

Clean Energy Incentive Program

Questions and related issues about which EPA is seeking input and ideas

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What should EPA consider when **defining criteria, terms and requirements** under the CEIP?

- What definition(s) of 'low-income community' should be required for eligible energy-efficiency (EE) projects?
- What criteria should be used to define eligible wind and solar projects, as well as eligible EE projects implemented in low-income communities? (e.g., by sector (residential, commercial, etc.) or by geography (where a project takes place and who benefits from it))
- What should be the evaluation, measurement and & verification (EM&V) requirements for eligible projects; the requirements for M&V reports of quantified megawatt-hour (MWh); and the requirements for verification reports from an independent verifier?
- How could EPA set criteria for states, tribes and territories for whom goals have not yet been established in the final Clean Power Plan's Emission Guidelines (EGs) to participate in the CEIP?

The following three questions have been posed by stakeholders:

- What commencement date is appropriate for a project to qualify as eligible for the CEIP?
- How should 'commence construction' of an eligible wind or solar project and 'commence operations' of an eligible low-income EE project be defined?
- Should CEIP allowances or emission reduction credits (ERCs) be available for projects in jurisdictions without affected entities (e.g. tribal lands and states without EGUs). If so how should the CEIP mechanism be designed to address these areas?

What should EPA consider regarding the **timing and distribution of allowances** under the CEIP?

- How should the 300 million short ton CO₂ emissions-equivalent matching pool be allocated among states participating in the CEIP?
- How should the 300 million short ton matching pool be split between the two reserves: one for wind/solar, one for low-income EE?
- When should EPA allocate matching allowances or emission reduction credits (ERCs) to a state, and when should awards from these allocations be made to eligible project providers?
- How should matching allowances or ERCs that are allocated to a state but not awarded to eligible projects be redistributed among other states with unmet demand for matching allowances or ERCs, and when should this redistribution take place?

What should EPA consider when **designing the mechanics** of the CEIP?

- What are the appropriate mechanisms a state (in the case of a state plan) or EPA (in the case of a federal plan) should use to review project submittals and issue early action allowances or ERCs?
- How should the 300 million short ton CO₂ emissions-equivalent matching pool be converted into ERCs, which are based on MWh?
- What mechanisms should EPA consider for maintaining the stringency of rate-based emission standards during the compliance periods to account for the issuance of early action ERCs for MWh generated or avoided in 2020 and/or 2021?