

Planned Changes to the EPA's Solar for All Terms and Conditions:

1. Change in Definition of Project Deployment Technical Assistance

EPA fully intends to update the Solar for All grants' Terms and Conditions so that predevelopment loans and grants, working capital lines of credit to businesses, and other forms of financing to build the solar project pipeline can be categorized as Financial Assistance. The definition will be adjusted to reflect that it's the provision of a financial product that makes a transaction Financial Assistance, not the timing of the product.

The proposed revision to the definition of Financial Assistance under the SFA Terms and Conditions reads, "For the avoidance of doubt, financial products that build the capacity of communities and businesses to deploy solar including but not limited to predevelopment loans and grants or working capital lines of credit to businesses or other forms of financing to build the solar project pipeline are classified as Financial Assistance for the purposes of this program."

2. Clarification of Reporting Expectations:

EPA fully intends to update the Solar for All grants' Terms and Conditions to clarify the cadence of the Closeout Report and remove the reference to annual reports in this section. Refer to page 10 in the attached updated Terms and Conditions for the full text.

3. Program Income:

EPA fully intends to update the Solar for All grants' Terms and Conditions to clarify that program income can be used before the initial award funds are fully utilized where reasonable and necessary to execute the activities in the EPA-approved work plan.

4. Sufficient Progress:

EPA fully intends to update the Solar for All grants' Terms and Conditions to clarify that changes to the types of financial products being offered, including shifts in the percent of subsidies vs loans vs loan guarantees, is not grounds for triggering sufficient progress considerations.

5. Real Property Requirements:

EPA fully intends to update the Solar for All grants' Terms and Conditions to clarify flow-down and disposition requirements for real property. Namely, The Real Property Programmatic Term and Condition flows down to subrecipients but not to program beneficiaries or contractors that receive financial assistance, which may acquire title to Real Property after receiving financial assistance.

6. Duplicative Material:

EPA fully intends to update the Solar for All grants' Terms and Conditions to remove the Other Federal Requirements section from the program specific Terms and Conditions as it is duplicative of The General T&Cs and highlights certain cross-cutting federal regulations in an arbitrary manner.

7. Termination Provision:

In accordance with 2.CFR.200 updates, EPA fully intends to update the Solar for All grants' Terms and Conditions to provide clarity on the new termination provisions. These provisions indicate that termination would occur when the noncompliance with the terms and conditions is substantial such that effective performance of the Assistance Agreement is materially impaired or there is adequate evidence of waste, fraud, or abuse, prompting adverse action by EPA per 2 CFR 200.339, through either a partial or full termination.

8. Remedies for Non-Compliance:

EPA fully intends to update the Solar for All grants' Terms and Conditions to provide remedies for non-compliance for requirements like DBRA and BABA.

9. Changes to Closeout Agreement Requirements:

EPA fully intends to update the Solar for All grants' Terms and Conditions to closeout requirements including streamlining reporting requirements, limiting cross cutting regulations requirements, providing flexibility on cash management policies, and clarifying that termination can happen when program income is expended, and no future program income is expected to be earned.

10. Subordinated Debt:

EPA fully intends to update the Solar for All grants' Terms and Conditions to include clarifying language under Additional Requirements to explicitly state the allowability of subordinated debt.