



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee members
From: Sorsha Anderson, Senior Staff Associate
Date: January 16, 2024
Subject: Grant/LSP Requests – JFO #3177 and JFO #3178

Enclosed please find two (2) items, which the Joint Fiscal Office has received from the Administration. ***The Agency of Natural Resources has requested an expedited review of JFO #3177 and #3178. Please respond by Friday, January 19, 2024.***

JFO #3177: \$2,543,564.00 to the Agency of Natural Resources, Secretary's Office from the U.S. Environmental Protection Agency. Funding is phase one of a two-phase funding opportunity aimed to support Vermont with climate change mitigation planning efforts. A comprehensive climate action plan will be developed, to overlap with and be synonymous to the required update to Vermont's Climate Action Plan in 2025.

[Received January 12, 2024]

JFO #3178: \$456,436.00 to the Agency of Natural Resources, Secretary's Office from the U.S. Environmental Protection Agency. Funds will support (1) limited-service position, Environmental Analyst IV. This position will serve as administrative lead developing the updated Climate Action Plan with the Vermont Climate Council and perform added work required by the EPA grant. Position is funded through 6/30/2027.

[Received January 11, 2024]

[Please note the above requests were awarded as one \$3,000,000.00 grant from the EPA. The Agency separated out the costs for the limited-service position under the guidance of the Department of Finance and Management.]

Please review the enclosed materials and notify the Joint Fiscal Office (Sorsha Anderson: sanderson@leg.state.vt.us) if you have questions. If there has been no response by January 19, 2024, members will be polled.

**State of Vermont**

Department of Finance & Management
109 State Street, Pavilion Building
Montpelier, VT 05620-0401

Agency of Administration

[phone] 802-828-2376
[fax] 802-828-2428

STATE OF VERMONT FINANCE & MANAGEMENT GRANT REVIEW FORM

Grant Summary:	To support prioritization of planning work related to climate change mitigation in Vermont. Funding will be allocated towards an initial sector-specific prioritization of climate actions incorporated into Vermont's Climate Action Plan, but from the perspective of state government and the agencies currently implementing climate change related work. Subsequently, a comprehensive climate action plan will be developed, to overlap with and be synonymous to the required update to Vermont's Climate Action Plan in 2025. \$1m will be used for technical analyses to support the statutorily required update to the CPA, as well as public engagement around program design. The needed analyses include a transportation emissions reduction study, "pathways" modeling across all sectors to evaluate approaches for meeting GWSA emission reduction requirements including achieving net zero by 2050, and analyses focused on GHG contributions/sequestration associated with natural and working lands. These funds will support that required work, and the deliverables will allow Vermont to apply for a portion of a \$4.6B Environmental Protection Agency federal fund for climate mitigation implementation work.				
Date:	12/21/2023				
Department:	ANR-Secretary's Office				
Legal Title of Grant:	Climate Pollution Reduction Program - Federal Fiscal Year 2023				
Federal Catalog #:	66.046				
Grant/Donor Name and Address:	U.S. Environmental Protection Agency, 5 Post Office Square, Suite 100, Boston, MA 02109-3912				
Grant Period:	From:	7/1/2023	To:	6/30/2027	
Grant/Donation	\$2,543,564				
	SFY 1	SFY 2	SFY 3	Total	Comments
Grant Amount:	\$739,170	\$664,839	\$1,139,555	\$2,543,564	
Position Information:	# Positions	Explanation/Comments			
Additional Comments:	100% Federally funded - no State match required.				



STATE OF VERMONT FINANCE & MANAGEMENT GRANT REVIEW FORM		
Department of Finance & Management	Adam Digitally signed by Adam Greshin DocuSigned by: Sarah Clark 04AB832CD55C438...	Initial)
Secretary of Administration		Initial)
Sent To Joint Fiscal Office		Date





1 National Life Drive, Davis 2, Montpelier, VT 05620-3901
(802) 828-1294 | <https://anr.vermont.gov/>

MEMORANDUM

To: Kristin Clouser, Secretary, Agency of Administration

Through: Nick Kramer, Budget and Management Analyst, Department of Finance and Management

From: Julie Moore, Secretary, Agency of Natural Resources  ^{DS}

Date: December 20, 2023

Re: AA-1 Request for Grant Acceptance – EPA Climate Pollution Reduction Grant

This memo requests grant acceptance for one federal grant received by the Agency of Natural Resources Climate Action Office. This request is for acceptance of \$2.5M of the \$3M grant. In hopes of expediting the acceptance of EPA grant funding so that Regional Planning Commission work can begin through a sub-grant, the Agency is submitting a separate request for one limited-service position that is planned to be funded through this EPA grant. The budgeted cost for the position is accounted for on a separate AA-1.

Grant Acceptance Request:

Grant acceptance is requested for \$2,543,564 of a \$3M U.S. Environmental Protection Agency (EPA) Climate Pollution Reduction planning grant. This grant is phase one of a two-phase funding opportunity aimed to support Vermont with climate change mitigation planning efforts.

By implementing this planning grant work, Vermont will be eligible to apply for phase two funds aimed to reduce greenhouse gasses and harmful air pollution, and to support the transition to a clean energy economy. The phase two implementation grants will be critical towards offsetting the costs to Vermonters in transitioning away from fossil fuels to meet Vermont's statutorily required emission reduction requirements, the first of which is due in 2025.

The Agency plans to work closely with Regional Planning Commissions to incorporate the energy and climate planning of Vermont municipalities and regional planning organizations into the deliverables of the grant. ANR plans to execute a sub-award to a Vermont RPC to conduct two phases of planning work. Phase 1 will include a survey of all existing municipal and regional climate and energy plans to be submitted to ANR so that these plans can be incorporated by reference into the Priority Climate Action Plan (PCAP). Phase 2 will include technical and policy support for municipalities and other RPCs to update or adopt climate and energy plans for incorporation into the Comprehensive Climate Action Plan (CCAP). Both deliverables under Phases 1 and 2 will be critical to inform the PCAP accurately and adequately and CCAP deliverables and ensure that these entities can access the CPRG implementation funding and be covered under the PCAP and CCAP. Additionally, RPCs will be a critical partner in engagement to municipalities across both phases of the sub-award. The Agency aims to complete Phase 1 within the next couple of months to gather information and reach milestones that are needed for Vermont to put forth a competitive application for the phase two EPA implementation grants.

Justification for use of the JFO process:

This funding opportunity was announced after the FY24 State budget was developed, therefore the Agency could not include the funding and position in the FY24 State budget process. Funding was awarded on July 1, 2023, and the Climate Action Office would like to fill the position as soon as possible to ensure that the office has the needed to capacity to leverage the phase two Climate Pollution Reduction Grant funding with applications due to the Environmental Protection Agency by April 1, 2024.

If you have any questions regarding this request, please do not hesitate to contact Kristin Freeman, ANR Financial Manager, at kristin.freeman@vermont.gov or 802-636-7463.

Thank you in advance for your time.

STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

BASIC GRANT INFORMATION				
1. Agency:		Agency of Natural Resources		
2. Department:		Secretary's Office		
3. Program:		ANR - Secretary's Office - Climate Action Office		
4. Legal Title of Grant:		Climate Pollution Reduction Program - Federal Fiscal Year 2023		
5. Federal Catalog #:		66.046		
6. Grant/Donor Name and Address: U.S. Environmental Protection Agency, 5 Post Office Square, Suite 100, Boston, MA 02109-3912				
7. Grant Period:		From:	7/1/2023	To: 6/30/2027
8. Purpose of Grant: The purpose of this grant is to support prioritization of climate planning work related to climate change mitigation in Vermont. Funding will be allocated towards an initial sector-specific prioritization of climate actions that were incorporated into Vermont's Climate Action Plan, but from the perspective of state government and the agencies currently implementing climate change related work. Subsequently, a comprehensive climate action plan will be developed, which will overlap with and be synonymous to the required update to Vermont's Climate Action Plan (CAP) in 2025. One million dollars of this grant will be used for technical analyses to support the statutorily required update to the CAP, as well as public engagement around program design. The needed analyses include a transportation emissions reduction study, "pathways" modeling across all sectors to evaluate approaches for meeting GWSA emission reduction requirements including achieving net zero by 2050, and analyses focused on GHG contributions/sequestration associated with natural and working lands. These funds will support that required work, and the additional deliverables will allow Vermont to apply for a portion of a \$4.6B Environmental Protection Agency federal fund for climate mitigation implementation work.				
9. Impact on existing program if grant is not Accepted: If the grant is not accepted, then the federal funding available to Vermont for climate planning and implementation work will be reduced, and the scope and scale of actions to mitigate climate change in Vermont will likely be diminished.				
10. BUDGET INFORMATION				
	SFY 1	SFY 2	SFY 3	Comments
Expenditures:	FY 24	FY 25	FY 26-27	
Personal Services	\$56,454	\$58,956	\$125,615	
Operating Expenses	\$182,716	\$480,883	\$763,940	
Grants	\$500,000	\$125,000	\$250,000	
Total	\$739,170	\$664,839	\$1,139,555	
Revenues:				
State Funds:	\$0	\$0	\$0	
Cash	\$0	\$0	\$0	
In-Kind	\$0	\$0	\$0	
Federal Funds:	\$	\$	\$	
(Direct Costs)	\$729,098	\$654,320	\$1,117,143	
(Statewide Indirect)	\$0	\$0	\$0	
(Departmental Indirect)	\$10,072	\$10,519	\$22,412	

STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

Other Funds:	\$0	\$0	\$0
Grant (source)	\$0	\$0	\$0
Total	\$739,170	\$664,839	\$1,139,555

Appropriation No:	610010000	Amount:	\$739,170
			\$
			\$
			\$
			\$
			\$
			\$
		Total	\$739,170

PERSONAL SERVICE INFORMATION

11. Will monies from this grant be used to fund one or more Personal Service Contracts? ☐ Yes ☒ No
 If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.

Appointing Authority Name: _____ Agreed by: _____ (initial)

12. Limited Service Position Information:	# Positions	Title
Total Positions		

12a. Equipment and space for these positions: ☐ Is presently available. ☐ Can be obtained with available funds.

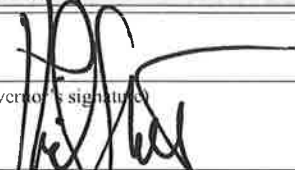
13. AUTHORIZATION AGENCY/DEPARTMENT

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable):	Signature: <small>DocuSigned by:</small> <i>Julie Moon</i> <small>860547DEB5144F2</small>	Date: 12/21/2023
	Title: Secretary	
	Signature:	Date:
	Title:	

14. SECRETARY OF ADMINISTRATION

<input checked="" type="checkbox"/> SC	(Secretary or designee signature)	<small>DocuSigned by:</small> <i>Sarah Clark</i> <small>04AB832CD55C438...</small>	Date: 12/29/2023 1:1
<input type="checkbox"/> Approved:			

15. ACTION BY GOVERNOR

<input checked="" type="checkbox"/> Check One Box: Accepted		Date: 1/12/24
<input type="checkbox"/> Rejected		

16. DOCUMENTATION REQUIRED

Required GRANT Documentation

STATE OF VERMONT REQUEST FOR GRANT (*) ACCEPTANCE (Form AA-1)

<input checked="" type="checkbox"/> Request Memo <input type="checkbox"/> Dept. project approval (if applicable) <input checked="" type="checkbox"/> Notice of Award <input checked="" type="checkbox"/> Grant Agreement <input checked="" type="checkbox"/> Grant Budget	<input type="checkbox"/> Notice of Donation (if any) <input type="checkbox"/> Grant (Project) Timeline (if applicable) <input type="checkbox"/> Request for Extension (if applicable) <input type="checkbox"/> Form AA-1PN attached (if applicable)
End Form AA-1	
(*) The term “grant” refers to any grant, gift, loan, or any sum of money or thing of value to be accepted by any agency, department, commission, board, or other part of state government (see 32 V.S.A. §5).	

Certificate Of Completion

Envelope Id: 4BA368482AF842098FCA58E5E7127F51

Status: Completed

Subject: For Julie's Signature: Revised AA-1 & Cover Memo EPA CPRG Grant

Source Envelope:

Document Pages: 5

Signatures: 1

Envelope Originator:

Certificate Pages: 5

Initials: 1

Kristin Freeman

Agency of Digital Services

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One National Life Drive, Dewey Building

Montpelier, VT 05620

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Kristin.Freeman@vermont.gov

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Pool: ANR - Agency of Natural Resources - NR5

Location: DocuSign

Signer Events	Signature	Timestamp
Julie Moore	<div>DocuSigned by:</div> <div></div> <div>660847D6D5144F2...</div>	Sent: 12/20/2023 2:20:14 PM
Julie.Moore@vermont.gov		Viewed: 12/21/2023 6:33:07 AM
Secretary		Signed: 12/21/2023 6:33:35 AM
Security Level: Email, Account Authentication (None)		
	Signature Adoption: Pre-selected Style	
	Using IP Address: 69.53.120.254	

Electronic Record and Signature Disclosure:

Accepted: 12/21/2023 6:33:06 AM

ID: a4ffc747-44ae-4628-ad1f-216b1aa8108d

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
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Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Emma Ramirez-Richer	<div>COPIED</div>	Sent: 12/20/2023 2:20:14 PM
emma.ramirez-richer@vermont.gov		Viewed: 12/21/2023 6:34:18 AM
Executive Assistant		
ANR - CO		
Security Level: Email, Account Authentication (None)		
Electronic Record and Signature Disclosure:		
Not Offered via DocuSign		
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	12/20/2023 2:20:14 PM

Envelope Summary Events	Status	Timestamps
Certified Delivered	Security Checked	12/21/2023 6:33:07 AM
Signing Complete	Security Checked	12/21/2023 6:33:35 AM
Completed	Security Checked	12/21/2023 6:33:35 AM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

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- Until or unless you notify ANR as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by ANR during the course of your relationship with ANR.

	U.S. ENVIRONMENTAL PROTECTION AGENCY Grant Agreement	GRANT NUMBER (FAIN): 00A01253 MODIFICATION NUMBER: 0 PROGRAM CODE: 5D		DATE OF AWARD 07/24/2023
		TYPE OF ACTION New		MAILING DATE 07/27/2023
		PAYMENT METHOD: ASAP		ACH# 10114
		RECIPIENT TYPE: State		
RECIPIENT: Vermont D.E.C. 1 National Life Drive Main Building, 2nd Floor Montpelier, VT 05620-3522 EIN: 03-6000274		PAYEE: Vermont D.E.C. 1 National Life Drive Main Building, 2nd Floor Montpelier, VT 05620-3522		
PROJECT MANAGER Jane Lazorchak 1 National Life Drive Davis 2 Montpelier, VT 05620-3522 Email: Jane.Lazorchak@Vermont.gov Phone: 802-505-0561		EPA PROJECT OFFICER Madeline Isenberg 5 Post Office Square, Suite 100 Boston, MA 02109-3912 Email: Isenberg.Madeline@epa.gov Phone: 617-918-1271		EPA GRANT SPECIALIST Flower Armijo Mission Support Division 5 Post Office Square, Suite 100 Boston, MA 02109-3912 Email: Armijo.Flower@epa.gov Phone: 617-918-1923
PROJECT TITLE AND DESCRIPTION Climate Pollution Reduction Program - Federal Fiscal Year 2023 See Attachment 1 for project description.				
BUDGET PERIOD 07/01/2023 - 06/30/2027	PROJECT PERIOD 07/01/2023 - 06/30/2027	TOTAL BUDGET PERIOD COST \$3,000,000.00	TOTAL PROJECT PERIOD COST \$3,000,000.00	
<h3 style="text-align: center;">NOTICE OF AWARD</h3> <p>Based on your Application dated 04/26/2023 including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA) hereby awards \$3,000,000.00. EPA agrees to cost-share <u>100.00%</u> of all approved budget period costs incurred, up to and not exceeding total federal funding of \$3,000,000.00. Recipient's signature is not required on this agreement. The recipient demonstrates its commitment to carry out this award by either: 1) drawing down funds within 21 days after the EPA award or amendment mailing date; or 2) not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award or amendment mailing date. If the recipient disagrees with the terms and conditions specified in this award, the authorized representative of the recipient must furnish a notice of disagreement to the EPA Award Official within 21 days after the EPA award or amendment mailing date. In case of disagreement, and until the disagreement is resolved, the recipient should not draw down on the funds provided by this award/amendment, and any costs incurred by the recipient are at its own risk. This agreement is subject to applicable EPA regulatory and statutory provisions, all terms and conditions of this agreement and any attachments.</p>				
ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)		AWARD APPROVAL OFFICE		
ORGANIZATION / ADDRESS U.S. EPA, Region 1, EPA New England 5 Post Office Square, Suite 100 Boston, MA 02109-3912		ORGANIZATION / ADDRESS U.S. EPA, Region 1, EPA New England R1 - Region 1 5 Post Office Square, Suite 100 Boston, MA 02109-3912		
THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY				
Digital signature applied by EPA Award Official Arthur Johnson - Director, Mission Support Division				DATE 07/24/2023

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	\$0	\$3,000,000	\$3,000,000
EPA In-Kind Amount	\$0	\$0	\$0
Unexpended Prior Year Balance	\$0	\$0	\$0
Other Federal Funds	\$0	\$0	\$0
Recipient Contribution	\$0	\$0	\$0
State Contribution	\$0	\$0	\$0
Local Contribution	\$0	\$0	\$0
Other Contribution	\$0	\$0	\$0
Allowable Project Cost	\$0	\$3,000,000	\$3,000,000

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.046 - Climate Pollution Reduction Grants	Clean Air Act: Sec. 137	2 CFR 200, 2 CFR 1500 and 40 CFR 33

Fiscal									
Site Name	Req No	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
IRA-CPRG	23010CG020	2231	E4SFX	01V6	000ACGXJ1	4132	-	-	\$3,000,000
									\$3,000,000

Budget Summary Page

Table A - Object Class Category (Non-Construction)	Total Approved Allowable Budget Period Cost
1. Personnel	\$381,973
2. Fringe Benefits	\$246,535
3. Travel	\$12,720
4. Equipment	\$0
5. Supplies	\$20,000
6. Contractual	\$1,228,616
7. Construction	\$0
8. Other	\$998,200
9. Total Direct Charges	\$2,888,044
10. Indirect Costs: 0.00 % Base -	\$111,956
11. Total (Share: Recipient <u>0.00</u> % Federal <u>100.00</u> %)	\$3,000,000
12. Total Approved Assistance Amount	\$3,000,000
13. Program Income	\$0
14. Total EPA Amount Awarded This Action	\$3,000,000
15. Total EPA Amount Awarded To Date	\$3,000,000

Attachment 1 - Project Description

This agreement provides funding under the Inflation Reduction Act (IRA) to The Vermont Agency of Natural Resources, Climate Action Office to develop a comprehensive, economy-wide climate mitigation plan or update an existing plan in collaboration with air pollution control districts, and large and small municipalities statewide, and tribal governments that will support actions to reduce greenhouse gases (GHG) and harmful air pollutants and to conduct meaningful engagement with low-income and disadvantaged communities. Specifically, the recipient will design and implement priority and comprehensive actions to mitigate climate change. The work that will take place to implement the Climate Pollution Reduction Grant is built upon the framework of the Vermont Global Warming Solutions Act, long established programmatic work related to greenhouse gas emissions analysis and reduction like the Annual Vermont Greenhouse Gas Emissions Inventory and the Vermont Carbon Budget, and a recently adopted Initial Vermont Climate Action Plan. Public engagement and stakeholder outreach is also a core tenant of the newly formed Climate Action Office and will be integrated into the development and implementation of the Priority Climate Action Plan (PCAP) and Comprehensive Climate Action Plan (CCAP). In general, activities include the development, updating, and evaluation of plans to reduce climate pollution (i.e., to reduce GHG emissions and/or enhance carbon sinks). Specific activities include reducing GHG emissions from the transportation, buildings, regulated utility, industrial, commercial, and agricultural sectors; encouraging smart growth and related strategies; achieving long-term sequestration and storage of carbon and promote best management practices to achieve climate mitigation, adaptation, and resilience on natural working lands; achieve net zero emissions by 2050 across all sectors; reduce energy burdens for rural and marginalized communities; limit the use of chemicals, substances, or products that contribute to climate change; and building and encouraging climate adaptation and resilience of Vermont communities and natural systems. Three key deliverables will be produced and submitted over the course of the four-year program period, including: a Priority Climate Action Plan (PCAP), due March 1, 2024; a Comprehensive Climate Action Plan (CCAP), due two years from the date of the award; and a Status Report, due at the close of the grant period.

The expected outcomes include a PCAP and CCAP that identifies: tons of pollution (GHGs and co-pollutants) reduced over the lifetime of the measures; tons of pollution (GHGs and co-pollutants) reduced annually; and tons of pollution (GHGs and co-pollutants) reduced with respect to low-income and disadvantaged communities. Other expected outcomes include: increased public awareness and education; encourage smart growth and related strategies; reduced energy burdens for rural and marginalized communities; improved resilience and adaptation; improved air quality; and improved health.

The intended beneficiaries include all residents and visitors to the state of Vermont through six key principles: 1) Ensuring Inclusive, Transparent, and Innovative Engagement in the development of the plan and associated policies and program; 2) Creating Accountable and Restorative recommendations that recognize inequality and seek to resolve

them using clearly identified strategies; 3) Moving at The Speed of Trust where candor and

honesty are recognized as essential for public trust and preparing Vermonters for transition to a sustainable climate future; 4) Incorporating Solidarity to create inclusionary spaces for all traditions and cultures, particularly for Indigenous communities, recognizing them as integral to a healthy and vibrant Vermont; 5) Prioritizing The Most Impacted First through recommendations that address the needs of impacted and frontline communities first, providing the greatest benefits of transitions to these communities; 6) Developing Supports for Workers, Families, and Communities that consider and plan for potential impacts on workers, families and their communities based on the implementation of Vermont's Climate Action Plan. Sub-award to the Vermont Public Service Department for staff costs: The Public Service Department is the State's Energy Office and is charged with developing and updating the Vermont Comprehensive Energy Plan, which is a companion document to the Vermont Climate Action Plan and is required to be consistent with the Climate Action Plan pursuant to the Vermont Global Warming Solutions Act. The PSD needs additional staff capacity to support the growth in deployment of actions to support reducing emission from the thermal sector which we anticipate being a high priority through the development of the PCAP. This capacity will also support complementary work to engage Vermonters and coordinate any necessary updates to the Comprehensive Energy Plan as a component of the Comprehensive Climate Action Plan deliverable under the CPRG. This sub-award will be dedicated to supporting that work at PSD.

Sub-award to a Vermont Regional Planning Commission (RPC): To incorporate the energy and climate planning of Vermont municipalities and regional planning organizations into the PCAP and CCAP, ANR will execute a sub-award to a Vermont RPC to conduct two phases of planning work. Phase 1 will include a survey of all existing municipal and regional climate and energy plans to be submitted to ANR so that these plans can be incorporated by reference into the PCAP. Phase 2 will include technical and policy support for municipalities and other RPCs to update or adopt climate and energy plans for incorporation into the CCAP. Both deliverables under Phases 1 and 2 will be critical to inform the PCAP accurately and adequately and CCAP deliverables and ensure that these entities can access the CPRG implementation funding and be covered under the PCAP and CCAP. Additionally, RPCs will be a critical partner in engagement to municipalities across both phases of the sub-award.

Administrative Conditions

National Administrative Terms and Conditions

General Terms and Conditions

The recipient agrees to comply with the current EPA general terms and conditions available at:

<https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2022-or-later>.

These terms and conditions are in addition to the assurances and certifications made as a part of the award and the terms, conditions, or restrictions cited throughout the award.

The EPA repository for the general terms and conditions by year can be found at: <https://www.epa.gov/grants/grant-terms-and-conditions#general>.

A. Correspondence Condition

The terms and conditions of this agreement require the submittal of reports, specific requests for approval, or notifications to EPA. Unless otherwise noted, all such correspondence should be sent to the following email addresses:

- Federal Financial Reports (SF-425): rtpfc-grants@epa.gov
- MBE/WBE reports (EPA Form 5700-52A): **Grants Specialist on Page 1 of Award Document AND Larry Wells, Disadvantaged Business Utilization Program Manager: r1_mbewbereport@epa.gov**
- All other forms/certifications/assurances, Indirect Cost Rate Agreements, Requests for Extensions of the Budget and Project Period, Amendment Requests, Requests for other Prior Approvals, updates to recipient information (including email addresses, changes in contact information or changes in authorized representatives) and other notifications: **Grants Specialist and Project Officer on Page 1 of Award Document**
- Quality Assurance documents, workplan revisions, equipment lists, programmatic reports and deliverables: **Project Officer on Page 1 of Award Document**

B. Pre-Award Costs

In accordance with 2 CFR 1500.9, the recipient may charge otherwise allowable pre-award costs (both Federal and non-Federal matching shares) incurred from **07/01/2023** to the actual award date provided that such costs were contained in the approved application and all costs are incurred within the approved budget period.

Programmatic Conditions

Climate Pollution Reduction Grants Specific Programmatic Terms and Conditions

A. PERFORMANCE REPORTING AND FINAL PERFORMANCE REPORT

Performance Reports – Content

In accordance with 2 CFR 200.329, the recipient agrees to submit performance reports that include brief information on

each of the following areas: 1) A comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement work plan for the period; 2) The reasons why established outputs/outcomes were not met; and 3) Additional pertinent information, including, when appropriate, analysis and explanation of cost overruns or high-unit costs.

Additionally, the recipient agrees to inform EPA as soon as problems, delays, or adverse conditions which will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan are known.

Performance Reports - Frequency

Quarterly performance reports are required to be submitted electronically to the EPA Project Officer within 30 calendar days after the reporting period (every three-month period). Quarterly reports are due according to the following schedule. If a due date falls on a weekend or holiday, the report will be due on the next business day. If a project start date falls within a defined reporting period, the recipient must report for that period by the given due date unless otherwise noted. This quarterly reporting schedule shall be repeated for the duration of the award agreement.

July 1 – September 30 Reporting Period: report due date October 30 (note, in year 1, this reporting period should begin at the project start date)

October 1 – December 31 Reporting Period: report due date January 30

January 1 – March 31 Reporting Period: report due date April 30

April 1 – June 30 Reporting Period: report due date July 30

The recipient must submit the final performance report no later than 120 calendar days after the end date of the period of performance.

Subaward Performance Reporting

The recipient must report on its subaward monitoring activities under 2 CFR 200.332(d). Examples of items that must be reported if the pass-through entity has the information available are:

1. Summaries of results of reviews of financial and programmatic reports.
2. Summaries of findings from site visits and/or desk reviews to ensure effective subrecipient performance.
3. Environmental results the subrecipient achieved.
4. Summaries of audit findings and related pass-through entity management decisions.
5. Actions the pass-through entity has taken to correct deficiencies such as those specified at 2 CFR 200.332(e), 2 CFR 200.208 and the 2 CFR Part 200.339 Remedies for Noncompliance.

B. DELIVERABLES AND REQUIREMENTS

States that accept an award are required to produce and electronically submit the following three deliverables by the date specified:

- 1.) By March 1, 2024, a Priority Climate Action Plan (PCAP), which is a narrative report that includes a focused list of near-term, high-priority, implementation ready measures to reduce Greenhouse Gas (GHG) pollution and an analysis of GHG emissions reductions that would be achieved through implementation. These initial plans can focus on a specific sector or

selected sectors, and do not need to comprehensively address all sources of GHG emissions and sinks in the jurisdiction. The PCAP must include: a GHG inventory; quantified GHG reduction measures; a low-income and disadvantaged communities benefits analysis; and a review of authority to implement.

2.) A Comprehensive Climate Action Plan (CCAP), due 2 years from the date of the award. The CCAP is a narrative report that should touch on all significant GHG sources/sinks and sectors present in a state or metropolitan area, establish near-term and long-term GHG emission reduction goals, and provide strategies and identify measures to achieve those goals. Each CCAP must include: a GHG inventory; GHG emissions projections; GHG reduction targets; quantified GHG reduction measures; a benefits analysis for the full geographic scope and population covered by the plan; a low-income and disadvantaged communities benefits analysis; a review of authority to implement; a plan to leverage other federal funding; and, a workforce planning analysis.

3.) A Status Report, due at the closeout of the 4-year grant period. This report should include the implementation status of the quantified GHG reduction measures included in the CCAP; any relevant updated analyses or projections supporting CCAP implementation; and, next steps and future budget/staffing needs to continue CCAP implementation.

States must coordinate with municipalities and air pollution control agencies within their state to include priority measures that are implementable by those entities. States are further encouraged to similarly coordinate with tribes. In all cases, the lead organization for a state or metropolitan area PCAP funded through the CPRG program must make the PCAP available to other entities by March 1, 2024 for their use in developing an implementation grant application.

State lead organizations must involve stakeholder groups and the public in the process for developing the PCAP and CCAP. Potential stakeholders include urban, rural, and underserved or disadvantaged communities as well as the general public, governmental entities, federally recognized tribes, Port Authorities, labor organizations, community and faith-based organizations, and private sector and industry representatives.

C. Cybersecurity Condition

State Grant Cybersecurity

(a) The recipient agrees that when collecting and managing environmental data under this assistance agreement, it will protect the data by following all applicable State law cybersecurity requirements.

(b) (1) EPA must ensure that any connections between the recipient's network or information system and EPA networks used by the recipient to transfer data under this agreement, are secure.

For purposes of this Section, a connection is defined as a dedicated persistent interface between an Agency IT system and an external IT system for the purpose of transferring information. Transitory, user-controlled connections such as website browsing are excluded from this definition.

If the recipient's connections as defined above do not go through the Environmental Information Exchange Network or EPA's Central Data Exchange, the recipient agrees to contact the EPA Project Officer (PO) and work with the designated Regional/Headquarters Information Security Officer to ensure that the connections meet EPA security requirements, including entering into Interconnection Service Agreements as appropriate. This condition does not apply to manual entry of data by the recipient into systems operated and used by EPA's regulatory programs for the submission of reporting and/or compliance data.

(2) The recipient agrees that any subawards it makes under this agreement will require the subrecipient to comply with the requirements in (b)(1) if the subrecipient's network or information system is connected to EPA networks to transfer data to

the Agency using systems other than the Environmental Information Exchange Network or EPA's Central Data Exchange. The recipient will be in compliance with this condition: by including this requirement in subaward agreements; and during subrecipient monitoring deemed necessary by the recipient under 2 CFR 200.332(d), by inquiring whether the subrecipient has contacted the EPA Project Officer. Nothing in this condition requires the recipient to contact the EPA Project Officer on behalf of a subrecipient or to be involved in the negotiation of an Interconnection Service Agreement between the subrecipient and EPA.

D. Competency Policy

Competency of Organizations Generating Environmental Measurement Data

In accordance with Agency Policy Directive Number FEM-2012-02, [Policy to Assure the Competency of Organizations Generating Environmental Measurement Data under Agency-Funded Assistance Agreements](#).

Recipient agrees, by entering into this agreement, that it has demonstrated competency prior to award, or alternatively, where a pre-award demonstration of competency is not practicable. Recipient agrees to demonstrate competency prior to carrying out any activities under the award involving the generation or use of environmental data. Recipient shall maintain competency for the duration of the project period of this agreement and this will be documented during the annual reporting process. A copy of the Policy is available online at <https://www.epa.gov/sites/production/files/2015-03/documents/competency-policy-aaia-new.pdf> or a copy may also be requested by contacting the EPA Project Officer for this award.

E. Public or Media Events

The Recipient agrees to notify the EPA Project Officer listed in this award document of public or media events related to activities accomplished as a result of this agreement, and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

F. Geospatial Data Standards

All geospatial data created must be consistent with Federal Geographic Data Committee (FGDC) endorsed standards. Information on these standards may be found at <https://www.fgdc.gov/>.

G. Quality Assurance

Authority: Quality Assurance applies to all assistance agreements involving environmental information as defined in [2 C.F.R. § 1500.12](#) Quality Assurance.

The recipient shall ensure that subawards involving environmental information issued under this agreement include appropriate quality requirements for the work. The recipient shall ensure sub-award recipients develop and implement a Quality Assurance (QA) planning document in accordance with this term and condition; and/or ensure sub-award recipients implement all applicable approved QA planning documents.

"Environmental information operations" is a collective term for work performed to collect, produce, evaluate, or use environmental information or the design, construction, operation, or application of environmental technology. For EPA, environmental information includes direct measurements of environmental parameters or processes, analytical testing of environmental conditions, information provided by models, information compiled from other sources such as databases, software applications, or existing literature, the development of environmental software, tools, or models, or the design, construction, operation, or application of environmental technology.

The QAPP must be approved by EPA prior to environmental information operations, except under circumstances requiring immediate action to protect human health and the environment or operations conducted under police powers. Unless an alternate schedule has been agreed upon, QAPPs are to be submitted at least 60 days before project activities begin. QAPPs are submitted electronically to the following:

EPA Project Officer/Tribal Coordinator (see page 1 of assistance agreement for contact information) and Regional Quality Assurance Branch via R1QAPPs@epa.gov

***If electronic submission is unavailable, please contact the Project Officer/Tribal Coordinator for submittal instructions.**

For organizations with an EPA-approved Quality Management Plan (QMP), the recipient will submit an annual update letter to EPA documenting progress over the year and any changes to the QMP. Annual update letters will be sent every year for four years until the expiration of the QMP (five years from initial EPA approval). Annual QA update letters will be sent to the EPA Project Officer/Tribal Coordinator and the RQAM on the anniversary of the approval of the QMP by the RQAM; or on another mutually agreeable schedule. In addition, for multi-year projects, the grantee shall confirm that the QAPP is current and accurate.

H. Use of Logos

If the EPA logo is appearing along with logos from other participating entities on websites, outreach materials, or reports, it must **not** be prominently displayed to imply that any of the recipient or subrecipient's activities are being conducted by the EPA. Instead, the EPA logo should be accompanied with a statement indicating that Vermont State Agency of Natural Resources Climate Action Office received financial support from the EPA under an Assistance Agreement. More information is available at: <https://www.epa.gov/stylebook/using-epa-seal-and-logo#policy>

I. Pre- Award Costs

In accordance with 2 CFR 1500.8, the grantee may charge pre-award costs incurred from **07/01/2023** to the actual award date provided that such costs were contained in the approved application and all costs are incurred within the approved budget period.

Updated Budget for October 2023 AA-1 Submission				Position - Budget Summary for AA-1 Form					Grant Acceptance Less Position - Budget Summary for AA-1 Form				
	Year 1	Year 2	Year 3-4		State FY24	State FY25	State FY26+	Total		State FY24	State FY25	State FY26+	Total
Salary - New Environmental Analyst	27,551.00	57,545.00	150,159.00	Personal Services - New Limited Service Position	45,378.50	94,781.00	247,323.50	387,483.00	Personal Services	56,454.00	58,956.00	125,615.00	241,025.00
Fringe - New Environmental Analyst	17,827.50	37,236.00	97,164.50	Operating Expenses	-	-	-	-	Operating Expenses	172,644.00	470,364.00	741,528.00	1,384,536.00
Salary - All other	34,365.00	35,888.00	76,465.00	Grants	-	-	-	-	Grants	500,000.00	125,000.00	250,000.00	875,000.00
Fringe - All other	22,089.00	23,068.00	49,150.00	Indirect Rate	8,075.20	16,866.44	44,011.60	68,953.24	Indirect Rate	10,072.38	10,518.77	22,411.89	
Travel	3,180.00	3,180.00	6,360.00	Total	53,453.70	111,647.44	291,335.10	456,436.24	Total	739,170.38	664,838.77	1,139,554.89	2,543,564.05
Supplies	5,000.00	5,000.00	10,000.00										
Contractual	133,564.00	431,684.00	663,368.00										
Other	30,900.00	30,500.00	61,800.00										
Grants	500,000.00	125,000.00	250,000.00										
Indirect	18,147.58	27,385.21	66,423.49										
Total	792,624.08	776,486.21	1,430,889.99										

Original Budget for August 2023 AA-1 Submission			
	Year 1	Year 2	Year 3-4
Salary - New Environmental Analyst	55,102.00	57,545.00	122,608.00
Fringe - New Environmental Analyst	35,655.00	37,236.00	79,337.00
Salary - All other	34,365.00	35,888.00	76,465.00
Fringe - All other	22,089.00	23,068.00	49,150.00
Travel	3,180.00	3,180.00	6,360.00
Supplies	5,000.00	5,000.00	10,000.00
Contractual	133,564.00	431,684.00	663,368.00
Other	30,900.00	30,500.00	61,800.00
Grants	500,000.00	125,000.00	250,000.00
Indirect	26,222.78	27,385.21	58,348.30
Total	846,077.78	776,486.21	1,377,436.30