# **Business & Technology Advisory**

June 2020



# **Beneficial Electrification Project Funding**

#### **Key Highlights**

- A competition funded by a philanthropic foundation will award \$10 million for greenhouse gas reduction by improving transportation, building and industrial applications.
- Eligible projects include those supporting beneficial electrification.
- If there is interest from cooperatives, NRECA will partner with the University of California, Davis to submit an application on behalf of the co-op team.
- Interested cooperatives should contact Brian Sloboda by June 26, 2020: Brian.Sloboda@nreca.coop.

### What has changed?

Lever for Change is a John D. and Catherine T. MacArthur Foundation affiliate. According to their materials, their mission is to "unlock significant philanthropic capital and accelerate social change around the world's most pressing challenges."

On April 30, 2020 Lever for Change announced the **2030 Climate Challenge Competition** (https://www.2030climatechallenge.org/). They will award \$10 million to reduce greenhouse gas emissions in the U.S. by 2030. According to their website, they are looking for "proven, data-driven solutions ready to serve as a model for change for communities across the United States. Strong applications will propose impactful, evidence-based solutions that are feasible to implement and lead to durable reductions in emissions."

## What is the impact on cooperatives?

Cooperatives may be interested in applying for the competition either on their own or through a joint team with NRECA and the University of California, Davis.

The 2030 Climate Challenge seeks to reduce emissions in building, industry, or transportation sectors in the U.S. by 2030. This focus fits with the beneficial electrification programs of many electric cooperatives.

Beneficial electrification can be described as the use of electricity to power devices where doing so satisfies at least one of the following conditions without adversely affecting any of the others:

- 1. It saves consumers money over time.
- 2. It benefits the environment and reduces greenhouse gas emissions.
- 3. It improves product quality or consumer quality of life.
- 4. It fosters a more robust and resilient electrical grid.

Proposals for the competition could include projects such as:

- Cooperative solar
- Transportation electrification
- Industrial electrification
- Microgrids
- Other creative solutions

## What do cooperatives need to know or do about it?

The deadline to register for the competition is July 23, 2020 with applications due by August 20, 2020. Participating co-ops and project ideas will need to be identified and greenhouse gas reductions identified well before those dates. The current timeline is as follows:

Launch	April 29, 2020
Registration Deadline	July 23, 2020
Application Deadline	August 20, 2020
Administrative Review	August 21 - September 11, 2020
Peer to Peer Review	September 14 - October 6, 2020
Peer to Peer Review (cont'd)	October 7-13, 2020
Evaluation Panel Review	October - November
Selection of Finalists	November - December 2020
Project Development	Winter 2021
Award Announcement	Spring 2021

To be eligible to be a lead applicant, an organization must be a an entity under section 501(c)(3) and 509(a)(1) or (2) of the Internal Revenue Code ("IRC") or a private foundation under section 501(c)(3) of the IRC that has received a tax determination letter from the IRS. Partners can be other non-profits or for-profit entities.

NRECA and UC Davis will hold an informational meeting to discuss the program and brainstorm ideas amongst interested cooperatives. Cooperatives interested in learning more or participating should contact <u>Brian Sloboda</u> by June 26, 2020.

#### **Additional Resources**

- Beneficial Electrification Fact Sheet
- Market Potential for Commercial Electric Trucking
- Beneficial Electrification C&I Case Studies

#### **Contact for Questions**

• Brian Sloboda, Director, Consumer Solutions: Brian.Sloboda@nreca.coop