



CDBG-MIT

Solar Incentive Program and New Energy
Program

*“Promoting Renewable Energy in Puerto
Rico”*



1

Community Energy & Water Resilience Program (CEWRI)



As established in the Community Development Block Grant – Mitigation Action Plan, it has been historically proven that the pre-existing infrastructure of the electric grid in Puerto Rico is unreliable and does not meet the needs of its citizens.



The Community Energy and Water Resilience Installations Program (CEWRI) implements efforts that include the installation of photovoltaic systems (PVS) and/or battery storage systems (BSS) which will provide electricity during times of electric grid failure.



2

National Objectives



- Low to moderate income households with Area Median Income (AMI) below 80% according to HUD Income Limits for Puerto Rico.
- Urgent need mitigation for households with and AMFI 80-200% with a risk-based need for energy security to reduce risk of loss of life and property from future disasters and yield community development benefits.



3

Eligible Activity

Section 105 (1) (4) ...rehabilitation which promotes energy efficiency...



Cost associated to program management and other services required for the Program implementation

Cost of design services and permitting for the system installation

Costs associated to equipment acquisition, installation, commissioning, and monitoring of the system

Power grid interconnection cost related to the typical requirements of a residential unit PVS



4

Applicable Federal Regulations

HUD's Lead Safe Housing Rule (LSHR) not required. Complied with EPA's RRP Rule 40 C.F.R. Part 745 without testing because are was deemed de minimis.

Citizen Participation and Citizen Complaints

Floodplain management

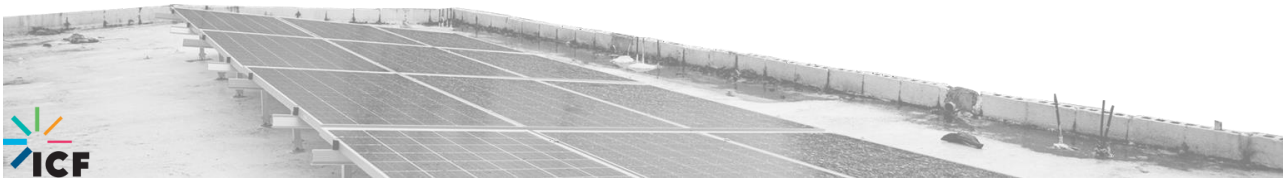
Stafford Act

2 CFR 200, Reasonable Costs

Fair Housing Act

Anti-Fraud, Waste, Abuse or Mismanagement Policy (AFWA)

Conflict of Interest



5

Procurement

Program Management

- RFP
- Selected 2 Firms
- Divided island among 2 Firms

Installers

- RFQ
- All meeting requirements were on list for applicants
- Applicant chose any from list; not assigned by program



6

New Energy Program Overview (CEWRI-HERI)

Allocation: \$350 million

Two program rounds:

March 2023 – 3,000 maximum applications accepted

January 2024 – 6,000 maximum applications accepted

Award: 100% or up to \$30,000

Eligibility Criteria:

Single-family structure

Primary residence

Own or have proprietary interest over the property

Income under 80% AMFI

At least one member is a US citizen, non-citizen national or qualified alien

National Objective: LMI

Priorities: Very low-income (30% AMFI) & High-risk energy security households or where at least one member’s life expectancy is reliant on electricity dependent devices.

Goals: Enhance reliability, provide sustainable solutions, support low-income households



7

Solar Incentive Program Overview (CEWRI-IP)

Allocation: \$100 million

One Program Round:

August 2023 – 3,000 maximum applications accepted

Coverage: 30% or up to \$15,000

Eligibility: Single-family, primary residence, income 0-200% AMFI

National Objective: LMI and Urgent Need

Goals: Incentivize photovoltaic systems with storage batteries, thus promoting the well-being of Puerto Rican citizens.



8

Program Goals

The support from the New Energy and Solar Incentive Programs will encourage Puerto Rican citizens to adopt photovoltaic and battery storage systems, improving their quality of life, while helping the island achieve a more reliable power system during disasters.



9

Program Performance

- New Energy Program (CEWRI-HERI)*
 - 8,437 applications received
 - 3,505 awards executed
 - 2,192 installations completed
- Incentive Program (CEWRI-IP)*
 - 2,755 applications received
 - 1,652 awards executed
 - 756 installations completed

*As of June 30, 2024



10

Application Workflow

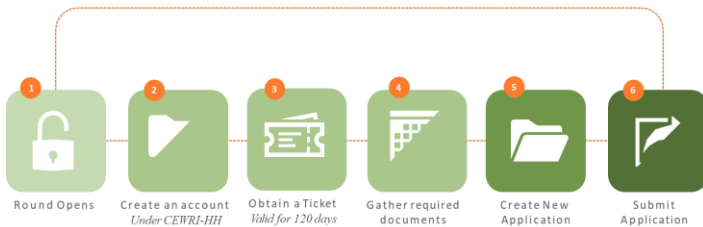


11

Ticket & Application Submission

Intake Process

Required to be able to submit an application for a Program round



MINIMUM INFORMATION TO OBTAIN A TICKET:

- First and Last Name
- Last 4 digits of the SSN
- Contact Information
- Physical Address
- Quantity of Household Members
- Ownership status
- Citizenship
- Household's income level below round's eligible maximum



12

Application Evaluation and Award Determination



Household Eligibility

- Structure Type
- Citizenship
- Ownership/Proprietary Interest
- Primary Residence
- Income Level



System Eligibility

- System Type and quote
- Min. And Max PVS and BSS Capacities
- Lithium-ion Battery
- Proposed PV Panels Location
- System Warranties



Environmental Review

- Site-specific environmental review
- Appraisal of home (if in floodplain)
- Consultation with regulatory agencies



Award Determination

- Minimum between the total eligible system cost and total award amount established per Program



System Installation, Award Disbursement and System Inspection



System Installation

- Installer and applicant proceed with Sytem's Installation
- Installer certifies system is working as intended
- Installer and Applicant submit interconnection request to the Electric Provider



Award Disbursement Claim

- Installer and applicant submit required documentation for Program to review
- Program reviews documentation for compliance with Program policies



Inspection

- System Validation Inspection coordination
- Program inspects system installed against requirements of the Reserve Grant Agreement



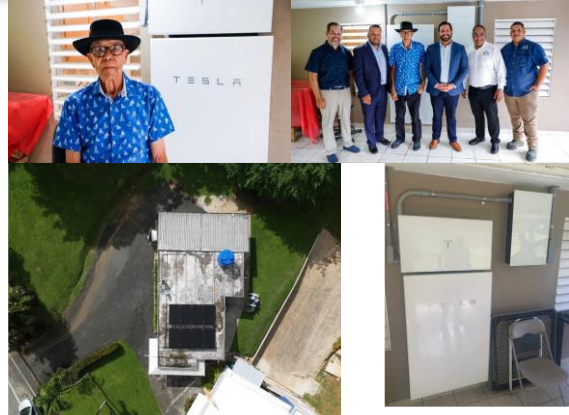
Project Completion Payment

- Program recalculates award with the system capacities as confirmed during system validation inspection
- Program recommends payment for the application



ICF's Contribution to Puerto Rico's Energy Resilience

- With approximately 13,000 applications island wide, since program launched, ICF currently
- Assists 6,117 applicants
- Has Awarded 4,355 grants
- Completed 969 installations



CEWRI Applicant with PRDOH Secretary, REIC and ICF staff during system validation inspection.



15

Lessons Learned-Improvement Opportunities

Involve Stakeholders before policies are finalized (permitting agencies, SHPO, ERR, other pertinent agencies) to obtain MOUs, exceptions or waivers

Robust training of installers and limit on new cases they can take until a certain percent are completed

Simplified Installation requirements and documentation

Verification of installation completed via desktop through documents, video and pictures

If beneficiaries aren't LMI and the award is different, have a round only for non-LMI. LMI can't be part of non-LMI round

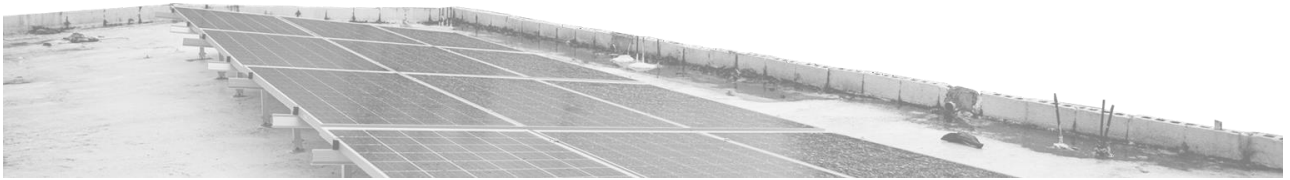
Even though it seems like a simple and quick project, it's federally funded program and complying with those requirements takes time. Set realistic timeframes.



16

Resources

- 84 FR No. 169 (August 30, 2019)
- CDBG-MIT Program Guidelines for the Home Energy Resilience Improvements and Incentive Subprograms
- HUD Q3 performance report: <https://recuperacion.pr.gov/en/transparency-portal/finance/reports/>



17

Thank You!

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18