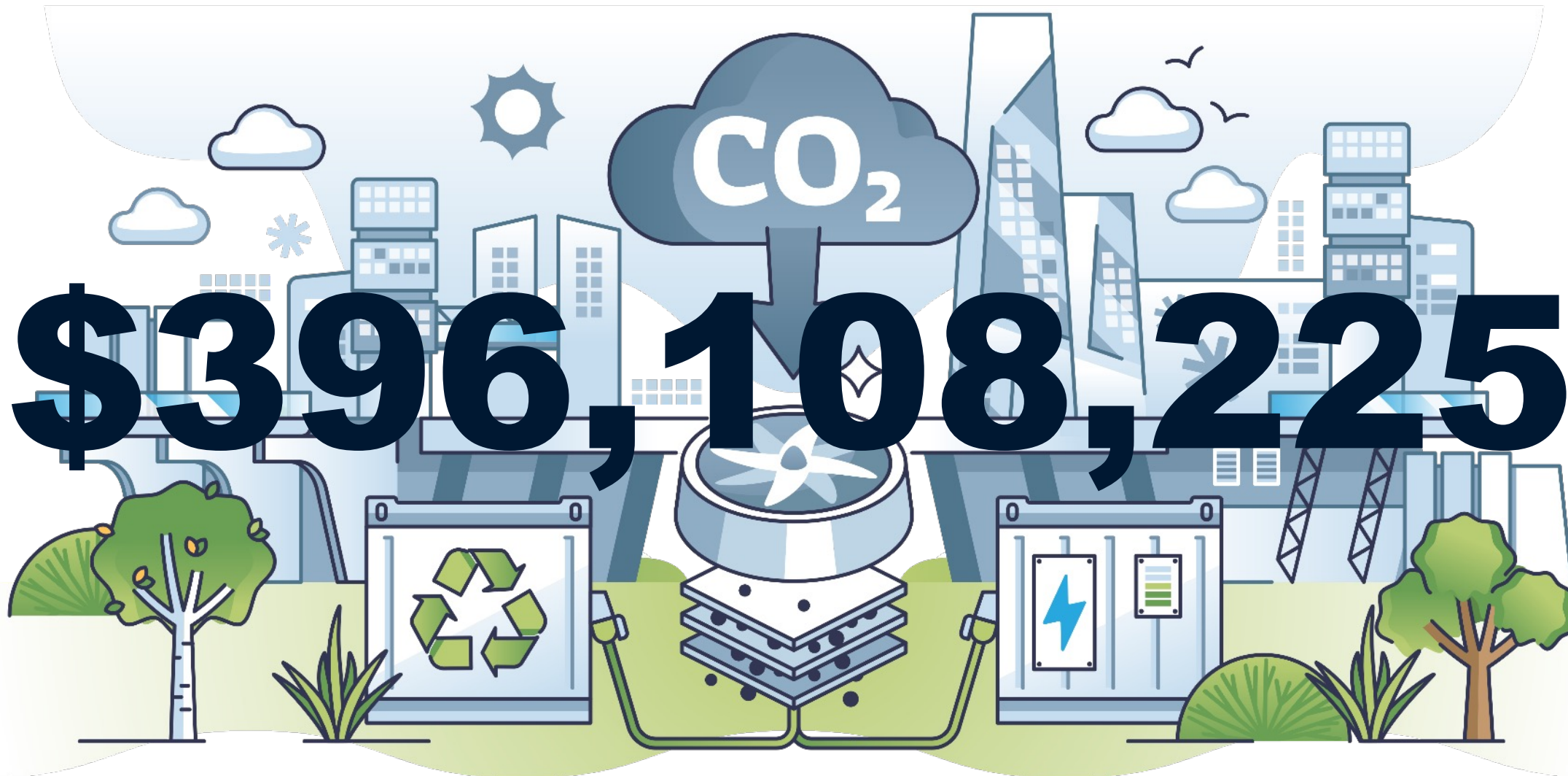


# Reducing Industrial Sector Emissions in Pennsylvania - RISE PA -

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Pennsylvania  
Department of  
Environmental Protection



**\$396,108,225**

# Award Tracks



## Small-scale

- Industrial manufacturing facility
- 500 or fewer employees
- Administered by PennTAP

## Medium-scale

- 20% facility-wide GHG emissions reduction
- Administered by DEP

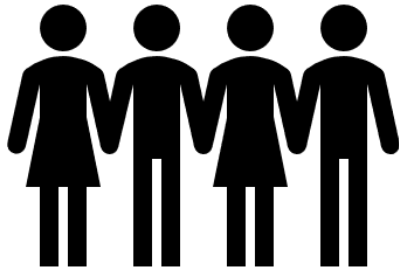
## Large-scale

# Award Tracks



Award Track	Total Available Funding	Base Grant Award Percentage (% of Total Project Cost)	Anticipated Minimum Single Base Grant Award (DEP Share)	Anticipated Maximum Single Base Grant Award (DEP Share) <sup>2</sup>
Small-scale (SAT)	\$40,000,000	50%	\$25,000	\$74,999
			\$75,000	\$149,999
			\$150,000	\$500,000
Medium-scale (MAT)	\$100,000,000	30%	\$300,000	\$20,000,000
Large-scale (LAT)	\$220,000,000	30%	\$20,000,001	\$110,000,000
<b>Total</b>	<b>\$360,000,000</b>			

# Bonus Awards



**Community  
Benefits Bonus**

**Fair Labor  
Bonus**

**GHG Reduction  
Bonus**

# Bonus Awards



Award Track	Example Total Project Cost (TPC)	Base Grant Award (BGA) Amount	Potential Bonus Award Size			
			Community Benefits Bonus (CBB) Award Size	Fair Labor Bonus (FLB) Award Size	Greenhouse Emissions Reduction Bonus (GERB) Award Size	Total Adjusted Award Size (CBB + FLB + GERB)
SAT	\$200,000	\$100,000	\$20,000	\$20,000	Ineligible	\$140,000
MAT	\$15,000,000	\$4,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$9,000,000
LAT	\$150,000,000	\$45,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$90,000,000



# Period of Performance

- 6-24 months from date of award
- May provide up to 3 years for complex projects
- All projects must be completed by **April 1, 2029**
- Project costs incurred before grant agreement is fully executed may not be reimbursed

# Funding Type

- **Reimbursement** grant program
  - Up to **90%** of base grant award available as project costs are incurred
  - Remaining 10% awarded upon completion of post project measurement and verification
- Bonus awards withheld until project completion



# Key Considerations

- MAT/LAT applications submitted through [Electronic Single Application](#) system
- SAT applications submitted through PennTAP
- Trade Secret/Confidential Proprietary Information Notice
- Activities must occur in PA
- Activities subject to federal pass down requirements
- Eligible costs can be reimbursed after **October 1, 2024**
- Awards made through competitive selection
  - MAT/LAT – Two 6-month funding opportunities per year
  - SAT – Three 4-month funding opportunities per year

# General Eligibility



## Eligible applicants

- Manufacturers
- Industrial facilities
- Other entities



# Eligible Applicants: *SMMs*

## Small- or Medium-sized Manufacturer (SMM)

- Manufacturing facility with 500 or fewer employees
- On-site manufacturing processes
- Manufacturing = mechanical, physical, or chemical transformation of materials, substances, or components

# Eligible Applicants: Industrial Facility

## Industrial Facility

1. Facility/equipment used for producing, processing, or assembling goods
  - a) Manufacturing – NAICS Codes 31-33
  - b) Agriculture, forestry, fishing/hunting – NAICS Code 11
  - c) Mining/Oil and gas extraction – NAICS Code 21
  - d) Construction NAICS Code 23

# Eligible Applicants: Industrial Facility

## Industrial Facility

2. Facility that produces industrial process emissions
  - a) Cement manufacturing
  - b) Lime manufacturing
  - c) Limestone and dolomite use
  - d) Soda ash
  - e) Aluminum production
  - f) Iron and steel production
  - g) Other\*

\*ammonia production, urea consumption, ferroalloy production, zinc production, carbon dioxide consumption, glass production, lead production, carbide production and consumption, caprolactam production, titanium dioxide production, petrochemical production, HCFC-22 production, phosphoric acid production, semiconductor manufacturing, magnesium production, electric power transmission and distribution systems, production of ozone-depleting substances used in industrial applications including refrigeration and air conditioning equipment, solvent cleaning, foam production, sterilization, fire extinguishing, and aerosols.

# Eligible Applicants: Industrial Facility

## Industrial Facility

3. Owner/operator of active underground or surface coal mine, abandoned underground mine, or coal processing operation
4. Owner/operator of natural gas or oil system(s), including natural gas production, transmission, and distribution equipment

# Eligible Applicants: Industrial Facility

## Other Entities

- Energy-as-a-Service companies
- Sustainability-as-a-Service companies
- Other “As-a-Service” companies
- Landlords of industrial facilities

# Eligible Projects



## Project Types

- Energy efficiency
- Electrification
- Process emissions reduction
- Low-carbon fuels
- On-site renewable energy
- Carbon capture utilization and storage
- Fugitive emissions reductions
- Other technology





# Ineligible Projects



- Projects that received Advanced Energy Project Credit allocation under 48C
- Projects required for compliance with local, state, or federal law
  - Includes projects to aid regulated entities in complying with EPA regulations
  - Applicant must demonstrate all benefits are in excess of requirements
- Projects to plug abandoned or orphaned wells

# Eligible Expenditures



- Labor and capital costs: Materials, equipment, delivery, software, construction, installation, retrofitting, tools, and contractual work
- Travel costs: If integral to project
- Measuring, monitoring, and verification: Up to 1% of total project cost or \$70,000

# Expenditure Restrictions



- 1) Land acquisition, permits, or landscaping;
- 2) Advertising or business start up costs;
- 3) Indirect costs (i.e., general administrative and overhead, contingency funds, etc.);
- 4) Construction costs unrelated to the project;
- 5) Plant or facility closure costs;
- 6) Travel not integral to the purpose of the proposed project, lodging, subsistence, or conference or meeting expenses including catering, conference equipment and room rental;
- 7) Legal fees or fees associated with securing financing;
- 8) Supplies or equipment under \$1,000;
- 9) Costs incurred prior to October 1, 2024.

# Cost Share



- Includes cash or in-kind contributions
- Can include other secured federal or state funding
- Reasonable costs associated with planning, development, and design of project and bonus awards

# Application Requirements



## Primary Application

- Selected Award Track
- Total project cost
- Estimated GHG emissions reduced
- Type of industrial facility
- Project activity location
- Emissions reduction technology description

## Primary Application

- Project timeline
- Community benefits
- Workforce and job quality
- Co-pollutant emissions reductions
- Staff expertise/qualifications
- Conflicts of interest

# Additional Elements



- Supplemental Application: Project scope, MMV, project team, permitting, project benefits/impacts, project innovation/transformational impact, stakeholder engagement
- Project-specific Questions: Eligible project types
- Technical Appendix: GHG emissions reductions calculations
- Budget Information: Detailed budget, budget narrative, financial commitment letters
- Property Owner Consent Form: Approval for proposed project implementation

# GHG Emissions Reduction Estimate

## Baseline GHG Emissions

- Report annual GHG emissions for last three calendar years
- Include all Scope 1 and 2 emissions
- Describe boundaries of the facility
- Accurately represent current operations

## GHG Emissions Reduction Estimate

- Detail methods, models, and key assumptions
- Estimate annual and cumulative reductions
- Estimate annual GHG emissions reduction percentage

# Measuring, Monitoring, & Verification

- Full MMV Protocol must be approved by DEP
- Protocols may be developed by third-party contractors
- A source test may be required
- Grantees must report post-project GHG and co-pollutant emissions



# Evaluation Criteria



Criteria	
<b>Project Factors</b>	Over-all project approach
	Commercial viability
	Financial viability
	Technical feasibility
	Impact of GHG reduction measures
	Project innovation/innovative impact
	Environmental and community outputs, outcomes, and performance measures
	Benefits to Low-income and Disadvantaged Communities (LIDACs)
	Workforce and job quality
	Project capabilities
<b>Quality Factors</b>	Sufficiency of technical detail
	Level of understanding of the key anticipated risks (e.g. technical, financial, market, environmental, regulatory)
	Clarity and appropriateness of the roles and responsibilities of the project management
	The qualifications, relevant expertise, and time commitment of individuals on the team
	The level of clarity in the identification and definition of baseline metrics and project milestones
	Extent to which the project would contribute to meeting the objectives that 40% of the benefits of climate and clean energy investments flow to disadvantaged communities

# Program Policy Factors



- Geographic diversity
- Industry/subsector diversity
- Technology type diversity
- Applicant type diversity
- Innovative technologies
- Amount of funding/number of awards
- Availability of alternative funding
- Enhances manufacturing competitiveness

- Optimizes funding
- Exhibits technical, financial, or organizational risk
- Exhibits financial/business viability
- Strong history of performance
- Job creation
- Number of CWTP Trainees
- Pursues Bonus Awards
- Replicability

# Community Benefits Bonus

## Community Benefits Plan (CBP)

1. Meaningful community involvement
2. Increased quality of life and environment
3. Advancing diversity, equity, inclusion, and accessibility
4. Contributing to Justice40 Initiative

# Fair Labor Bonus

## Three Components

1. Good Neighbor Agreement
2. Collective Bargaining Commitments
3. Commonwealth Workforce Transformation Program

Small projects: Complete 1, 2, or 3

Medium-scale: Complete 2 of 3

Large-scale: Complete all 3

# Fair Labor Bonus

## Good Neighbor Agreement

- Ensure access to jobs and business opportunities for local residents
- Investment in training for local workers
- Commitments to pay wages/benefits above prevailing wage

# Fair Labor Bonus

## Collective Bargaining Commitments

- Negotiate a Project Labor Agreement
- Remain neutral during union organizing
- Permit union recognition through card check
- Enter into binding arbitration to settle first contracts
- Allow access to appropriate non-work places
- Refrain from holding captive audience meetings

# Fair Labor Bonus

## Commonwealth Workforce Transformation Program

- Funding for on-the-job training for New Employees
- Reimburse up to \$30,000 per New Employee
- Pay for up to \$10,000 in supportive services per New Employee

# GHG Emissions Reduction Bonus

<b>GHG Emissions Reduction Percentage Range</b>	<b>Percentage of Total Project Cost</b>
21-24%	2%
25-29%	4%
30-34%	6%
35-40%	8%
41% +	10%



# Program Rollout



## Reducing Industrial Sector Emissions in Pennsylvania (RISE PA)

### Timeline

The Pennsylvania Department of Environmental Protection (DEP) will begin accepting project applications for RISE PA in early 2025. The application window will remain open with multiple rounds annually until all funds have been obligated. DEP will revise the program guidelines, materials, and application periodically in response to participant and community feedback.

**Early 2025**

*DEP anticipates beginning to accepting project applications*

**Mid 2025**

*Application review and selection anticipated to begin*

**Late 2029**

*RISE PA program funding projected to close*



# Program Resources



[RISE PA Webpage](#)

[Program Guidance Document](#)

[General Public Program Sheet](#)

[Applicant Program Sheet](#)

[Public Feedback Form](#)

# Thank You



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**For questions or comments, email [RA-EP-CPRG@pa.gov](mailto:RA-EP-CPRG@pa.gov)**

The Department of Environmental Protection's mission is to protect Pennsylvania's air, land and water resources and to provide for the health and safety of its residents and visitors, consistent with the rights and duties established under the Environmental Rights Amendment (Article 1, Section 27 of the Pennsylvania Constitution).