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September 25, 2024

David Widawsky
Director, Greenhouse Gas Reduction Fund
Environmental Protection Agency
1200 Pennsylvania Avenue NW
Washington, DC 20460

RE: GGRF Accomplishment Reporting Information Collection Request (Docket EPA-HQ-OA-2023-0393)

Dear Director Widawsky:

Thank you for the opportunity to provide feedback on EPA's Accomplishment Reporting framework for the Greenhouse Gas Reduction Fund (GGRF) that was released on August 26, 2024. The GGRF presents a historic opportunity to direct capital to reduce greenhouse gas emissions, promote an equitable greening economy, and address injustices resulting from disproportionate exposure to pollutants and environmental degradation.

Inclusiv respectfully submits this comment letter with the objective to seek clarification and make recommendations on how the EPA can most effectively capture the impact of GGRF investments in promoting a clean energy transition in the low-income and disadvantaged communities (LIDACs) that GGRF and Justice40 intend to serve. Through intentional, practical design of the reporting structure and supporting tools, EPA can ensure successful participation among community-based institutions that truly serve LIDACs and maximize their capacity to deliver meaningful impact.

About Inclusiv

Inclusiv is a nonprofit Community Development Financial Institution (CDFI) Intermediary and national network of more than 500 community development credit unions (CDCUs) serving more than 20 million people in predominantly low-income urban, rural, and reservation-based communities across the United States, including Puerto Rico, Guam, and the U.S. Virgin Islands. In our 50-year history, Inclusiv has invested and lent more than $450 million in LIDACs, both through direct investments in community development credit unions, and indirectly through the purchase of non-conforming mortgage loans that support homeownership opportunities for low-income people and people of color. Inclusiv is honored to have been selected for a $1.87 billion grant through the GGRF Clean Communities Investment Accelerator (CCIA) competition.

Thanks to generous grant support from the U.S. Department of Energy and philanthropic donations, Inclusiv's Center for Resiliency and Clean Energy and the University of New Hampshire (UNH) Carsey

School of Public Policy built a robust Solar and Green Lending Training and Technical Assistance Program and network for community-based lenders—including CDCUs, CDFIs, Minority Depository Institutions (MDIs), Low-Income Designated (LID) credit unions, community development banks, and other mission-driven community-based lenders—that are innovating our financial system to advance equitable decarbonization across the country, particularly in states that lack local support for climate action.

The lenders that Inclusiv and UNH support have transformed access to clean energy and energy efficiency in LIDACs. Inclusiv has delivered rigorous green lending courses and workshops to over 750 lending professionals from nearly 400 community-based lending institutions, including almost 350 staff members from 175 credit unions (CUs) and *cooperativas* (financial cooperatives in Puerto Rico). The graduates of these courses join a rapidly growing Solar and Green Lending Alumni Network that has demonstrated soaring demand for clean financing capital and knowledge. Our training courses, combined with the intensive technical support offered through our Alumni program, resulted in just 68 CUs and cooperativas reporting $1.5 billion in green investment in the past five years.

And they are just getting started. Through Inclusiv's CCIA program, the CUs and cooperativas that receive nearly $1.5 billion in CCIA grants will mobilize nearly $3 billion in additional private capital to advance activities and projects that reduce greenhouse gas emissions and other air pollutants while delivering the benefits of these activities to LIDACs over the next six years.

Inclusiv is thrilled to be a part of this transformational program and have the opportunity to provide the following recommendations. Having worked closely with our member CDCUs on launching and scaling green lending programs, we bring a distinct awareness of their range of capacities, areas for growth, and immense potential for impact in LIDACs. We believe that thoughtful reporting structures can set the stage for a GGRF that supports the success of CDCUs implementing this groundbreaking program and grows the capacity of CDCUs to serve the green lending needs of their communities for decades to come. The steps below can shape a GGRF that is accessible, equity-centered, and true to the Justice40 goals, ensuring that GGRF dollars make a maximal impact in the underinvested communities that need them most.

I. Allow Altered Transaction Identifiers for Originators to Ensure Consumer Privacy

In Appendix C Transaction and Project System Data Dictionary and Appendix D Transaction and Project System Flat File Templates, EPA requests a Transaction Identifier from the Originator (DE006), defined as "the unique identifier for any technical or financial assistance transaction in the originating entity's system of record. If the value is created and stored in a subrecipient or even contractor/vendor's system of record, then the prime recipient should report that the unique identifier 'as is' to US EPA. The identifier can be a combination of both letters and numbers and should start with a letter." **This definition is unworkable because:**

(1) Reporting unique identifiers for transactions to EPA "as is" in the subrecipient's system of record is a major risk to consumer privacy and credit unions are not willing to submit that information to EPA. Many credit unions use personally identifiable information, such as account numbers, in their coding of transaction IDs.
(2) EPA requires that the Transaction Identifier start with a letter and be reported "as is." Many credit unions' transaction IDs do not begin with letters.

We recommend that EPA allow awardees to report re-coded Transaction Identifiers, provided that the awardee or subrecipient maintains a table that links these identifiers back to the original IDs in the subrecipients' systems. This solution would ensure that each transaction is still traceable to the subrecipient's system for audit purposes and starts with a letter, but members' personally identifiable information remains protected. Our credit unions are comfortable submitting Transaction Identifiers to Inclusiv via our Financial Inclusion Data Analytics Platform (FIDAP) because it is a closed system not subject to Freedom of Information Act (FOIA) requests. However, given that EPA's system is subject to FOIA requests, it would be inappropriate to share credit unions' unaltered Transaction Identifiers in our accomplishment reporting.

II. Clarify Purpose and Ownership of "Transaction Identifier - EPA" Field

In the Data Dictionary, the purpose and usage of the field "Transaction Identifier - EPA" (DE009) is unclear. We respectfully request that EPA clarify the intended purpose of this field and specify whether it will be generated by EPA or created and managed within the awardees' own systems.

III. Clarify Which Fields Will Be Determined by EPA-Provided Calculators and Engage Awardees in the Selection of Such Fields

Given the variability in methods of emissions inventories and carbon accounting and community lenders' limited experience in these activities, providing calculators is the most reliable way to ensure accuracy and consistency in awardee reporting. We appreciate that EPA will be providing calculators for certain fields in the Data Dictionary, but it remains unclear which fields will be covered under EPA-provided calculators and which fields will be up to awardees to calculate on our own. We ask that EPA clarify which fields will be determined by EPA-provided calculators and engage awardees in the selection of such fields.

Additionally, to ensure transparency, we recommend that EPA make the methodologies behind the calculators public, including all assumptions, required data inputs, reference tables and algorithms. Having a clear understanding of how these metrics are calculated will help awardees support community lenders in setting up their loan tracking software to collect the required data inputs, thus ensuring that the awardees can make strong and continued progress on impact metrics throughout the performance period.

Below we have provided a list of fields from the Data Dictionary for which EPA-provided calculators would be beneficial:

DE130	Average Estimated Household Energy Savings	DE146	Ground-Level Ozone (O3)
DE133	Carbon Dioxide Equivalent (CO2e)	DE147	Carbon Monoxide (CO)
DE134	Carbon Dioxide (CO2)	DE148	Lead (Pb)
DE135	Methane (CH4)	DE149	Ammonia (NH3)
DE136	Hydrofluorocarbons (HFCs)	DE150	Volatile Organic Compounds (VOCs)
DE137	Nitrous Oxide (N2O)	DE164	Estimated Annual Reduced Energy Loss from Change in Technical Loss Rate
DE138	Perfluorocarbons (PFCs)	DE165	Estimated Change in Electricity Consumption Annually
DE139	Sulfur Hexafluoride (SF6)	DE166	Estimated Change in Natural Gas Consumption
DE140	Nitrogen Trifluoride (NF3)	DE167	Estimated Change in Fuel Oil Consumption
DE141	Primary Fine Particulate Matter (PM2.5)	DE168	Estimated Diesel Equivalent Fuel Consumption
DE142	Total Fine Particulate Matter (PM2.5)	DE168	Estimated Diesel Equivalent Fuel Consumption
DE143	Particulate Matter (PM10)	DE174	Average Estimated Change in Insulation Value Change (R-Value)
DE144	Nitrogen Dioxide (NO2)	DE206	Renewable Natural Gas (RNG) Production Per Year
DE145	Sulfur Dioxide (SO2)		

IV. Provide Look-Up Tools for Technical Specifications of Commercially Available Technologies

The Data Dictionary also includes many fields that request technical specifications of equipment or technologies. Given that many CCIA projects will involve commercially available technologies, requiring subrecipients to collect and report this detailed data imposes an unnecessary data collection burden on credit unions and borrowers that can inhibit the very lending activities we wish to promote. We recommend that EPA compile the available data on common categories of equipment, vehicles, and other technologies used in CCIA projects into a look-up tool. This tool would allow users to enter the technology category financed and retrieve the relevant technical specifications. Streamlining this process will reduce data collection and reporting burdens and make CCIA more accessible to resource-constrained community lenders serving LIDACs.

Below we have provided a list of fields from the Data Dictionary for which EPA-provided look-up tools would be beneficial:

DE087	Project Equipment Useful Life	DE187	Baseline Non-Road Equipment Fuel Type
DE155	Storage Technology Type	DE188	Baseline Non-Road Equipment Horsepower
DE156	Storage Power Capacity [in kW]	DE189	New Non-Road Equipment Fuel Type
DE157	Storage Energy Capacity [in kWh]	DE190	New Non-Road Equipment Horsepower
DE158	Cycle Efficiency	DE197	Estimated Load Factor
DE159	Response Time (Seconds)	DE201	Baseline Fuel CO2 Emissions Factor
DE160	Duration of Discharge	DE204	Alternative Fuel CO2 Emissions Factor
DE182	Baseline On-Road Vehicle Equipment Fuel Type	DE205	Fuel Consumption Unit
DE183	New On-Road Vehicle Fuel Type		

V. Remove Loan Performance Tracking Fields

In the Data Dictionary and Flat File Templates, there are multiple fields that refer to loan performance tracking, including “Unpaid Principal” (DE026) and four fields reporting on “Delinquency” (DE270, DE271, DE272, DE273). The inclusion of these fields seems to indicate a misunderstanding of the CCIA NOFO, and the approved CCIA workplan. Per the current workplan (and in line with the NOFO), loan performance tracking is outside the scope of work for our CCIA program. Inclusiv’s program objective is to track financial assistance provided by credit unions to borrowers to complete CCIA-eligible projects, not the borrowers’ repayment practices or the credit unions’ loan performance metrics.

We would encourage EPA to benefit from the experience of the CDFI Fund, which launched their initial Transaction Level Report (TLR) for Financial Assistance (FA) Grants in 2008 with a requirement for longitudinal tracking and reporting on the status and disposition of all financing activities over subsequent years. While the information might have been of interest, the CDFI Fund ultimately determined that the costs of longitudinal data collection far outweighed the benefits and eliminated that requirement with the 2015 update to the TLR. There were two main factors that contributed to this decision:

(1) The CDFI Fund’s TLR system for its CDFI Program grants had not accounted for the volume of consumer-facing transactions generated by credit unions. While credit unions comprise approximately one-third of all CDFIs, they hold more assets and generate more transactions than the rest of the CDFI industry combined. This influx of consumer loan data overwhelmed the initial TLR system so greatly that the CDFI Fund prohibited depositories from including consumer loans in their TLRs altogether until 2015, and today they require depositories to aggregate consumer loans at the census tract level to reduce the volume of records uploaded in their AMIS system.

(2) Tracking and matching large volumes of loans over multiple years encountered myriad data quality issues and generated frequent errors. These issues drained valuable resources at CDFI credit unions, which already faced challenges due to their scale, and at the CDFI Fund itself. Errors were generated by issues as simple as manual or system-generated typos and as complex as the global re-coding of transaction IDs during core database transitions, which occur annually for a subset of participating credit unions.

Please note that the CDFI Fund does continue to collect longitudinal data for its New Markets Tax Credit (NMTC) program, but NMTC has no credit union awardees and is characterized by a small number of large commercial transactions. By comparison, the volumes of consumer-facing transactions anticipated under CCIA are more comparable to the millions of loans that are reported each year for FA grants in the CDFI Program. As was the case with CDFI FA grants, GGRF will need to design its transaction-level reporting system to accommodate consumer-facing transactions that will comprise the bulk of the data that will be reported to EPA.

Should EPA desire to conduct research into the performance and disposition of GGRF financing activities, we would recommend that EPA retain the services of an outside contractor that could conduct focused research on a sample of transactions across multiple GGRF programs. A well-designed research model would reduce the reporting burden on awardees, subrecipients, participants, and the EPA, while improving the quality of results and averting the data-quality issues that would plague multi-year data collection from a census of all transactions. For all of these reasons, we ask that EPA remove any references to loan performance or other longitudinal transaction tracking from the reporting framework.

VI. Separate Technical Assistance (TA) Reporting from Transaction Data Reporting

In the Data Dictionary and Flat File Templates, there are multiple fields that refer to Technical Assistance, including “Technical Assistance Description” (DE084) and “Technical Assistance Type” (DE083). Other fields reference TA in the Field Definition, including “Transaction Identifier – Originator” (DE006), “Transaction Purpose” (DE012), “Project Site City” (DE088), and “Project Site ZIP Code” (DE090).

The Data Dictionary and Flat File Templates are designated for reporting data on transactions, which are investments in CCIA-eligible projects in the form of financial assistance. Administrative and Technical Assistance grants that awardees make to financial institutions do not directly finance CCIA-eligible projects and should not be included in transaction-level reporting, but in a separate report for Intermediary Financing. Since administrative costs and the issuance of TA subawards do not constitute transactions, we recommend that EPA remove all of the above references to technical assistance from the transaction level reporting and develop a separate template for Intermediary Financing. While we support reporting on TA investments and outcomes in narrative progress reports, incorporating TA-related fields into the transaction data unnecessarily complicates the reporting process.

VII. Revise Underestimated Respondent Burden Hours

In the Supporting Statement (pg. 11), EPA lists an estimate of respondent burden hours, which is lower than it was in the previous ICR. We presume this estimate was determined based on the number of transactions GGRF awardees and subrecipients are expected to oversee. However, Inclusiv's network is focused on depositories with high volumes of consumer-level transactions, while other awardees may anticipate smaller volumes of large-dollar commercial transactions, for which data collection is much easier. For reference, we anticipate 900,000 projects financed over the six-year period, as shown in the table below, which is part of Inclusiv's EPA-approved CCIA Workplan (https://www.epa.gov/system/files/documents/2024-08/ccia-workplan-inclusiv.pdf).

Based on our experience working directly with community development credit unions (CDCUs), data collection of this scope would take, on average, at least four times the hours estimated by the EPA. Understanding that these estimates may be used to inform Technical Assistance Subaward grant allocations to community lenders, we recommend that the numbers be updated for the allocations to sufficiently cover the staff time and training required to do this reporting work, especially for small financial institutions.

Table 6: Goals for Climate and Air Pollution Benefits – Outputs and Outcomes

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Outputs							
a. Total # Distributed Energy Generation and Storage Projects	**1,000**	**3,000**	**6,000**	**8,000**	**10,000**	**15,000**	**43,000**
Nameplate Generation Capacity (MW)	7.50	20.50	45.50	58.00	69.50	104.00	305.00
Nameplate Storage Capacity (MWh)	1.40	4.00	8.50	10.60	13.50	21.00	59.00
Clean Energy Generated (MWh)	10,000	46,000	137,000	258,000	408,000	763,000	1,622,000
b. Total # Net-Zero Emissions Buildings Retrofit Projects	**22,500**	**43,600**	**84,750**	**121,800**	**183,850**	**375,500**	**832,000**
# Buildings- Efficient Appliances	15,000	30,000	60,000	90,000	140,000	285,000	620,000
# Buildings- Heat Pumps	1,500	2,500	4,500	6,500	8,500	15,000	38,500
# Buildings- Net-Zero Whole Building	0	100	250	300	350	500	1,500
# Buildings- Other Energy Efficiency	6,000	11,000	20,000	25,000	35,000	75,000	172,000
c. Total # Zero-Emissions Transportation Projects	**1,200**	**1,900**	**2,700**	**4,400**	**6,400**	**8,400**	**25,000**
# Light/Medium-Duty Vehicles Financed	1,000	1,500	2,000	3,500	5,000	7,000	20,000
# EV Chargers Financed	200	400	700	900	1,400	1,400	5,000
Total # Projects Financed	**24,700**	**48,500**	**93,450**	**134,200**	**200,250**	**398,900**	**900,000**

VIII. Expand on Community Outreach and Meaningful Benefits Sections of Progress Report

Appendix E NCIF and CCIA Semi-Annual Progress Report Template asks awardees to detail their progress in key areas such as Community Outreach and Meaningful Benefits. However, we see an opportunity to refine these questions to more strongly emphasize equity and community voice.

(1) Community Outreach
The Progress Report asks awardees to describe 5-7 outreach activities and their outcomes, with a "Yes" or a "No" to indicate whether the activity reached LIDACs. While this open-ended approach allows awardees to discuss the details they deem relevant, we encourage EPA to design the questions to prevent a departure from the intent of the GGRF—ensuring that clean energy and energy efficiency projects benefit all communities, particularly LIDACs. To this end, awardees should additionally be asked to describe the language(s) in which outreach activities were conducted and any steps taken to target outreach toward LIDACs, such as selecting trusted community partners to deliver outreach.

(2) Meaningful Benefits
In the Meaningful Benefits section, the Progress Report asks awardees to describe how projects will address climate resilience and advance workforce and labor goals. Reports should also ask awardees to describe their strategy and activities to advance long-term wealth building and capacity building in LIDACs and promote community ownership of current and future projects. Asking more deliberate questions that demonstrate community wealth gains and high-quality job creation can encourage awardees to focus on tangible, lasting benefits to LIDACs.

IX. Publish Awardee Project Information and Impact Metrics Using Plain Language and Dashboards Designed for a General Audience

To effectively communicate with communities about GGRF projects and their impacts, we recommend that EPA publish awardee project information beyond agency webpages. EPA should consult awardees on which alternate media forums may be most effective for reaching community members (e.g. local newspapers, listservs, community and recreational centers, and religious networks). These public communications should translate any technical language into plain language and visuals accessible for a general audience. With the necessary permissions, we encourage EPA to include contact information for participating project partners in these communications.

In addition, we recommend that EPA develop a public-facing, user-friendly web portal and dashboard to host key quantitative and qualitative information collected from awardees. By embracing transparency and clarity in public reporting, EPA can empower GGRF communities to engage in meaningful discussions with each other, funders, and other relevant stakeholders about the strategy and efficacy of funded projects to ensure long-term project success and lasting community benefits.

In closing, we enthusiastically support the creation of the GGRF and appreciate the opportunity to provide comments that we hope will maximize the impact and accessibility of this fund. We would like to extend our gratitude to the EPA, and particularly to the entire GGRF team, for your important work and deep commitment to building the pathways that ensure this unprecedented investment in equitable climate finance has a transformative impact on the lives of millions of Americans. Thank you so much for your time and consideration. For any questions regarding these comments, please contact Sam Lee, Policy Analyst (slee@inclusiv.org).

Sincerely,

Neda Arabshahi

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Inclusiv