerate efforts to transform Wisconsin's energy system to a clean energy economy and directly address climate change impacts. These funds will also create family-supporting jobs, improve public health, address historic injustice, and protect our planet for generations to come.

Tasks and milestones for each measure are outlined in Section 4.d. "Authorities, Implementation Timeline, and Milestones". The below descriptions address features of the measures, risks, relationship to the Wisconsin Emissions Reductions Roadmap, why the measure is a priority, and how it will meet the goals of the CPRG program. Assumptions made for budgetary purposes and calculating emissions reductions are included in the Technical Appendix.

#### a. Description of GHG Reduction Measures

The CPRG implementation funds will support a total of seven GHG reduction measures in Wisconsin. Each measure is described in the sections below.

#### **Measure 1: Public Sector Lead-by-Example Program**

The Public Sector Lead-by-Example Program will offer subawards to units of local government, state agencies, Native Nations, K-12 schools, technical colleges and universities, municipal utilities, and public hospitals to support the implementation of emission-reducing projects. Eligible projects include building energy efficiency and electrification retrofits, fleet electrification, and adoption of clean alternative fuel fleets that reduce emissions. The OSCE will launch a subaward process that will include evaluation

criteria prioritizing projects located in low-income and disadvantaged communities (LIDACs) as identified by the US EPA's Environmental Justice Screening and Mapping Tool (EJScreen). Tools and templates will be developed to help applicants estimate the GHG emissions reductions that will be achieved by implementing proposed projects and facilitating reporting on emissions reductions enabled with CPRG implementation funds. Projects that achieve greater cost-effectiveness of emissions reduction will be prioritized.

Capital and capacity constraints provide considerable barriers to the broader deployment of energy efficiency and electrification projects in public sector buildings. Competing priorities for local funds, referendums, time-consuming approval processes, over-subscribed existing public sector grant funding pools, and low staff capacity make it challenging for local governments to fund and implement GHG-reduction projects (see Demonstration of Funding Section below). A new statewide source of grant funding will tackle this challenge head-on, accelerating the attainment of the state's climate goals. Additionally, WI CAN (see Measure #7) will provide critical capacity-building support to accelerate project deployment. Where needed to support project deployment, applicants will also be eligible to receive funding support for assessments, feasibility studies, and consulting support.

To prioritize access for LIDACs, WI CAN will deploy outreach to organizations serving LIDACs and Native Nations to ensure there is broad awareness and support for applications under this measure. The application process developed will be simplified to ensure ease of access and a scoring rubric that prioritizes projects serving LIDACs. After the first year of implementation, the OSCE will conduct a process review to evaluate opportunities to improve application success rates. Program processes and requirements for Year 2 and beyond may be modified because of this process review.

The Public Sector Lead-by-Example measure advances the Roadmap priority of accelerating building electrification and retrofits (PCAP Measure #2, page 20) as well as the goal of advancing clean transportation, fuels, and infrastructure (PCAP Measure # 3, page 24). While distributed solar is anticipated to be addressed through a separate Resilient Local Government Coalition effort, this program will advance renewable energy (PCAP Measure #5, page 32) by supporting other renewable energy such as geothermal and biogas. Outreach to local government coalitions and leaders during the Roadmap development process indicated strong interest and support for a building and fleet-focused public sector initiative. The Wisconsin Local Government Climate Coalition (WLGCC) and Wisconsin Clean Cities were key partners in the Roadmap development process and have identified a pipeline of potential projects that could be accelerated with funding from CPRG. Existing state grant programs for local governments are meeting a fraction of the current demand for funding. In the 2025-2050 timeframe, building electrification and clean transportation are the second and third largest of the priority measures evaluated in the Roadmap, in terms of emission reduction potential. As part of this implementation grant, this measure will accelerate the implementation of GHG-reducing projects in public sector buildings. Other eligible applicants for CPRG recommended the development of a statewide program to reduce grant writing burdens at the local level and as a strategy for minimizing funding access barriers for LIDACs. Prioritization of funding for projects in LIDAC areas advances the climate equity goals of CPRG. Broader adoption of clean energy technologies in public facilities and information sharing through the WI CAN network will support the continued scaling of these strategies after the funding period ends.

## Measure 2: Heat Pump Incentive Program

The Heat Pump Incentive Program will target gaps in the existing statewide Focus on Energy program and expand the impact of federally funded Inflation Reduction Act (IRA) Home Electrification & Appliance Rebates (HEAR) that are expected to launch in Wisconsin in the Summer of 2024. The CPRG-funded incentives will target heat pump installation in income-qualified homes and primary residences currently relying on delivered fuels (primarily propane and fuel oil), predominately found in rural areas of Wisconsin. For households with delivered fuels or electric resistance heating, heat pumps have the greatest potential to reduce overall household energy bills. Under existing Focus on Energy Program rules, heat pumps must reduce electric or natural gas heating energy use to take advantage of program rebates, so the CPRG funds will fill a long-standing program gap. To align with the state's plans for the deployment of IRA HEAR, the CPRG-funded heat pump rebates will only be available to households at the same income threshold of 150% area median income (AMI) or below. The HEAR rebates will only serve a fraction of the rural homes with delivered fuel that would most benefit from electrification. If all HEAR participants were to qualify for the maximum heat pump rebate through HEAR, the HEAR allocation would serve fewer than 6,500 households-- less than 0.5% of the 1.7 million Wisconsin households that are below 150% AMI and only 1.6% of the 400,000 households that use delivered fuels.

To avoid market confusion, incentives will be delivered in a way that is coordinated with and complementary to the program delivery infrastructure that already exists through the Focus on Energy Program, and which will also be used to deliver HEAR incentives. This coordination will enable targeted marketing strategies while reducing the potential for market confusion. For contractors and installers to drive awareness of rebate opportunities for targeted housing types, this measure will leverage the existing power and reach of the trade ally network already in place for Focus on Energy. A comprehensive review of all available programs, tax credits, and incentives available to support the decarbonization of low to moderate-income (LMI) homes will be conducted to produce a funding navigation resource that can be leveraged by heat pump program outreach staff as well as the WI CAN network (see Measure #7). This resource will help ensure that income-qualified households have the information to make the best decisions possible when pursuing electrification projects. While some gaps in existing program offerings have already been identified, coordination during the program design process may identify other opportunities to fill gaps to accelerate heat pump adoption. One potential area for future exploration is multi-unit dwellings heated with electric resistance heat.

One of the major expected challenges will be building awareness of the CPRG-funded heat pump rebates that are narrowly targeted to address existing program gaps. Coordination with the Focus on Energy will be a key strategy for addressing this risk. Leveraging existing communications channels will be an important strategy for increasing awareness and reducing the potential for market confusion. It will also be important to connect income-qualified homeowners with other program resources that support critical housing repairs and weatherization, including Wisconsin's Weatherization Assistance Program (WAP) since this program will target homes at 150% AMI and below. The WI CAN network will play an important role in helping participants and community groups navigate these complementary offerings. The OSCE will monitor rebate uptake and adjust the outreach and incentive strategies as needed to accomplish program goals.

The Heat Pump Incentive Program advances the Roadmap priority of accelerating building electrification and retrofits (PCAP Measure #2, page 20). This program will narrowly target market gaps in current and planned state program offerings to accelerate heat pump adoption, particularly in rural areas of the

state, Native communities, and LIDACs. Residential and commercial buildings account for a combined 11.6% of gross emissions in the state of Wisconsin. In addition, emissions in these areas have been increasing since the base year 2005, with commercial building emissions rising 8.1% in that time. In addition to reducing emissions, the economics of replacing propane and fuel oil with heat pumps is favorable in terms of overall impact on energy bills. As part of this implementation grant, Measure #2 will accelerate heat pump adoption, reducing GHG emissions and hazardous air pollutants (HAP). By narrowly targeting existing program gaps, this offering will complement other funding sources to maximize GHG emissions reduction.

## Measure 3: Transportation Electrification Program

The Transportation Electrification Program will accelerate EV adoption by expanding charging infrastructure primarily for Wisconsin's multi-unit dwellings (MUD). Most EV charging occurs at home, and MUD residents often lack access to charging infrastructure. Current utility incentives for EV charging focus primarily on the single-family market, benefiting households that have higher incomes on average. Deploying CPRG funds to advance MUD charging will address a critical barrier to EV adoption. It will also complement the public charging infrastructure planned through the Wisconsin Electric Vehicle Infrastructure (WEVI) program, approved as part of the U.S. Department of Transportation Federal Highway Administration National Electric Vehicle Infrastructure (NEVI) program. WEVI represents a major investment in Wisconsin's public charging infrastructure, with plans to deploy approximately 64 new charging locations across the state.

The CPRG funding will support initial planning and a stakeholder engagement effort that will last six to nine months. During this phase, the OSCE will conduct outreach to MUD building owners and owner associations with a particular focus on reaching owners of affordable housing and building owners located in LIDACs. Input from developers and building owners will inform program design and approaches for targeting funds to maximize impact on LIDACs, while also maximizing the number of chargers deployed. The outreach and program design phase will also solicit input from equipment suppliers and local units of government to identify opportunities to remove barriers to MUD EV charging at the local level. The OSCE will also seek input from Wisconsin utilities to determine best practices for minimizing equipment connection issues and ensure that the program design complements what they are already doing to promote EV charging. Once the program is launched, building owners and developers will obtain bids from EV charging vendors and electricians. Applications for incentive funds will be submitted to the DOA along with required project documentation (site drawings, equipment quotes, project cost, etc.). The OSCE will consider program design elements that maximize emissions reduction potential such as requiring a minimum share of total parking spaces in the building to have EV chargers.

The focus on MUD EV charging complements Wisconsin's Solar for All proposal, which is seeking over \$15 million from the US EPA's Greenhouse Gas Reduction Fund to deploy solar in MUD buildings. If Solar for All funding is secured, the state can pursue a coordinated approach to engaging building owners and developers to accelerate the adoption of solar and EV chargers in MUD buildings. The initial planning stage will improve the program's opportunity for success by using stakeholder input to inform key program design decisions. It will also allow for research and analytics to determine the best strategies for maximizing emissions reduction impacts in LIDACs, both from a GHG, HAP, and criteria air pollutants (CAP) standpoint.

The Transportation Electrification measure advances the Roadmap priority of advancing clean transportation, fuels, and infrastructure (PCAP Measure # 3, page 24). At 27% of total state GHG

emissions (2018), transportation sector emissions account for the second-largest share of GHG emissions in the state. Passenger and light-duty trucks accounted for 58% of the state's transportation emissions. Strategies that reduce or eliminate our fossil fuel dependence are critical to creating a clean, resilient transportation system and reducing climate impacts from passenger vehicles in Wisconsin. In addition, LIDACs are disproportionately affected by air pollution from transportation. Emissions from gasoline and diesel vehicles, such as NO<sub>x</sub>, PM<sub>2.5</sub>, and hydrocarbons are a major source of pollution causing significant health problems such as asthma, cancer, and lung and heart diseases. Compared to conventional fuels, EVs eliminate tailpipe emissions that can greatly reduce health impacts on communities, particularly LIDAC communities located near highways and other transportation infrastructure.

This measure complements the state and federal investment in WEVI by reducing cost barriers to EV ownership and adoption for residents of MUD buildings. Purchasing an EV and the charging infrastructure needed to support them is still cost-prohibitive for many individuals and organizations. Reducing barriers to purchasing EVs and supporting a faster transition to cleaner fuels will generate benefits for the climate and public health. As part of this implementation grant, this measure will achieve significant cumulative GHG reductions while achieving substantial community benefits from reductions in CAPs and HAPs, particularly in LIDACs.

#### **Measure 4: Small Engine Replacement Program**

The Small Engine Replacement Program, managed by the Wisconsin Department of Natural Resources (DNR) will offer rebate incentives to replace gas or diesel-powered small engine equipment with zero-emission equipment. The program would be open to individuals, commercial businesses, and nonprofit organizations statewide. Creating public awareness and support of the program will be critical to its success. DNR will conduct targeted outreach to populations in counties designated as nonattainment for ozone or particulate matter (PM) air quality standards. Print and radio outreach in the targeted nonattainment areas will also be used to increase public awareness. The DNR will also leverage existing partnerships with community and small business organizations and conduct direct outreach to local equipment retailers to promote awareness and ensure consistent program messaging. The DNR will engage the public in designing the program to ensure the application process, rebate amounts, and eligible equipment meet local needs.

The DNR will annually reassess the design elements of this program including geographic targeting, rebate amounts, equipment eligibility, and outreach strategy. Assessment results will be used to define program updates for the following funding cycle. Specific risks to emissions outcomes this process will mitigate include advancements in zero-emission engine technology and unforeseen supply chain disturbances.

The Small Engine Replacement Program advances the Roadmap priority of advancing clean transportation, fuels, and infrastructure (PCAP Measure # 3, page 24). Small engine equipment powered by two and four-stroke motors contributes to transportation-related GHG emissions, the second-largest contributor to overall emissions. Smaller engines often lack the advanced emissions controls found in cars and trucks. The replacement of small gasoline-powered equipment provides an opportunity for Wisconsin to address not only GHG emissions, but important air pollutants like PM, ozone, nitrogen oxides (NO<sub>x</sub>), and air toxins. There is currently no statewide program that offers incentives for replacing fossil-fueled small engines with efficient electric alternatives, but there are successful models across the country for administering these types of programs. This measure will deliver substantial community

benefits in terms of reducing CAPs and HAPs, which tend to have more damaging impacts on LIDAC residents. By design, this measure is defined to deliver maximum public health benefits from CAPs.

### **Measure 5: Tribal Climate Action Program**

The OSCE worked with representatives from the 11 federally recognized Native Nations within the state and the Midwest Tribal Energy Resources Association (MTERA) to design a strategy for the CPRG funding that would allow for maximum flexibility and impact in advancing the climate, energy equity and energy independence goals of Native Nations. Native Nations, particularly less resourced and more rural Nations, have reported staff capacity as a considerable barrier to pursuing energy planning and GHG-reduction projects. While it is expected that some Tribes will apply for the CPRG Tribes and Territories funding opportunity, establishing the Tribal Climate Action Program will ensure the unique needs and sovereignty of the Native Nations within Wisconsin are reflected within the framework of our statewide plan. Subawards will be designed to ensure a minimum viable funding amount for each Nation, and this structure will be determined after further discussions with Native Nations. A portion of the subaward for each Nation may be used to support staff capacity needs or planning activities needed to accelerate the implementation of GHG-reducing projects. For the implementation component of each formula allocation, eligible projects could include heat pump deployment, building weatherization and lighting, geothermal or other renewable energy production, vehicle electrification, EV infrastructure, or a combination thereof. Eligible building types will include housing and nonresidential buildings owned by Tribal authorities or Tribal citizens.

The OSCE will work with each Nation to determine the appropriate split of formula subgrants between staff capacity, planning, and project implementation activities. Technical assistance support will also be available through WI CAN to support planning and implementation (see Measure #7 for details on planned technical assistance offerings). Key tasks will include (1) discussion of planned uses for the CPRG funds with each Nation; (2) issuance of formula subgrant awards; (3) submission of project implementation plans by each Nation; and (4) semi-annual reporting on implementation progress. The proposed funding approach will empower Native communities to define their own climate action goals, priorities, and solutions. The formula funding approach is designed to increase the resources available to support these activities, with a particular focus on meeting the needs of less-resourced Nations. In addition, the planned approach will minimize the administrative burden of accessing funds and maximize the flexibility that each Native Nation must determine the best pathway for accelerating climate action for the benefit of their citizens.

This measure will advance building electrification and efficiency retrofits (PCAP Measure #2, page 20) and transportation electrification and clean fuels (PCAP Measure #3 page 24). Native communities face a disproportionate burden of the effects of a changing climate and have historically encountered challenges accessing state and federal resources available to support energy efficiency and decarbonization projects. Eleven federally recognized Tribal Nations in Wisconsin are considered LIDAC, and thus any emissions reductions realized by them will be exceptionally impactful. Subaward funds will enhance each Nation's capacity to undertake the necessary energy planning and prioritization activities and reduce capital barriers inhibiting the implementation of GHG-reducing projects. The Tribal Climate Action Program will generate substantial GHG emissions reductions and community benefits for Native communities.



### Measure 6: Climate and Clean Energy Workforce Program

This plan incorporates a clean energy workforce development strategy that will support the creation of high-quality jobs and new workforce training opportunities in LIDACs with an emphasis on expanding opportunities for individuals who face barriers to employment. In addition to creating economic opportunities and building Wisconsin's long-term capacity for implementing GHG-reducing projects, Measure #6 is a cross-cutting initiative that supports all the other programs defined in this application.

First, the OSCE will lead the development and implementation of a clean energy workforce inventory, which will be funded by a recently awarded philanthropic grant and was a key recommendation in the state's first-ever Clean Energy Plan (OSCE, 2022). The Wisconsin Department of Workforce Development (DWD) has conducted a preliminary review of clean energy job classifications, which will inform the inventory. The next step will be for DWD and the OSCE, in partnership with the public workforce system, training organizations, community-based organizations, union labor groups, and technical colleges, to identify and develop pathways into the industry. This inventory will map out the businesses that comprise the clean energy industry in Wisconsin, as well as the skills employers in the industry are seeking.

Next, leveraging existing resources and utilizing the information gleaned from the inventory and ongoing research analysis, DWD will support the development of new high-quality apprenticeship pathways and/or targeted training and curriculum within existing apprenticeship pathways that reflect emerging clean energy competencies, as identified by employers. The DWD will also develop culturally appropriate certified pre-apprenticeship programs (CPAs) that target the outreach, engagement, and training of individuals from LIDACs to assist them in successfully transitioning into corresponding registered apprenticeship programs (RAs) that support the clean energy industry. Also informed by the results of the workforce inventory, DWD will develop and administer a competitive clean energy training and employment grant program that is accessible to local workforce development boards (WDBs) that partner with nonprofit organizations in their communities to train workers and jobseekers for identified in-demand occupations and emerging skills within the clean energy sector. The State will prioritize those projects that engage individuals from LIDACs and collaborate with employers, educational institutions, labor unions, and other community organizations to offer high-quality training that leads to transferable industry-recognized credentials or academic degrees and/or quality job opportunities.

This plan mitigates the inherent risks involved in serving emerging industry sectors. As recognized in the state's Workforce Innovation and Opportunity Act (WIOA) combined plan, projecting emerging demand in industry sectors and occupations is challenging due to the lack of established job classifications. Likewise, there is a risk that the emerging markets will not come to fruition and the related anticipated jobs will not be required. Alternatively, there is the risk that great new opportunities for representation, wages, retention, and other measures of economic advancement will only exacerbate existing patterns of inequality. Wisconsin recognizes that local WDBs are well-positioned to mitigate such risks because their primary role is to develop regional strategic plans and set funding priorities for their areas while increasing access to high-quality workforce services for a range of targeted LIDAC populations. This program will be modeled after the Worker Advancement Initiative funded through the American Rescue Plan Act and administered by DWD through workforce boards. This was a highly successful pilot project that aimed to serve 2,000 people whose employment was affected by the COVID-19 pandemic. By offering subsidized employment and skills training opportunities with local employers, WDBs have already provided 20,279 unique services to 4,150 unduplicated participants, nine months before the program's scheduled end date.

The Roadmap defined this program as a non-emissions initiative that will support employers, assist job seekers, expand apprenticeship and other clean-energy-related training program opportunities, and collaborate with a variety of workforce partners (PCAP, page 36). The Wisconsin Clean Energy Plan and initial labor market analysis have identified a growing need for skilled workers trained in a variety of emissions reduction efforts.

To achieve the CPRG goal of tackling the climate crisis by reducing emissions, Wisconsin is developing equitable pathways to high-quality employment opportunities in the various industries and sectors that provide building and transportation improvements, with a focus on engaging LIDAC residents in new workforce opportunities. Expanding apprenticeships and other subsidized employment and training program opportunities will ensure high-quality training that offers clear career pathways, certifications, and economic opportunities for participants while meeting the demands of industry employers.

### Measure 7: Wisconsin Climate Action Navigators (WI CAN) Program

Established with funding from the CPRG planning grant, WI CAN is a statewide outreach and engagement initiative that convenes a trusted network of leaders in climate, energy, environmental, workforce, and community development. Using a collective impact approach, WI CAN employs a hub and spoke network that can support all GHG reduction measures in this application by providing ongoing technical assistance through existing trusted allies embedded within communities. Since launching in December 2023, WI CAN has gained strong state-wide participation that includes representatives of community-based organizations, LIDACs, academic institutions, local government, Native Nations, environmental nonprofits, labor partners, and state agencies.

With implementation funds from CPRG, WI CAN will serve as the connective tissue that increases the success of all the GHG-reducing measures described above. Central features of WI CAN's approach will include:

- **Elevating support to Native Nations, local governments, and LIDACs:** WI CAN will provide direct technical assistance to connect practitioners with the information, funding, and technical expertise needed to plan, prioritize, and implement GHG-reducing projects.
- **Network Convenings:** Using models found within industry and University leaders, WI CAN convenings are quarterly two-day network gatherings. These forums are designed to build broad cross-organizational and sector coordination to support the GHG reduction measures in this section, unlocking unrealized potential often trapped when climate interventions are isolated within individual organizations or strategies.
- **Funding:** A portion of the funds will be used to administer organizational support subawards as part of its Supporting Empowered Engagement Discourse (SEED) grant funds. SEED provides start-up funds to catalyze WI CAN initiatives that use novel methods to provide personalized technical assistance and support to communities and individuals.
- **Regional Community Gatherings:** In support of community self-determination and cross-sector collaboration, WI CAN will go where people work and live. The OSCE will facilitate in-person and virtual opportunities for stakeholders to connect, share information, and collaborate around climate action. These regional gatherings will be specifically designed to connect practitioners with the information, funding, and technical expertise needed to plan, prioritize, and implement GHG-reducing projects such as Lead-by-Example projects (Measure #1), heat pump installations (Measure #2), small engine replacement (Measure #4) and Tribal Nation climate action (Measure #5).
- **Climate Action Online Repository:** the OSCE will establish an online platform to share local



stories of climate action as well as help Wisconsinites find information on funding opportunities, green job opportunities, upcoming clean energy events, and digital resources that support climate action planning and implementation.

To better track and measure the progress of this initiative, the OSCE will engage the University of Wisconsin-Madison's Center for Community & Nonprofit Studies (the CommNS) to evaluate the impact of WI CAN. CommNS's evaluation will help capture stories that can be fed back into the network to support continuous learning and inform WI CAN's emerging design (see Table 4 for additional detail). Capacity constraints and informational barriers are among the most significant barriers to implementation of GHG and other pollution-reducing projects. WI CAN will address these barriers by facilitating access to expertise and resources to support planning and execution, and by helping practitioners learn from each other.

The primary risk of WI CAN is that technical support needs at the local level will outstrip available program resources. This risk is directly mitigated through the advantages of the hub and spoke design of the WI CAN network, improving feedback loops and network connectivity to local communities with less effort and cost. As technical support needs grow, WI CAN will broaden its network to meet the demands. Additionally, information overload, technical language, unfamiliar application processes, and a basic lack of awareness often prevent eligible entities from accessing available resources. This is particularly challenging given the large range of new program opportunities generated by recent increases in federal funding for climate and energy initiatives. WI CAN will address these technical needs by leveraging existing technical assistance opportunities at the federal level, cohort events, and informational resources posted on the OSCE website and by providing personalized support and ongoing community engagement to help stakeholders navigate the range of opportunities and prioritize the best available resources to meet their local needs. By supporting outreach and engagement related to efforts occurring across the state at all levels, WI CAN is designed to advance all the measures addressed in the Roadmap. WI CAN will maximize benefits for local communities by ensuring that community voices are represented and heard in state climate action planning and implementation efforts. By facilitating convening and information-sharing at all levels across the state, WI CAN will help scale innovative approaches and successful implementation strategies that can be replicated in other communities.

### **b. Demonstration of Funding Need**

The programs in this application will support the braiding and stacking of CPRG funds with elective pay as well as energy efficiency incentives available through high-demand state initiatives like the Focus on Energy Program and the Energy Innovation Grant Program (EIGP). Technical assistance through WI CAN (see Measure #7) will guide participants to take advantage of additional available funding sources. As funding is awarded, the OSCE will compile and maintain an online reference list of funded projects with basic information like building type, technologies installed, and estimated project costs. Case studies of successful projects will be featured.

Table 1 summarizes federal and state funding sources that were reviewed while developing the Roadmap and lists reasons why those sources are insufficient to meet the current funding need. A primary focus of Wisconsin's CPRG efforts is to identify and coordinate existing federal and state programs, and further work will need to be completed in this area.

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**Table 1: Review of Federal and State Funding Sources**

Measure	Aligned Funding Sources	Why Insufficient
# 1: Public Sector Lead-by-Example	<b>Federal:</b> *Elective Pay *Greenhouse Gas Reduction Fund (GGRF) *Commercial Clean Vehicle Tax Credit *Alternative Fuel Vehicle Refueling Property Credit *IRA tax credit for commercial lawnmowers	Elective Pay tax credits will not cover 100% of project costs and do not cover the cost of studies or assessments that can be a barrier to implementation. Financing solutions/products from GGRF are still to be determined based on funding awards. Subaward funding options are needed in addition to financing options. Federal tax credits have been inaccessible thus far because of limited knowledge and outreach directly to local communities. A focus of this program is to provide technical assistance for leveraging federal funds and state funding sources.
	<b>State or Other:</b> *EIGP grants  *Focus on Energy Program, utility programs	Current funding serves a fraction of the demand: EIGP awards have historically represented 32% of incoming applications and 23% of requested funds. No incentives for fleet electrification or charging infrastructure are available through the Focus on Energy Program; utility incentives for charging infrastructure are not available statewide.
#2: Heat Pumps	<b>Federal:</b> *Home Electrification Appliance Rebates	CPRG incentives will complement the planned approach for IRA HEAR rebates by offering supplementary funds that bring the cost of heat pumps as low as possible for income-qualified homes. Hundreds of thousands of WI homes are heated with delivered fuels, electric resistance heat, and other high-cost sources. The state's HEAR allocation is sufficient to meet a fraction of that need, and the CPRG funds will be a key strategy for ensuring more rural homes can benefit from heat pumps.
	<b>State and Other:</b> *Focus on Energy Program	Under existing Focus on Energy Program rules, heat pumps must reduce electric or natural gas heating energy use to take advantage of program rebates. The CPRG funds will be targeted at households with propane, fuel oil, and wood heating.
#3: Transportation electrification	<b>Federal:</b> *EV Tax Credits: used and new *National Electric Vehicle Infrastructure program *Alternative Fuel Vehicle Refueling Property Credit *Charging and Fueling Infrastructure Discretionary Grant Program *US EPA Diesel Reduction Act Program (DERA)	Funding for EV charging infrastructure in multi-unit dwellings will complement Wisconsin's NEVI-funded infrastructure investments and the Alternative Fuel Vehicle Refueling Property Credit, were applicable. Federal tax credits for new and used EVs will reduce the first cost barrier of vehicle purchase. A few communities within Wisconsin submitted funding applications to the CFI Discretionary Grant Program but were denied.
	<b>State and Other:</b> *Focus on Energy Program	Incentives for transportation electrification and charging infrastructure are not available through any statewide program in WI. Utility incentives for charging infrastructure are not available statewide. Historical challenges in securing legislative approval for state-funded transportation electrification programs.

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Measure	Aligned Funding Sources	Why Insufficient
#4: Small engine	<b>Federal:</b> * IRA tax credit for commercial lawnmowers * US EPA Diesel Reduction Act Program (DERA)	There are no state or federal incentives available for the replacement of residential small engine equipment. Federal tax incentives are available for commercial lawnmowers only and do not cover the full cost of the equipment. Commercial small engine equipment generally does not qualify for US EPA's Diesel Emissions Reduction Act (DERA) funding because the equipment does not meet the minimum operating hour requirements of the program.
	<b>State and Other:</b> * Focus on Energy Program	The Focus on Energy Program does not incentivize the purchase of electric small engine equipment.
#5: Tribal climate action	<b>Federal:</b> * CPRG Tribes and Territories Competition * Tribal Home Electrification and Appliance Rebate Program	The Midwest Tribal Energy Resources Assn (MTERA) is supporting an application in the Tribes and Territories competition that will include some of the Native Nations of Wisconsin, but others do not plan to participate for capacity reasons and prefer that the state pursue CPRG funds and offer formula allocations that all Nations can take advantage of. There are similar concerns about the Tribal Home Electrification and Appliance Rebates, particularly as allocations to smaller tribes are not large enough to warrant setting up a new program.
	<b>State and Other:</b> * EIGP grants  * Focus on Energy Program	There is stiff competition for EIGP funds, and some Native Nations do not have the capacity to apply. Focus on Energy offers enhanced energy efficiency incentives for Native Nations but is not a funding source that can meet the needs for planning and prioritization support that can be achieved with CPRG, and the proposed WI CAN outreach and technical assistance offerings.
#6: Workforce	<b>Federal:</b> * WIOA Title, I fund	WIOA's eligibility requirements must be met and documented before the provision of training and services which can delay or prevent services to the widest pool of individuals. Leveraging and braiding funds will allow more flexible and responsive enrollment, training, and wrap-around support.
	<b>State and Other:</b> Wisconsin Fast Forward	WFF has funded work with solar industry partners to provide hands-on training to trainees and incumbent workers, but funding for this type of work is very limited.
#7: WI CAN	<b>Federal:</b> * Thriving Community Technical Assistance Centers * Community Change Grants * Solar for All	Existing funding opportunities, beyond CPRG, have yet to embrace a whole system's approach to addressing climate action and instead offer programmatic solutions and individual community support. WI CAN will continue to partner with other federal programs that center community engagement to maximize collective impact.

Wisconsin has applied for the following additional sources of funding to support measures listed in this application:

- The OSCE was recently awarded \$100,000 in philanthropic funding to support the development of a workforce inventory that will catalog the prevalence of existing clean energy jobs in the state and the critical skill needs and workforce gaps that must be addressed to achieve the state's GHG reduction goals. Once funded, this inventory will inform priorities and tactics under

the workforce development measure in this application.

- The Wisconsin Economic Development Corporation has applied for \$78.5 million in Solar for All funding from the US EPA. This funding will rapidly scale solar PV installations for single-family (new and existing construction), and multi-family and community solar. Engagement efforts funded by Solar for All funds will work with Native Nations. Implementation funds will support their goals for energy independence and clean energy development, complementing Native Nation activities funded by CPRG.
- The Wisconsin Department of Transportation was awarded \$78 million through the National Electric Vehicle Infrastructure (NEVI) program for the deployment of public electric vehicle charging infrastructure.
- The OSCE was selected for an award negotiation with the U.S. DOE through the Energy Improvements in Rural Areas program for \$9.7 million for microgrids and lower-emissions transportation fuels in Bayfield County and on Red Cliff Tribal Land.
- The Public Service Commission of Wisconsin in partnership with Focus on Energy is preparing to deploy nearly \$150 million of awarded IRA funding for the Home Energy Performance-Based Whole-House Rebate Program (HOMES) and the Home Electrification and Appliance Rebate (HEAR) programs.

### **c. Transformative Impact**

Wisconsin recognizes the need to transition from incremental to transformative climate action to rapidly reduce GHGs. Collective action underlies the intent of the CPRG implementation funding approach and is also the basis for the programs outlined in this application.

All included GHG measures exemplify transformative potential by:

- Allowing constituents to inform GHG reduction program design.
- Targeting program funds to maximize impact on LIDACs and rural communities not well served by existing programs.
- Building much-needed infrastructure, such as EV charging infrastructure, green workforce development, building electrification, and reducing pollutants from residential and commercial small engines.
- Allowing all communities, including LIDACs and Native Nations, the right to self-determination.
- Recognizing our livelihoods as well as our personal actions must be aligned with our climate goals.
- Creating model examples of successful emission-reducing projects for others to emulate.

Furthermore, the diverse set of WI CAN members see themselves as part of an interwoven network committed to helping build collective action through authentic empowered community engagement, engagement that can build a state-wide shared vision and goals for transformative climate action. The inclusion of WI CAN in this application will spur transformative change by coordinating the efforts of organizations working on climate action from the state to the local level. Some examples of how WI CAN's efforts will be transformative include:

- Hosting regional community gatherings (led and attended by network members) that help local jurisdictions plan and implement GHG-reducing projects by facilitating community conversations, peer-to-peer learning, compiling informational resources and technical tools, and disseminating information about funding opportunities.
- Forming WI CAN task groups to engage regularly with representatives from Native Nations to ensure CPRG-funded initiatives are well-coordinated, identifying barriers impeding Native

Nation implementation efforts and co-developing solutions to address those barriers in a way that meets the unique needs of each Native Nation in Wisconsin.

- Using WI CAN's hub and spoke network of existing trusted allies to facilitate strong stakeholder connections across the full breadth of the state's climate and clean energy initiatives to support a broader community engagement process and deeper community benefits; building an authentic pathway for stakeholder feedback on state policy and legislation and ensuring that stakeholders are well-informed about all of the ways they can leverage existing funding and technical assistance resources for clean energy and climate action.

## 2. IMPACT OF GHG REDUCTION MEASURES

**Table 2: Cumulative GHG Emission Reductions Anticipated from Implementation of Proposed Measures**

Program	Cumulative GHG emission reductions (mtCO <sub>2</sub> e)	
	2025–2030	2025–2050
Public Sector Lead-by-Example	178,217	738,904
Heat Pump Incentives	10,830	57,054
Tribal Climate Action Program	110,993	443,502
Transportation Electrification Program	235,172	802,635
Small Engine Replacement Program	3,918	27,024
<b>Total</b>	<b>539,131</b>	<b>2,069,119</b>

### a. Magnitude of GHG Reductions from 2025 through 2030

Table 2 provides estimates of the cumulative emissions reductions in metric tons of carbon dioxide equivalent (mtCO<sub>2</sub>e) anticipated from the implementation of programs for two time periods: 2025-2030 and 2025-2050. Two of the proposed programs, Workforce Development and WI CAN, are supporting initiatives that do not produce direct emissions impacts.

While funding of an action does often incorporate a match by the eligible entity, no other incentive programs are included in the funding matrix for an action. Therefore, the impacts of emissions reductions could exceed what is presented here, should funding sources be stacked or braided.

### b. Magnitude of GHG Reductions from 2025 through 2050

Implementation of the proposal will result in durable GHG emission reductions, as shown in Table 2. Emissions estimates incorporate the estimated lifetime of the individual actions ranging from 9 years to 25 years to show sustained emissions reductions. While we assume that equipment put into service will be replaced in kind upon the end of life, we did not account for equipment not directly attributable to the funding provided herein in our calculations.

### c. Cost Effectiveness of GHG Reductions

Implementation of the proposal is highly cost-effective. The cost-effectiveness of the proposal, inclusive of all measures in this application, is **\$326.63 per metric ton of CO<sub>2</sub>e reduced**. Many factors could increase or decrease the cost-effectiveness of the measures contained in this application. For example, when considering the replacement of heavy-duty vehicles for the Public Sector Lead-by-Example measure, costs can vary significantly whether it is a dump truck that is being replaced or a public transit vehicle. Similarly, so too can the emissions estimates vary greatly. Case studies were selected to show the representative impact of different actions. Care will be taken in implementing programs to try to maximize emissions reductions while still attending to the disparate needs of the applicants and

communities affected. Costs associated with each measure are detailed in the Budget Table spreadsheet accompanying this application and unit costs are shown in GHGcalcs\_OSCE.xlsx.

#### d. Documentation of GHG Reduction Assumption

Key assumptions made for each program are detailed below:

- Public Sector Lead-by-Example: modeling included commercial heat pumps, air sealing and insulation, lighting, weatherization, geothermal, heavy-duty vehicles, light-duty vehicles, and commercial mowers. In most cases, the funding provided would cover entire projects or 50% of the project cost as they are intended to support communities who would struggle to get funding through other methods.
- Heat Pumps: modeling included residential heat pumps. Funding would cover the entire cost of installation as this is intended to support individuals who would struggle to finance these projects through other means.
- Tribal Climate Action Program: modeling included commercial and residential heat pumps, air sealing and insulation, lighting, weatherization, geothermal, light-duty vehicles, and commercial mowers. The funding structure followed the other categories but would be flexible depending on Native Nation and Tribal citizen needs.
- Transportation Electrification Program: modeling included level 2 charging installations at multi-unit dwellings and assumed two EV or PHEV vehicles enabled for every charger installed. Funding would cover 50% of the cost of installation.
- Small Engines Replacement Program: modeling included push and riding mowers as representative of the scope of small engine usage. Funding would be in rebates between \$250 and \$2500, depending on the total cost of the equipment.

See the Technical Appendix and GHGcalcs\_OSCE.xlsx for more information on estimated program emissions reductions.

### 3. ENVIRONMENTAL RESULTS – OUTPUTS, OUTCOMES, AND PERFORMANCE MEASURES

The programs described in this proposal will support the US EPA's strategic plan goal of reducing the emissions that cause climate change by advancing building and transportation electrification and renewable energy deployment. These programs are designed to expand funding and technical support for emissions-reducing projects in Wisconsin's most vulnerable communities.

#### a. Expected Outputs and Outcomes

Table 3 summarizes the expected outputs and outcomes from each GHG reduction measure. Where emissions numbers are included, they represent reductions from 2025-2030, in line with the calculations present in the Technical Appendix documentation.

**Table 3: Expected Outputs and Outcomes from GHG Reduction Measures**

Measure	Output	Outcome
1. Public Sector LBE	2,263 commercial heat pumps installed 1,135 air sealing and insulation projects completed 196,091 units of lighting installed 4,228 weatherization projects completed 13 geothermal systems installed	178,217 tons of GHG emissions reduced (2025-2030) 738,904 tons of GHG emissions reduced (2025-2050) 312 tons CAP emissions reduced from transportation projects



# IMPLEMENTATION OF WISCONSIN'S EMISSIONS REDUCTION ROADMAP

Measure	Output	Outcome
	21 heavy-duty vehicles replaced 593 light-duty vehicles replaced 552 commercial mowers replaced	
2. Heat Pumps	2,042 residential heat pumps rebated	10,830 tons of GHG emissions reduced (2025-2030) 57,054 tons of GHG emissions reduced (2025-2050)
3. Trans.	10,454 level 2 EV chargers installed	235,172 tons of GHG emissions reduced (2025-2030) 802,635 tons of GHG emissions reduced (2025-2050) Potential CAP emissions reduced from transportation projects
4. Small Engines	10,295 pieces of small engine equipment replaced	3,918 tons of GHG emissions reduced (2025-2030) 27,024 tons of GHG emissions reduced (2025-2030) 3,800 tons of CAP emissions, and HAP emissions
5. Tribal Climate Action	405 commercial heat pumps installed 528 residential heat pumps installed 609 air sealing and insulation projects completed 133,379 units of lighting installed 3,028 weatherization projects completed 5 geothermal systems installed 139 light-duty vehicles replaced 99 commercial mowers replaced	110,993 tons of GHG emissions reduced (2025-2030) 443,502 tons of GHG emissions reduced (2025-2050) 65 CAP emissions reduced from transportation projects
6. Workforce	1 Workforce Inventory conducted.  11 employment and training grants awarded.  Apprenticeship program development and expansion  A dedicated clean energy labor market research analyst hired	Statewide analysis of employment and skills needs. 150 individuals placed in clean energy training programs and/or receive wraparound services to lead to high-quality employment. 1 new apprenticeship pathway developed, 5 curriculum and training programs updated, and 4 new certified pre-apprenticeship programs approved. 12 written materials published, 50 live or recorded presentations, respond to 350 individual requests for information
7. WI CAN	A large cross-organizational and sector collective impact network with over 200 members with equitable geographic, social, ethnic, and economic representation.  7 to 10 WI CAN lead or sponsored state-wide, regional, and local events annually.  5 to 8 SEED funded WI CAN network initiatives annually  An online climate action repository  A 5-year study of the effectiveness of sustained collective capacity in advancing climate action.	Increased number of community projects developed and implemented Increased access to GHG reduction measures technical assistance. Assessment of the effectiveness of sustained collective capacity in advancing climate action. Enhanced level of community engagement, as measured by an increased number of ongoing actions to engage with organizations and residents of disadvantaged communities. An increased number of LIDAC and Tribal Nations climate action projects.

Other outputs from this proposal include:

- Increased outreach to LIDAC communities,

- Enhanced level of community engagement, as measured by an increased number of ongoing actions to engage with organizations and residents of disadvantaged communities, and other interested parties,
- Reduced exposure to hazardous air pollution or unhealthy ambient air quality,
- Number of high-quality jobs created throughout the state and in LIDACs,
- Reduced energy bills for residents in LIDACS, and throughout the state of Wisconsin,
- Staff hired to implement GHG reduction measures,
- Semi-annual progress reports<sup>1</sup>, and
- A detailed final report.

## b. Performance Measures and Plan

Table 4 summarizes the performance metrics that will be reported for each program and the approach for reporting and quantification of emissions impacts.

**Table 4: Performance Metrics for Each Measure and Approach for Tracking and Reporting Progress**

Measure	Performance metrics	Approach for tracking progress
1. Public Sector Lead-by-Example	The following metrics will be tallied for all projects and projects in LIDACs: <ul style="list-style-type: none"> <li>• Number of building efficiency retrofits</li> <li>• Number of electrification retrofits</li> <li>• Number of fleets EVs purchased.</li> <li>• Number of clean alternative fuel vehicles purchased</li> </ul>	Initial reporting will be based on subgrant applications awarded and estimated impacts based on proposed projects. After projects are implemented, subgrantees will report on equipment installed/purchased. OSCE will create emissions calculation procedures for all participants to follow and include in their applications or reporting and will aggregate data for reporting.
2. Heat Pumps	The following metrics will be tallied in total and for participation in LIDACs: <ul style="list-style-type: none"> <li>• Number of heat pump rebates</li> </ul>	OSCE will create emissions calculation procedures for all participants to follow and include in their applications or reporting and will aggregate data for reporting.
3. Trans.	The following metrics will be tallied in total and for participation in LIDACs: <ul style="list-style-type: none"> <li>• Number of charger rebates</li> </ul>	OSCE will create emissions calculation procedures for all participants to follow and include in their applications or reporting and will aggregate data for reporting.
4. Small Engines	The following metrics will be tallied in total and for participation in LIDACs: <ul style="list-style-type: none"> <li>• Number of small engine equipment replaced</li> </ul>	At the close of the rebate period each year, DNR will calculate emissions impacts based on the number of rebates issued for small engine equipment using the US EPA's MOVES model.
5. Tribal Climate Action	The following metrics will be tallied for projects implemented by Native Nations: <ul style="list-style-type: none"> <li>• Number of building efficiency retrofits – residential</li> <li>• Number of building efficiency retrofits - nonresidential</li> <li>• Number of electrification retrofits – residential</li> </ul>	Initial reporting will be based on Native Nation preliminary plans for implementation and estimated impacts based on proposed projects. After projects are implemented, Native Nations will report on equipment installed/purchased. OSCE will create emissions calculation procedures for all participants to follow and include in their applications or reporting and will aggregate data for reporting.

<sup>1</sup> Beginning with the second semi-annual report, reporting will include detailed quantified benefits to LIDACs, including changes in co-pollutant emissions, and provide updates on ongoing and planned community engagement.

## IMPLEMENTATION OF WISCONSIN'S EMISSIONS REDUCTION ROADMAP

Measure	Performance metrics	Approach for tracking progress
	<ul style="list-style-type: none"> <li>Number of electrification retrofits - nonresidential</li> <li>Number of fleets EVs purchased.</li> <li>Number of clean alternative fuel vehicles purchased</li> </ul>	
6. Workforce	<p>Statewide inventory analysis of employment and skills needs.</p> <p>Placements in clean energy training programs that lead to high-quality employment.</p> <p>Apprenticeship pathways are developed and updated according to employer demand.</p> <p>Dedicated labor market research and analysis</p>	<p>Will report the completion of the inventory and corresponding analysis.</p> <p>Initial reporting will be based on program design and implementation, then grantee monitoring of meeting intended programmatic goals, including those related to successful training completion and demographic information of participants.</p> <p>Report on any development or updates of apprenticeship programs and pathways.</p> <p>Initial report based on onboarding analyst, followed by quarterly productivity measures that reflect the demand for information by industry.</p>
7. WI CAN	<p>The following metrics will be tallied for projects implemented by WI CAN:</p> <ul style="list-style-type: none"> <li>Number and diversity of WI CAN Members</li> <li>Number of WI CAN Member and Community Meetings</li> <li>Number of GHG Reduction Projects supported by WI CAN</li> <li>Number of websites visit to the climate action repository.</li> <li>Number of SEED fund subawards</li> <li>Quality of all WI CAN activities</li> </ul>	<p>OSCE will engage the University of Wisconsin-Madison's Center for Community &amp; Nonprofit Studies (the CommNS) to evaluate the impact of WI CAN based on the suggested performance metrics.</p>

OSCE will track progress for each performance measure and provide a status update concerning each performance measure to US EPA in the semi-annual reports and final report.

### **d. Authorities, Implementation Timeline, and Milestones**

The Department of Administration has the legal authority to carry out the roles and responsibilities under this proposal. Table 5 summarizes the primary parties, subgrantees, and contributors who will be responsible for implementing the GHG-reducing measures described in this proposal.

**Table 5: Parties Responsible for Implementing Each GHG-reducing Measure.**

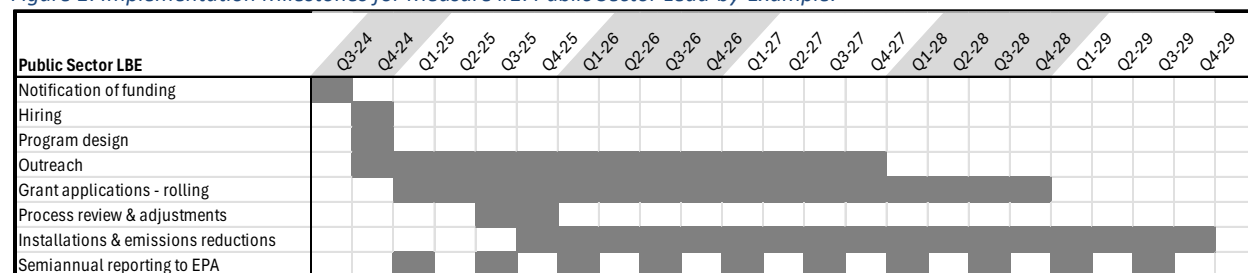
Measure	Primary & Roles	Subgrantees & Roles	Contributors & Roles
#1 – Public Sector Lead-by-Example	DOA will administer subawards	Units of local government, schools, colleges, universities, and hospitals will receive subgrants to implement GHG-reducing projects	Installation vendors/contractors/etc. installing GHG reducing projects
#2 – Heat Pumps	DOA will lead, with close coordination and guidance from the Public Service	None	Contractors installing heat pumps

# IMPLEMENTATION OF WISCONSIN'S EMISSIONS REDUCTION ROADMAP

Measure	Primary & Roles	Subgrantees & Roles	Contributors & Roles
	Commission of Wisconsin, and Focus on Energy		
#3 – Transport. Electrification	DOA will administer incentives for EV charging in MUD	None	
#4 – Small Engine Replacement	DNR will administer small engine rebates	None	Recyclers will provide documentation of fossil-fueled equipment being replaced
#5 – Tribal Climate Action	DOA will administer Native Nation subgrants	Native Nations	Installation vendors/contractors/etc. installing GHG reducing projects
#6 – Workforce	DWD will lead the development of new high-quality apprenticeship pathways and/or targeted training and curriculum, administer subgrants to WDBs, and hire a labor market research analyst.	WDBs will partner with nonprofit organizations in their communities to train workers and jobseekers for identified in-demand occupations and emerging skills within the clean energy sector	
#7 – Climate Action Navigators	DOA will implement a comprehensive outreach, engagement, and technical assistance initiative through WI CAN	Successful applicants for SEED funds (nonprofits, units of local government, tribes). University of Wisconsin-Madison's Center for Community & Nonprofit Studies for evaluation. WI CAN Program Facilitation-Contractual	Environmental nonprofits, academic institutions, community-based organizations, Native Nations, environmental justice advocates, local government representatives, and labor organizations serve as Navigators

Projected implementation milestones for each measure are listed in the tables below, subject to change based on the funding approval timeline and other administrative actions.

Figure 1: Implementation Milestones for Measure #1: Public Sector Lead-by-Example.



## IMPLEMENTATION OF WISCONSIN'S EMISSIONS REDUCTION ROADMAP

Figure 2: Implementation Milestones for Measure #2: Heat Pump Incentives

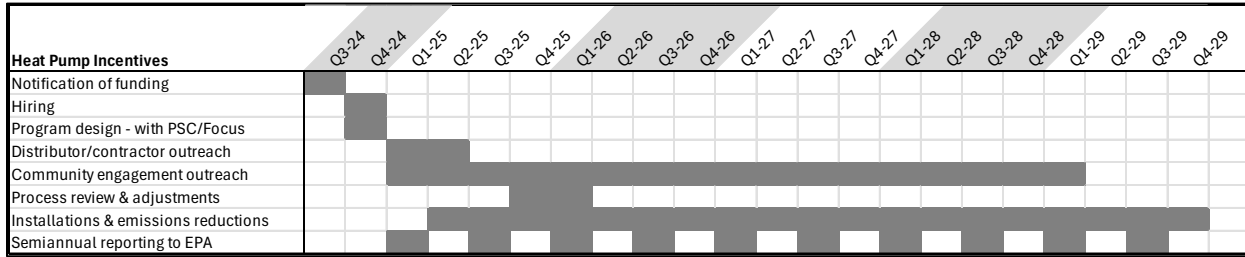


Figure 3: Implementation Milestones for Measure #3: Transportation Electrification

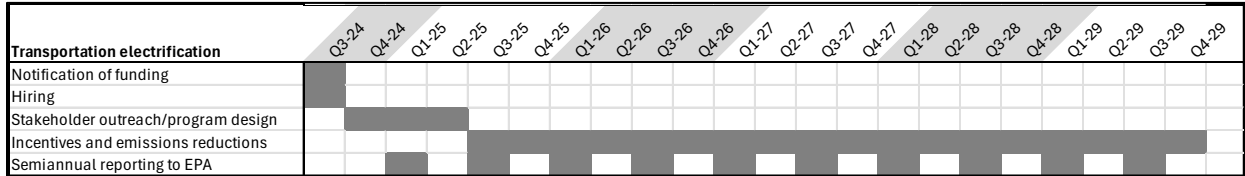


Figure 4: Implementation milestones for Measure #4: Small Engine Replacement

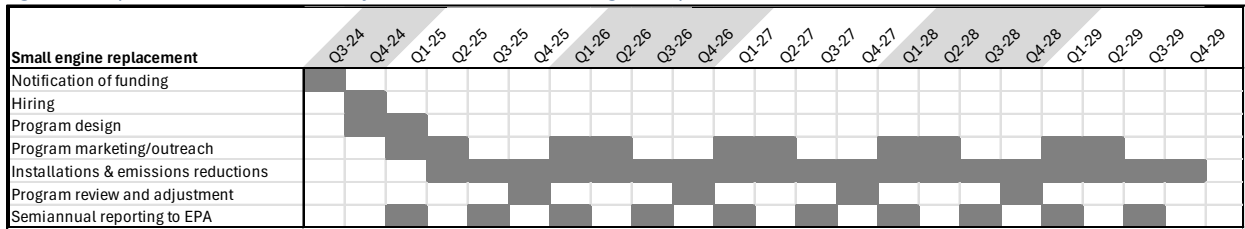


Figure 5: Implementation milestones for Measure #5: Tribal Climate Action

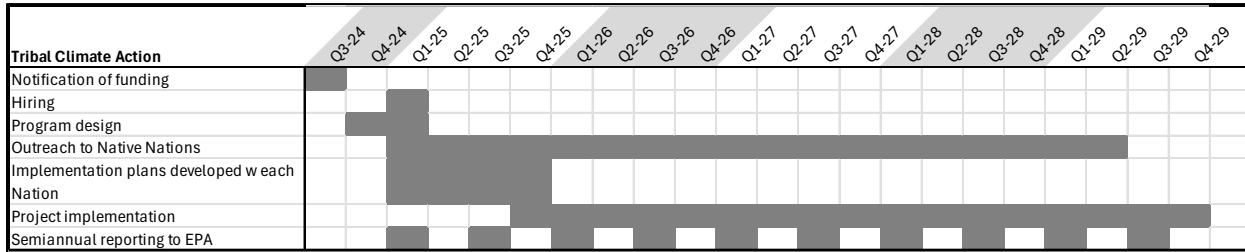


Figure 6: Implementation milestones for Measure #6: Workforce

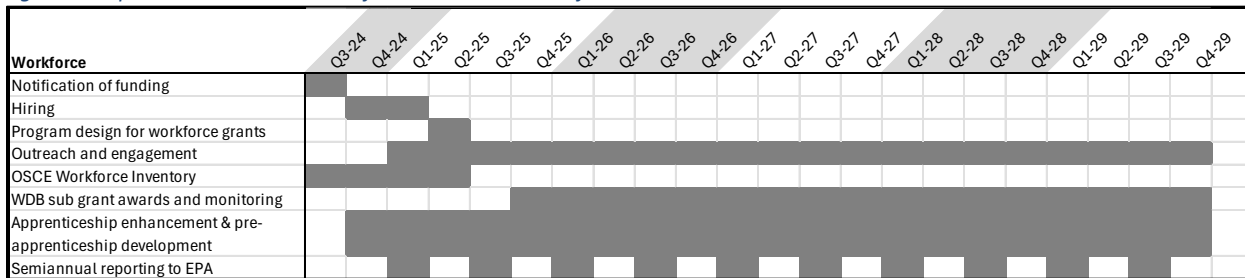


Figure 7: Implementation milestones for Measure #7: WI CAN

Climate Action Navigators	Q3-24	Q4-24	Q1-25	Q2-25	Q3-25	Q4-25	Q1-26	Q2-26	Q3-26	Q4-26	Q1-27	Q2-27	Q3-27	Q4-27	Q1-28	Q2-28	Q3-28	Q4-28	Q1-29	Q2-29	Q3-29	Q4-29
Notification of funding																						
Hiring																						
GHG Reduction Measure Coordination																						
Regional Outreach & Engagement																						
Convenings																						
SEED Fund Awards																						
UW-Madison's CommNS Evaluation																						
Semiannual reporting to EPA																						

## 4. LOW-INCOME AND DISADVANTAGED COMMUNITIES (LIDACs)

### a. Community Benefits

The GHG reduction measures proposed in this application are anticipated to have a broad range of direct and indirect benefits for LIDACs. OSCE identified LIDAC communities using US EPA's recommended definition from the LIDAC Technical Guidance. All incentive programs include scoring criteria that prioritize investment in LIDACs, with LIDACs being the only eligible entity in Measure #5. CJEST census tract IDs for LIDACs affected by these measures can be found in the "Other Attachments Form". The OSCE contracted with the UW-Madison Center for Sustainability and Global Environment (SAGE) to qualitatively assess the potential benefits of GHG mitigation measures for LIDACs in Wisconsin. A qualitative discussion and assessment of the direct and indirect benefits to LIDACs with the implementation of these measures is outlined below:

- Economic Development:** Deploying funds for building electrification and retrofitting projects will create jobs in various sectors, including construction, manufacturing, maintenance, and technology. Transportation electrification and clean fuels deployment require new infrastructure, such as charging stations and maintenance facilities, providing employment opportunities for residents of the LIDACs where this new infrastructure would be implemented.
- Environmental Justice:** Decarbonizing the energy system reduces the environmental burden on communities disproportionately affected by pollution and climate change. This helps address environmental justice concerns by mitigating the negative impacts of industrial and energy-related activities on vulnerable populations. Transitioning to cleaner vehicles and fuels can mitigate local environmental hazards associated with traditional transportation, such as noise pollution and hazardous emissions. This directly benefits residents by creating safer and healthier environments.
- Air Quality & Health:** Electrification of transportation and the use of clean fuels can lead to a reduction in air pollution. Disadvantaged communities, often situated near highways or roads with high traffic volume, experience a disproportionate burden of air pollution. A decrease in air pollution from the adoption of cleaner energy sources can lead to improvements in respiratory health among LIDAC members, particularly for vulnerable populations like children and the elderly. Therefore, LIDACs can directly benefit from improved air quality, resulting in better respiratory health and a lower incidence of related illnesses. Deploying heat pumps contributes to improved indoor and outdoor air quality. Electrifying fossil fuel-based energy sources reduces the direct ambient emissions associated with heating, cooling, and powering buildings. Improved indoor air quality and reduced exposure to combustion-related pollutants would lead to better public health outcomes. This is crucial for the health and well-being of residents, particularly in LIDACs where substandard housing conditions are prevalent.
- Energy Burden:** Retrofitting buildings involves upgrading insulation, windows, and HVAC



systems, leading to lower energy consumption, and improved overall efficiency. Increased energy efficiency means reduced utility bills, providing direct financial benefits. This can significantly benefit low-income households that spend a larger percentage of their income on energy. Electrified vehicles and clean fuels are often more energy efficient, resulting in lower fuel costs for consumers. This can be particularly beneficial for low-income individuals who spend a significant portion of their income on transportation.

- **Safe & Affordable Housing:** Due to climate change, Wisconsin is likely to experience extreme temperatures more frequently. Upgrades such as better insulation, and modern heating and cooling systems can enhance the comfort and livability of homes, but also reduce vulnerability to climate change impacts. The retrofitting measures are especially important for LIDACs as they are more susceptible to extreme weather events. Additionally, retrofitting can involve the removal or mitigation of hazardous materials in buildings. This directly reduces the exposure of residents to toxins, contributing to a safer and healthier living environment, especially in areas where environmental hazards are prevalent.

The indirect benefits of program implementation are outlined below:

- By specifically targeting LIDACs with incentives, the measures ensure more equitable access to cleaner energy solutions. This promotes a more inclusive transition to a sustainable economy, preventing marginalized communities from being left behind in the shift towards cleaner technologies.
- Diversification of the local economy through the introduction of clean energy projects can increase the community's economic resilience.
- The implementation of clean transportation measures can contribute to the overall development of low-income communities.
- The indirect impact of improved air quality benefits the overall health of community members. Reduced pollution levels can lead to a lower prevalence of respiratory diseases and related health issues, resulting in decreased healthcare costs for both individuals and the community.
- Enhanced access to reliable and cleaner transportation options for low-income individuals can improve mobility, allowing residents to access job opportunities, education, and essential services more easily.

Using geospatial mapping and modeling, Wisconsin will be able to track impacts on LIDAC communities throughout the funding period and beyond. Data collected by the programs to report emissions reductions will include geospatial data, addresses, or census block tract IDs that can be cross-referenced with existing tools such as EJScreen to identify and quantify, where possible, direct impacts on LIDAC communities.

### b. Community Engagement

The measures outlined in this application are informed by stakeholders and designed to meet the needs of Wisconsin residents, businesses, nonprofits, and local government, particularly in communities that are disproportionately affected by the impacts of climate change. Three previous planning efforts, each building upon each other, directly informed the development of this application:

- **The Governor's Task Force on Climate Change (2020)** included representatives from agriculture, the business community, Native Nations, state agencies, utility companies, labor, youth, public health professionals, local government, and other industries and communities from across the state. 69 of 72 counties participated in the planning effort.
- **The Wisconsin Clean Energy Plan (2022)** builds upon recommendations and public participation

from the Task Force. The OSCE worked with diverse stakeholder advisory groups, hosted public listening sessions, consulted with an environmental justice focus group and Native Nations, and accepted public input for the duration of the planning process. The OSCE offered translation and accessibility accommodations and published CEP summaries in Spanish and Hmong.

- **The Wisconsin Emissions Reduction Roadmap (2024)** expands relationships from previous planning efforts. The OSCE worked with 11 federally recognized Native Nations, Tribal consortia, local government coalitions, the state's nine regional planning organizations, state agencies, community organizations, environmental justice advocates, labor groups, external subject matter experts, and residents to ensure opportunities for input and access to CPRG resources. The OSCE also worked closely with nine state agencies through a CPRG agency advisory workgroup and formed a stakeholder advisory group to assist in program design. The OSCE provided participant stipends for stakeholder advisory teams when possible. Throughout the CPRG priority planning and implementation application process, the OSCE hosted, presented at, or attended over 44 conferences, meetings, and events, with an estimated reach of 765 individual stakeholders statewide. The OSCE also hosted a public stakeholder webinar and distributed a public input survey. The webinar recording, public input survey, up-to-date information on the planning process, staff contact information, and other resources are available to the public at [www.osce.wi.gov](http://www.osce.wi.gov).

Throughout the development and implementation of the GHG reduction measures outlined in this application, the OSCE will work closely with the WI CAN through several pathways (see Measure #7) to build capacity through meaningful engagement for the lifetime of this grant and beyond.

### 5. JOB QUALITY

While dedicated to meeting the industry's workforce needs to achieve the state's climate goals, Wisconsin is also committed to incorporating high labor standards and job quality in these efforts, while also supporting equitable workforce development that supports the successful engagement of LIDACs and expanded opportunities for individuals that face barriers to employment. Wisconsin participated in the U.S. Department of Labor's Job Quality Academy and developed a framework for improving job quality across the state. Leveraging the public workforce system to analyze the most current labor market information, build high-quality earn-while-you-learn apprenticeship opportunities, and offer training programs and wraparound supports, this plan reflects that framework's four primary concepts: (1) Workforce partners and employers collaboratively evaluate strategies to develop quality jobs that will attract job seekers using evidence-based practices, (2) Employers engage with workforce partners to implement quality jobs principles that appeal to jobseekers and result in attracting new talent; (3) Employees stay in quality jobs in which they feel valued and included and employers prosper by retaining dedicated employees through stable environments where employees want to work; and (4) Communities prosper as employees experience economic mobility through career growth and businesses gain a competitive advantage in growing their workforce through recruitment, retention, and expansion.

## 6. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE

### a. Past Performance and b. Reporting Requirements

*Table 6: Assistance Agreements for the Department of Administration*

<p><b>Project Title:</b> Climate Pollution Reduction Grant Planning</p> <p><b>Assistance Agreement Number:</b> 00E03465</p> <p><b>Funding Agency:</b> U.S. Environmental Protection Agency</p> <p><b>Assistance Listing Number:</b> 66.046</p> <p><b>Description:</b> Funds to develop a comprehensive, economy-wide climate mitigation plan to reduce GHG and HAP and to conduct meaningful engagement with LIDACs.</p> <p><b>Funding Agency Contact:</b> Camden Ogletree, 312-886-0250, ogletree.camden@epa.gov</p> <p><b>Status:</b> Open</p> <p><b>Performance:</b> Up-to-date and In Compliance</p> <p><b>Reporting:</b> Acceptable and timely reports submitted. Reports submitted quarterly reflecting actual accomplishments, and outputs reflected through the workplan. The OSCE also reports on subawards.</p>	<p><b>Project Title:</b> Community Development Block Grant (CDBG) Program</p> <p><b>Assistance Agreement Number:</b> B-23-DC-55-0001</p> <p><b>Funding Agency:</b> U.S. Department of Housing &amp; Urban Development</p> <p><b>Assistance Listing Number:</b> 14.228</p> <p><b>Description:</b> CDBG funds are used to promote affordable housing, suitable living environments, and expanded economic opportunities for persons with low to moderate income.</p> <p><b>Funding Agency Contact:</b> Garry M. Werra, 414-935-6644, garry.m.werra@hud.gov</p> <p><b>Status:</b> Open</p> <p><b>Performance:</b> Up-to-date and In Compliance</p> <p><b>Reporting:</b> Acceptable and timely reports submitted. DOA submits annual reports to the US Department of Housing &amp; Urban Development about progress toward achieving the expected outputs and outcomes, challenges to meeting expected outputs and outcomes during the reporting period, and strategies to address such challenges.</p>
<p><b>Project Title:</b> Home Investment Partnership Program</p> <p><b>Assistance Agreement Number:</b> M23SG550100</p> <p><b>Funding Agency:</b> U.S. Department of Housing &amp; Urban Development</p> <p><b>Assistance Listing Number:</b> 14.239</p> <p><b>Description:</b> A program was established to provide essential home purchase assistance, necessary home rehabilitation, and other vital improvements for dwelling units occupied by low- and moderate-income households.</p> <p><b>Funding Agency Contact:</b> Garry M. Werra, 414-935-6644, garry.m.werra@hud.gov</p> <p><b>Status:</b> Open</p> <p><b>Performance:</b> Up-to-date and In Compliance</p> <p><b>Reporting:</b> Acceptable and timely reports submitted. DOA submits annual reports to the US Department of Housing &amp; Urban Development about progress toward achieving the expected outputs and outcomes, challenges to meeting expected outputs and outcomes during the reporting period, and strategies to address such challenges.</p>	<p><b>Project Title:</b> Emergency Solutions Grant</p> <p><b>Assistance Agreement Number:</b> E-23-DC-55-0001</p> <p><b>Funding Agency:</b> U.S. Department of Housing &amp; Urban Development</p> <p><b>Assistance Listing Number:</b> 14.231</p> <p><b>Description:</b> Emergency Solutions Grant and Homelessness Prevention Program (a state funding source) funding are combined and allocated to one lead applicant in each HUD-recognized COC or local homeless coalition.</p> <p><b>Funding Agency Contact:</b> Garry M. Werra, 414-935-6644, garry.m.werra@hud.gov</p> <p><b>Status:</b> Open</p> <p><b>Performance:</b> Up-to-date and In Compliance</p> <p><b>Reporting:</b> Acceptable and timely reports submitted. DOA submits annual reports to the US Department of Housing &amp; Urban Development about progress toward achieving the expected outputs and outcomes, challenges to meeting expected outputs and outcomes during the reporting period, and strategies to address such challenges.</p>

### c. Staff Expertise

**Wisconsin Office of Sustainability and Clean Energy (OSCE)** – the OSCE, created by Governor Tony Evers via Executive Order #38 leads the state of Wisconsin in addressing the effects of climate change through programs and policies that support the use of clean energy resources and technology. Additionally, OSCE serves as an information and resource hub for Wisconsin's local governments, businesses, and residents. OSCE staff members assigned to this program have historically served as the lead in over \$85 million federally awarded energy programs. They will launch measures, collect data, monitor progress, and manage reporting. They will be a central point for financial management, analyzing data, and liaising with the US EPA for the measures in the program. Key personnel resumes/bios are provided in "Other Attachments". Additional staff, including leadership, financial, and accounting, at the DOA will provide budget, management, technology, and administrative services to ensure the project meets the award agreement requirements. Seven additional staff will be hired to support the individual measures, outreach, and workforce development efforts. In all, 3% of the budget will support DOA and OSCE administrative functions and the remaining 97% will be distributed through subawards to other agencies, local governments, Native Nations, and other partners.

**Wisconsin Department of Natural Resources** - The DNR Air Management Program, responsible for administering the Small Engine Replacement Program, has demonstrated a long history of programmatic capability successfully providing technical support, quantifying emissions, and implementing grant programs specifically related to mobile or transportation sources through the mobile sources and fuels team. The Program's mobile sources and fuels team is responsible for evaluating and implementing any transportation or mobile source regulations promulgated by US EPA or DOT, estimating emissions reductions, providing policy and technical recommendations on mobile source programs, and administering US EPA's DERA program. This team is well-positioned to develop and carry out the necessary training for the new staff position identified to administer the Small Engine Replacement Program.

**Wisconsin Department of Workforce Development** - As Wisconsin's State Workforce Agency, DWD is positioned to leverage existing and new partnerships with key stakeholders from P-12, career and technical education, higher education, economic development, regional transportation and energy agencies, community-based organizations, Registered Apprenticeship Program sponsors, and the business community to ensure that WIOA investments connect individuals to quality jobs. 1) DWD's Bureau of Apprenticeship Standards has a wealth of experience establishing programs for in-demand industries and new/emerging sectors as it regulates a continuum of apprenticeship: Registered Apprenticeship, Youth Apprenticeship, and Certified Pre-apprenticeship in collaboration with trade unions. 2) The Bureau of Workforce Training oversees WIOA Title I (Adult, Dislocated Worker, and Youth) programs, partnering with each of Wisconsin's 11 Workforce Boards to implement local programs, using federal formula grant dollars for career and training services, establishing employer relationships, and industry or sector partnerships statewide. 3) Lastly, the Bureau of Workforce Information and Technical Support develops 10-year regional and statewide projections for occupational employment and wages, job vacancies, and employment trends while regional economists provide data, analysis, and evaluation to inform and advise businesses and resource planners more periodically.