



NC Climate Pollution Reduction Planning Grant



Part I. Federal Funding Overview



Inflation Reduction Act (IRA) – What is it?

- H.R. 5376 - The Inflation Reduction Act of 2022 was signed into law on August 16, 2022
 - Purpose is to build a clean energy economy through investments in clean energy and climate action.
- Environmental Protection Agency received \$5 billion under the Greenhouse Gas Reduction Fund program for CPRG efforts
 - Greenhouse Gas Reduction Fund
 - • **Climate Pollution Reduction: Planning Grants (Phase I)**
 - Climate Pollution Reduction: Implementation Grants (Phase II)
- Expected to reduce U.S. greenhouse gas emissions ~40% by 2030 while supporting disadvantaged communities and clean energy

Note this program addresses CPRG Phase I – Planning Grants



Climate Pollution Reduction Grants

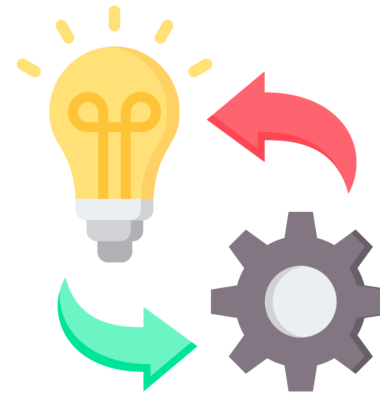
PLANNING GRANTS

- Support for climate planning and implementation processes
- Funds can be used to update existing climate, energy, or sustainability plans, or to develop new plans.

PHASE I



PHASE II



IMPLEMENTATION GRANTS

- Focus on investment-ready policies, programs, and projects to reduce greenhouse gas emissions in the near term.
- Support developing and deploying technologies and solutions that will reduce greenhouse gases and harmful air pollution and transition America to a clean energy economy

Phase I: CPRG Overarching Goal/Objectives

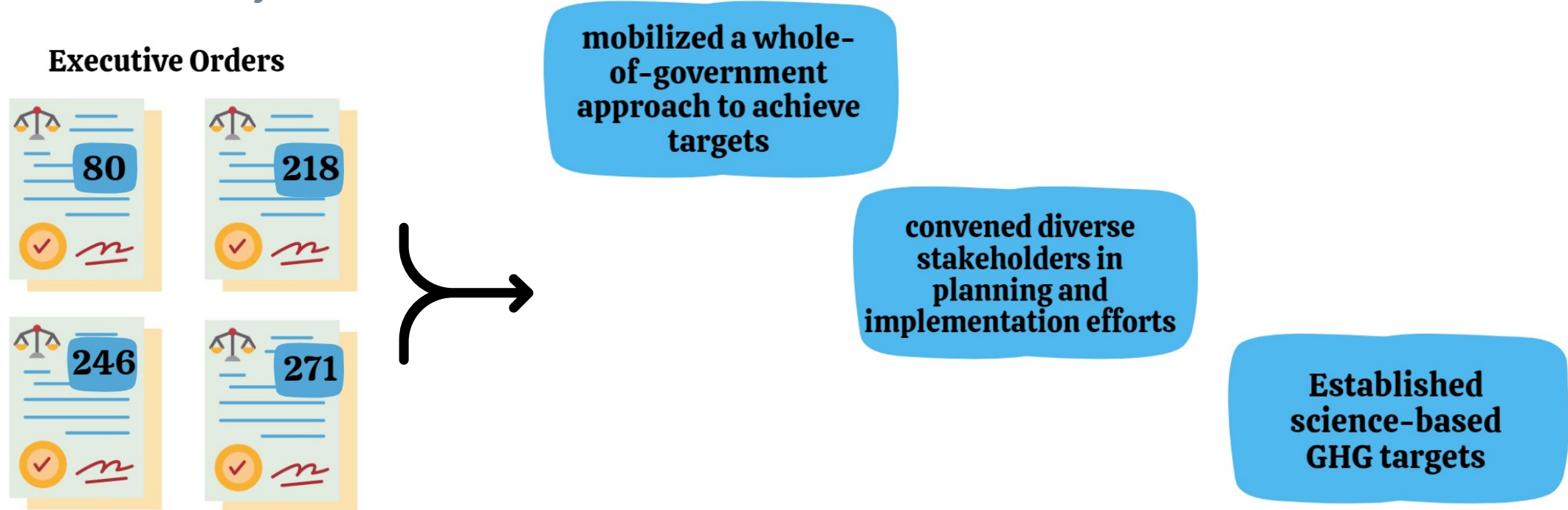
- North Carolina has received a planning grant from the US EPA to develop and implement statewide plans for reducing greenhouse gas emissions and other harmful air pollution.
- This grant will leverage the following:
 - State's well-established leadership to bolster the implementation of priority measures and expand GHG goals
 - State-wide climate plans, and
 - Strategies based on the latest available science.

The CPRG is NC's opportunity to continue towards improving the health and well-being of all North Carolinians.



NC's Commitment to Address Climate Change and Transition to a Clean Energy Economy

North Carolina (NC) has prioritized bold action to reduce greenhouse gases (GHG) and harmful pollution while growing the state's clean energy economy in a manner that centers around equity, affordability, and environmental justice.



CPRG Planning Grants – what are they?

- Support efforts by states, municipalities, air pollution control agencies, tribes, and groups thereof to develop and implement strong, local greenhouse gas reduction strategies.

- NC recipients

State Level

- State of NC (\$3 million)

Municipalities (\$1 million each)

- Raleigh-Cary Metro Area
- Charlotte-Concord-Gastonia Metro Area

Tribal

- Eastern Band of Cherokee Indians



State of NC CPRG Planning Award



NC DEQ Lead Agency named by the Governor.

Partnering State Agencies and Offices:



**NORTH CAROLINA
DEPARTMENT of
COMMERCE**



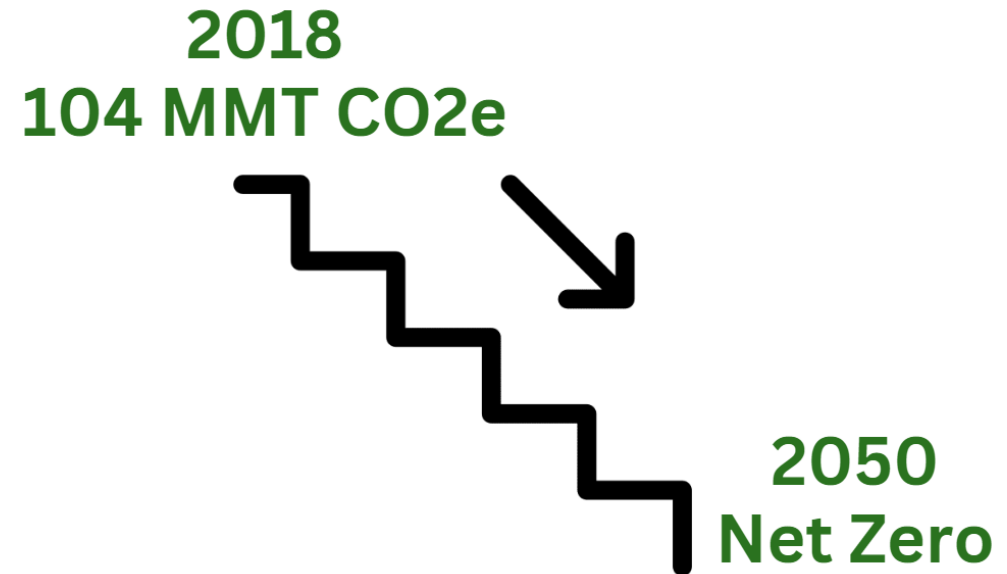
**NC DEPARTMENT OF
HEALTH AND
HUMAN SERVICES**



Phase II: CPRG Implementation Grants – what are they?

- Competitive grants aimed to support the development and deployment of technologies and solutions that will reduce greenhouse gases and harmful air pollution and transition America to a clean energy economy that benefits all Americans.
- Two competitions for CPRG implementation grants:
 1. General competition
 2. Competition only for tribes and territories
- Applications for the general implementation grants competition will open in Fall 2023 and closing in April 2024

EPA anticipates awarding individual grants between \$2 million and \$500 million

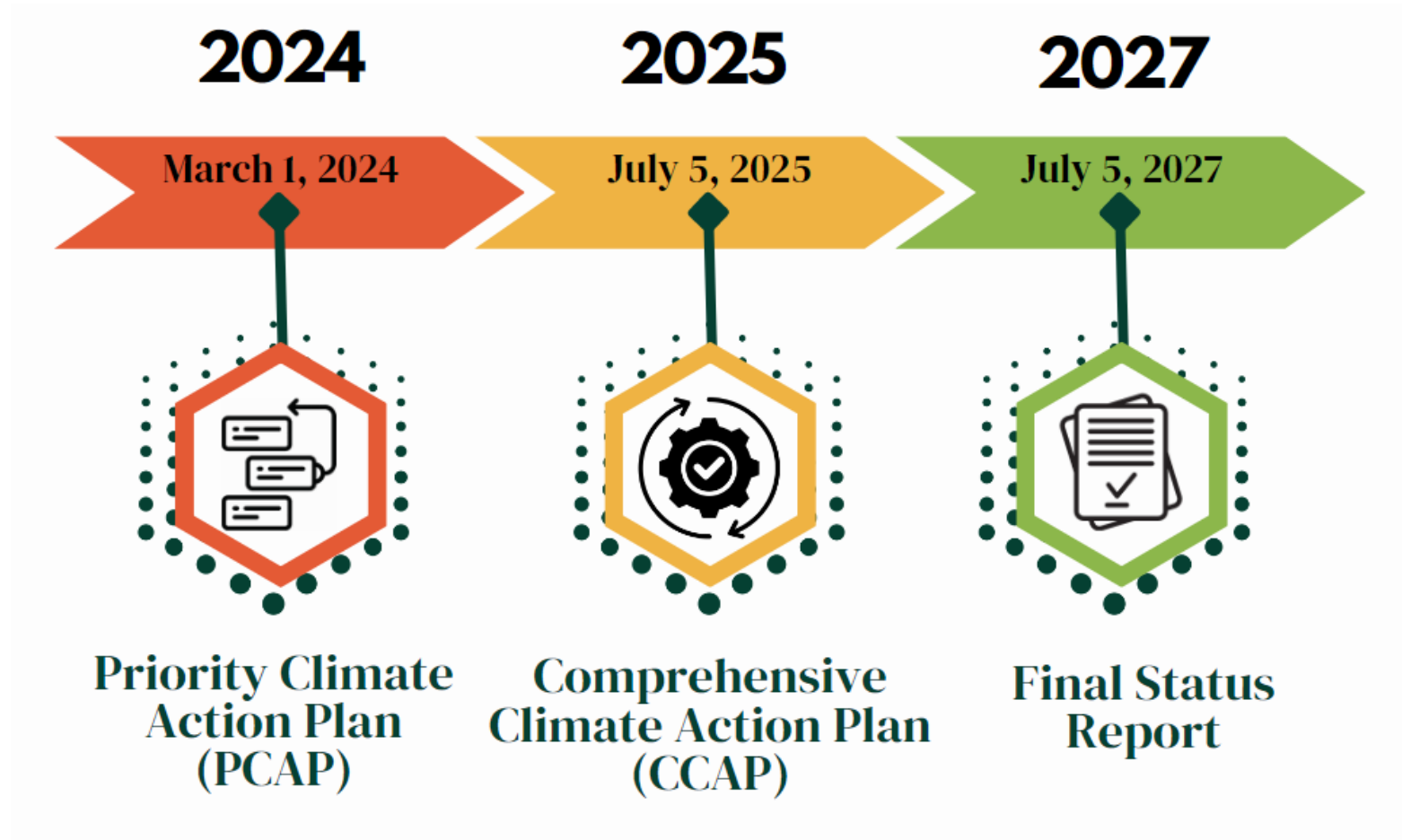


Part II. State CPRG Planning Approach

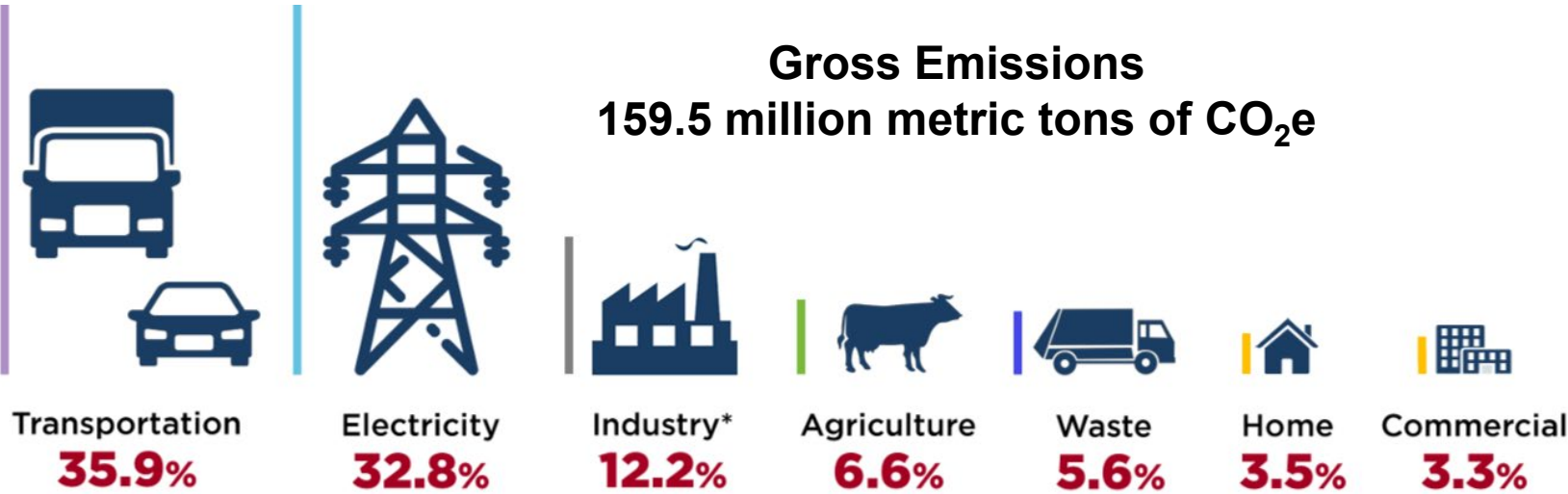


State of NC CPRG Planning Award

Deliverables and Due Dates



NC's Sources of GHGs – Where are we?



CO₂ emissions from fossil fuel combustion:

81.3%

of total gross emissions

CO₂ emissions removed by forests & other lands:

26.4%

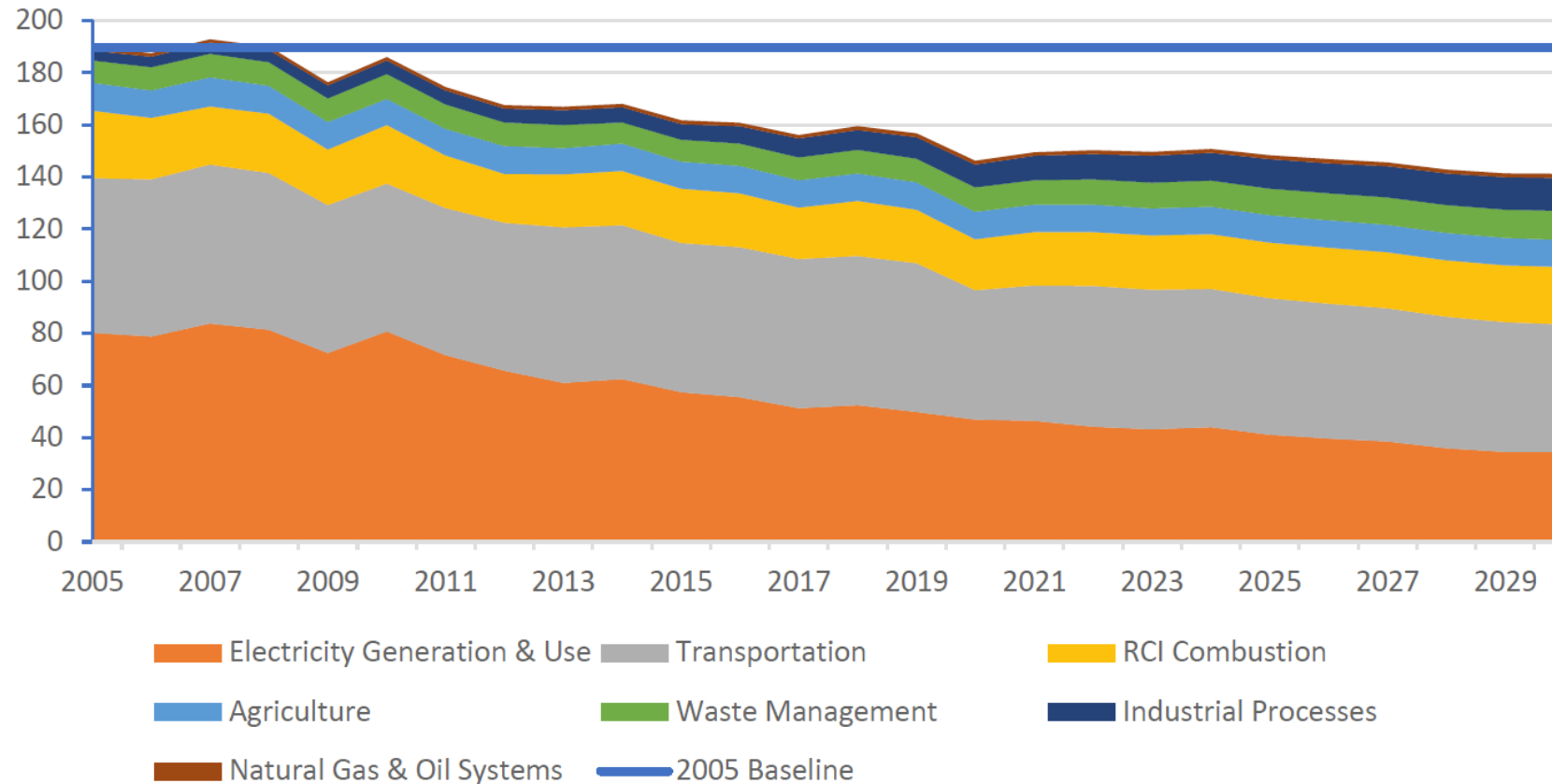
of total gross emissions

Statewide Net GHG Reductions
(2005-2018)

↓ 23.0%

NC's Sources of GHGs: Where are we heading?

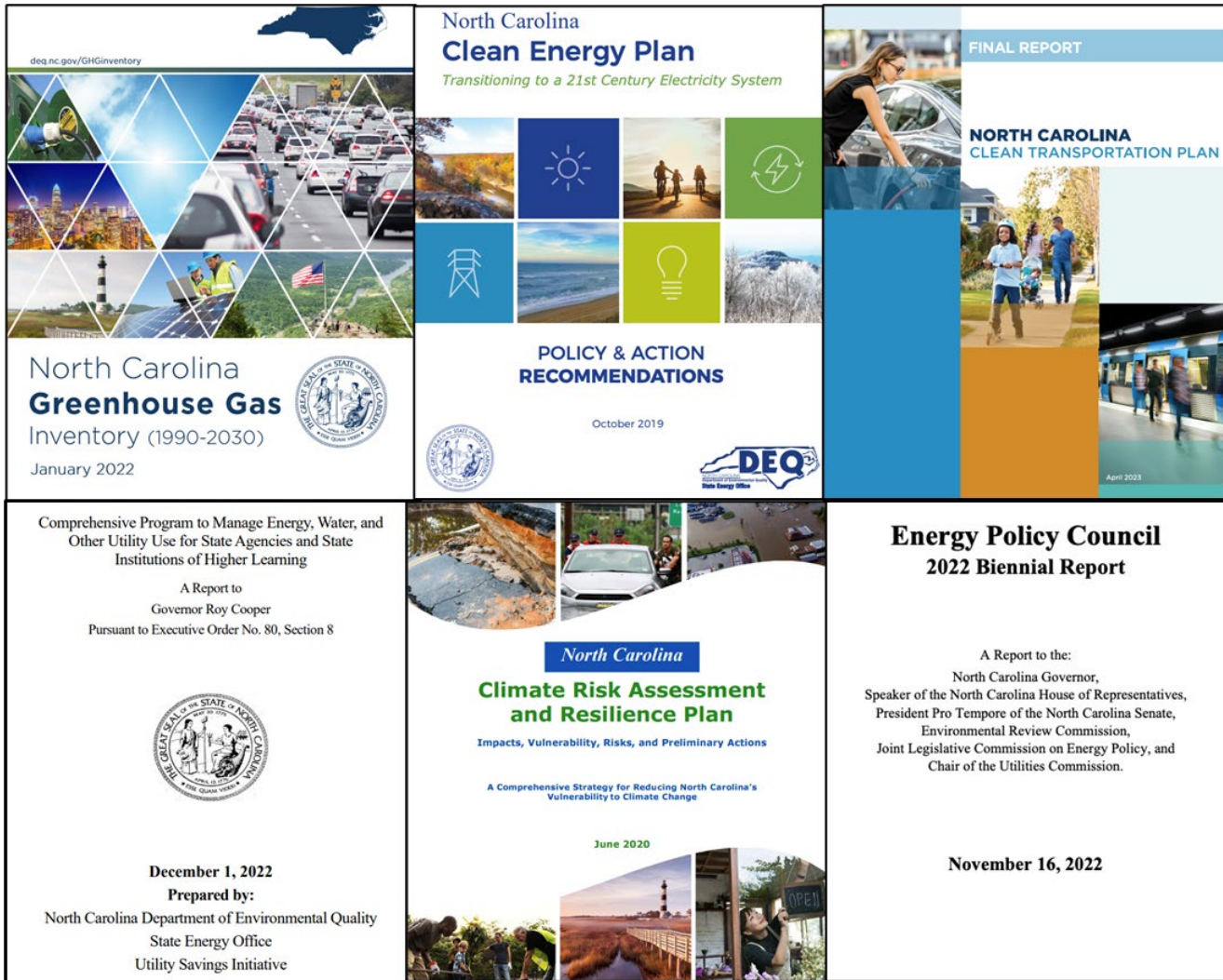
Gross GHG Emissions Trends by Source Sector, 2005-2030



Additional reductions are needed to meet net zero by 2050
Leverage CPRG and other infrastructure funding opportunities through
BIL and IRA



PCAP Development: Working Towards a Unified Action Plan



NC GHG Emissions Inventory

Energy Plans

Transportation Plans

Large Energy Production

State-Wide Programs

Climate and Resiliency Reports

Workforce Analysis



Required Elements of the PCAP Plan



Emissions

- GHG Inventory
- Quantified GHG Reduction Measures (priority measures only)



Community

- Low Income-Disadvantaged Communities Benefits Analysis



Operationalizing

- Review of Authority to Implement
- Leveraging other existing programs and resources



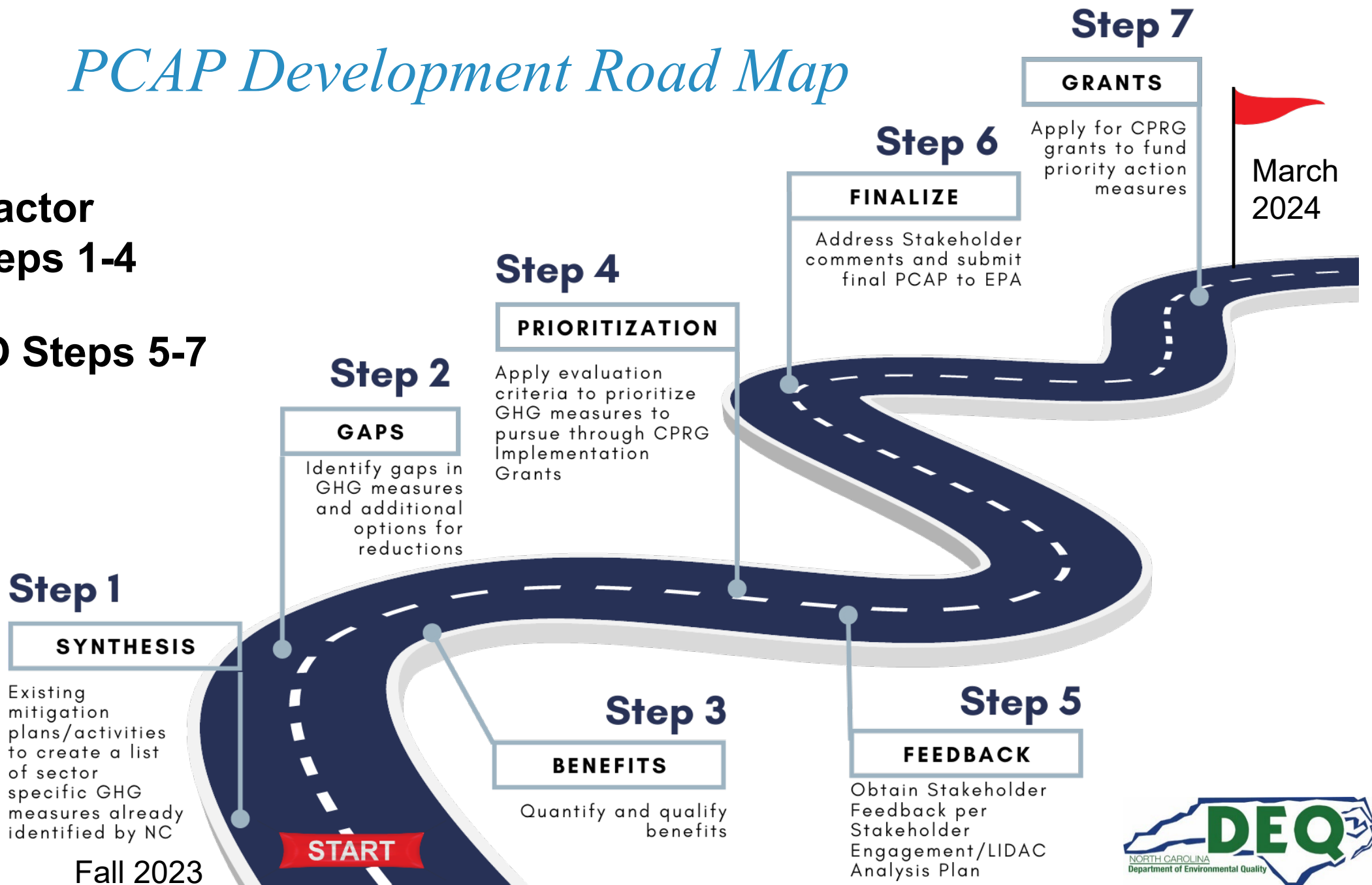
Workforce

- Workforce Planning Analysis Approach

PCAP Development Road Map

**Contractor
ICF – Steps 1-4**

DEQ/SEO Steps 5-7



Stakeholder Engagement



**Stakeholder Engagement
and Outreach will be
included throughout the
work plan**

- Established stakeholder coalitions that were formed during the development of the state's climate-related planning efforts is the model to effectively involve stakeholders in the CPRG process.
- The state will utilize these listservs as well as social media posts and advertisements to reach a broader audience outside of stakeholders who were actively involved in previous planning.

Stakeholder Engagement

WEBINARS



WORKSHOPS



ONLINE INPUT



Workshop Approach

STEP ONE STAKEHOLDERS

Leverage existing stakeholder lists

STEP FOUR INCLUSION

All feedback will be summarized for all workshops to inform the final list of prioritized measures and PCAP



STEP TWO AGENDA

Each workshop will provide an overview/update on CPRG efforts and targeted presentations from SMEs

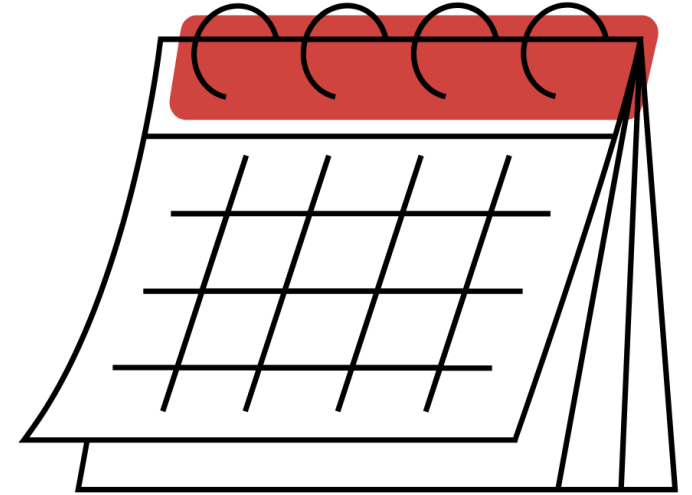
STEP THREE ENGAGEMENT

Targeted breakout sessions will be used to go into identified measures, current prioritization, and getting feedback

Timeline for Coordination and Engagement Strategy: Interagency, advisory bodies, municipalities, local air agencies, and tribes

Mid-August – November 2023

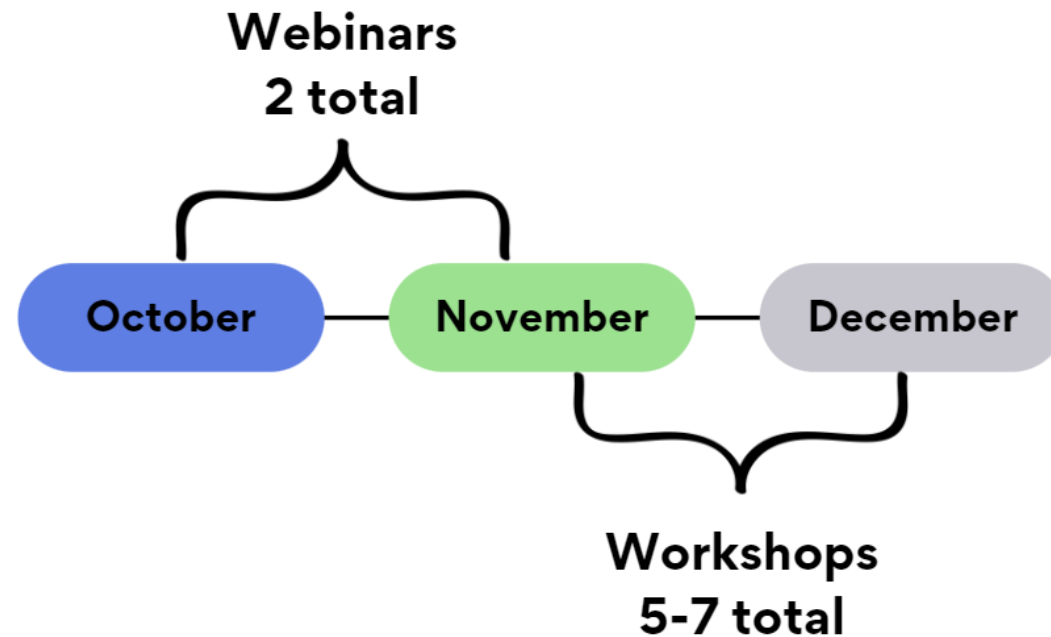
- **August:**
 - **Interagency**
 - Virtual Informational/Progress Update
 - Input on Preliminary and/or draft products
 - *2 Meetings -Late August Interagency split between the two meetings, Content the same*
 - **Existing Partnerships through SEO**
 - Virtual Informational/Progress Update
- **September**
 - **Intergovernmental - Approach and findings to date, strategy going forward**
 - Charlotte-Concord-Gastonia Metro Area represented by Centralina Council of Governments (COG)
 - Raleigh-Cary Metro Area represented by Triangle J COG
 - Eastern Band of Cherokee Indians
- **November - Virtual**
 - Advisory Bodies – EJ Board, EE of EPC, Interagency Council on Climate Change, Public Staff



Timeline for Public Engagement

- Mid October – Mid December 2023

Public Meetings Purpose – Engage in proactive communication seeking public feedback on the prioritized reduction measures and action plans; incorporate and adjust the final draft PCAP and CCAP based on feedback.

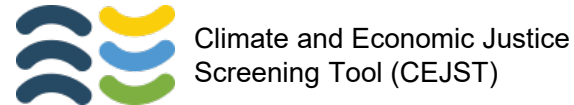


Preliminary Regions/Locations: Jacksonville, Goldsboro, Rocky Mount, Fayetteville, Winston-Salem, Western North Carolina



Approach to Low Income and Disadvantaged Community (LIDAC) Engagement

Low Income and Disadvantaged Communities identified using environmental justice mapping tools to include:



NC DEQ Layered Energy
Equity Definition (LEED)
mapping tool by Smart Electric
Power Alliance (SEPA)



Multiple opportunities for public engagement and feedback:

- public engagement events (virtual and in-person, coast to mountains),
- online forms,
- mail, and
- phone

Partner with local organizations such as Council of Governments, community leaders, advocates and DAC partners to promote the events and encourage people to attend.

Incorporate and adjust the final draft PCAP based on feedback.

Update progress regularly using plain language.



Low Income and Disadvantaged Community

Potential benefits to communities

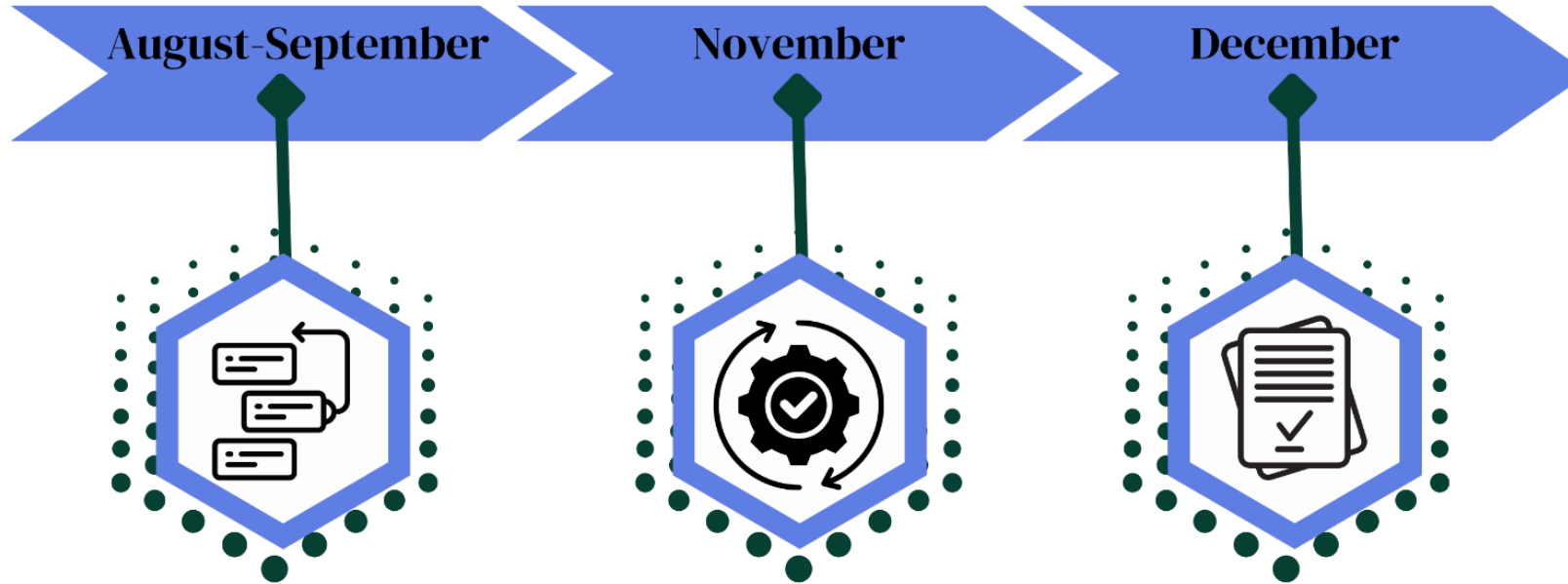
- Co-pollutant emission reductions (criteria pollutants, air toxics)
- Increased indoor and/or ambient health benefits
- Increased climate resilience (e.g. reduced outages)
- Improved access to services/amenities
- Equitable access to clean energy
- Jobs created (how to capture small and minority businesses to be involved, engaged?)
- Workforce development opportunities
- Reduced energy costs/energy burden

Program Outcomes to be Tracked:

- Required:
 1. Tons of GHGs and co-pollutants reduced (annually, life of measure)
 2. Tons of GHGs and co-pollutants reduced in LIDAC.
- Other:
 1. Health benefits
 2. Energy savings
 3. Cost savings
 4. Type and number of public reached
 5. Type and size of jobs created (including those in underserved communities)
 6. Apprenticeship and training opportunities created (including those in underserved communities)

Key Points Aug – Dec 2023

2023



- **Planning for PCAP**
- **Interagency & Intergovernmental collaboration**

- **Informational Webinars**
- **Input via website**

- **In-Person Public Engagement**
- **Obtain stakeholder feedback and finalize PCAP**



Department of Environmental Quality

