



# Climate Pollution Reduction Program: Planning Grant Program Summary

The Inflation Reduction Act made substantial investments in supporting efforts to combat climate change through tax credits, incentives, and direct investment, including a \$5 billion program for greenhouse gas (GHG) reduction strategies.

The [Climate Pollution Reduction Grants \(CPRG\) Program](#) provides grants to states, local governments, tribes, and territories to develop and implement plans for reducing GHG emissions and other harmful air pollution. The program is implemented through two distinct phases — Phase I: Planning Grants and Phase II: Implementation Grants. Phase I: Planning Grants are 4-year cooperative agreements running through 2027 that will deliver three mandated deliverables — a Priority Climate Action Plan (PCAP), a Comprehensive Climate Action Plan (CCAP) and a Status Report at the end of the grant period.

The Planning Grant Program is described in more detail below, but this brief does not summarize Phase II: Implementation Grants.

## Planning Grants

EPA will provide \$250 million to “eligible entities” through a formula distribution of \$3 million to each of the 50 states, the District of Columbia, and Puerto Rico. An additional \$1 million is allocated to each of the US’s 67 most [populous metropolitan areas](#).

In addition to these formula distributions, \$25 million is reserved for federally recognized tribes, and an additional \$2 million is available to territories.<sup>1</sup>

<sup>1</sup> EPA is treating the District of Columbia and Puerto Rico as states under this program and allocating each \$3 million in planning grants. Territories eligible to receive a portion of \$2 million available include the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

## About HDR’s Advisory Services

The Advisory Services team has more than 250 management consultants with premium, strategic advice that is rooted in the practical, solid-state service that our infrastructure clients around the world have come to expect. We have expertise in funding and finance, economics and decision analysis, strategic planning and policy, sustainability and resiliency, strategic communications and business improvement.

Advisory Services professionals review infrastructure policy developments and prepare summaries of key provisions to help keep our clients informed of the changing landscape in Washington, D.C.

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EPA is implementing funding for states and the largest cities separately from tribes and territories and has issued guidance specific to each. The planning funds awarded under this program do not require a local match. Refer to Program Guidance for:

- [States, Municipalities, and Air Pollution Control Agencies](#)
- [Federally Recognized Tribes, Tribal Consortia, and U.S. Territories](#)

Differences between the two guidance documents relate to timing of applications, content of applications and other unique considerations for each applicant type. Key points and differences are summarized on the following pages.

### Eligible Activities

CPRG planning grant funds are restricted to projects that are directly related to the development, updating, or evaluation of state, local, tribal or territorial plans to reduce climate pollution (i.e., to reduce GHG emissions and/or enhance carbon sinks). **Figure 1** summarizes the eligible activities for CPRG planning grant funds.

### States and Large Metro Area Requirements

Each state, DC, Puerto Rico, and metropolitan area that is eligible for funding must identify and designate a lead organization to manage grant funds and oversee the climate plan development process.

The lead organization may be an “air pollution control agency,” including a state or local air agency or other eligible entity. When multiple cities comprise a metropolitan area, the cities, municipalities, and local governments within that area must coordinate to designate a single lead entity responsible for the cooperative agreement.

If a state, DC, or Puerto Rico chooses to accept the allocated funds, the governor (or DC mayor) or their designee must submit a Notice of Intent to Participate (NOIP) that identifies the lead organization for the CPRG planning grant (e.g., governor’s office, state environmental or air pollution control agency, or another statewide agency.)

**Figure 1: Eligible Activities for CPRG Planning Grant Funds**



**The NOIP from states is due to EPA by March 31, 2023.** The NOIP may be a simple letter or memo with the required information ([refer to EPA sample here](#)), signed by an official within the governor's (or DC mayor's) office or the director of a designated agency. After submitting the NOIP, the lead agency must submit an application, including a workplan and budget for the planning grant, by **April 28, 2023**.

For large cities and municipalities, the planning grant is intended to address GHG emissions and reduction measures throughout the entire metropolitan area. As such, the designated lead agency should have support from local cities, towns, municipalities, and other local government leaders in the area.

Applicants from multi-state metropolitan areas are expected to conduct planning activities across all states making up the area.

For these planning grants, **the NOIP is due to EPA by April 28, 2023** and must indicate the metropolitan statistical area that the planning grant will cover.<sup>2</sup>

EPA recommends that collaborating jurisdictions submit a letter(s) of support along with the NOIP. [A sample letter can be found here](#).

<sup>2</sup> The general concept of a metropolitan or micropolitan statistical area is that of a core area containing a substantial population nucleus, together with adjacent communities having a high degree of economic and social integration with that core. Read more about [Census Programs and Surveys](#).

## UPCOMING KEY DATES

### for States and Large Metropolitan Areas

**March 31, 2023**

- State, DC and Puerto Rico must submit NOIP

**April 28, 2023**

- Large cities/metropolitan areas must submit NOIP
- States must submit application

**May 31, 2023**

- Large cities/metropolitan areas must submit application

**Summer 2023**

- Funding to all grantees is awarded



- NOIPs from metropolitan areas may also be a letter or memo and should be signed by one of the following authorized officials:
- The office of the chief executive (mayor, county manager, etc.) of the designated lead municipality in the metropolitan area
  - Director of a local air pollution control agency
  - Director of a designated municipal agency in a metropolitan area
  - Executive director of an eligible regional organization selected to administer a metropolitan area award

Next, the lead organization for the metropolitan area must apply with workplan and budget for the planning grant by **May 31, 2023**.

### **Tribes, Tribal Consortia, and U.S. Territories**

The \$25 million set aside for federal-recognized tribes and \$2 million for territories to develop climate plans is not allocated in the same way as the funding for states and large municipalities. EPA guidance does not provide any more detail on funding amounts for each tribe or territory and instead directs interested applicants to contact their EPA regional representative.

Timing for applications is also different for Tribes and territories as there is no requirement to submit an NOIP. Instead, the EPA requires that tribal and territorial applicants submit a complete application with workplan and budget by **June 15, 2023**. EPA expects to make awards on those applications in the summer or early fall of 2023.

## Application Requirements

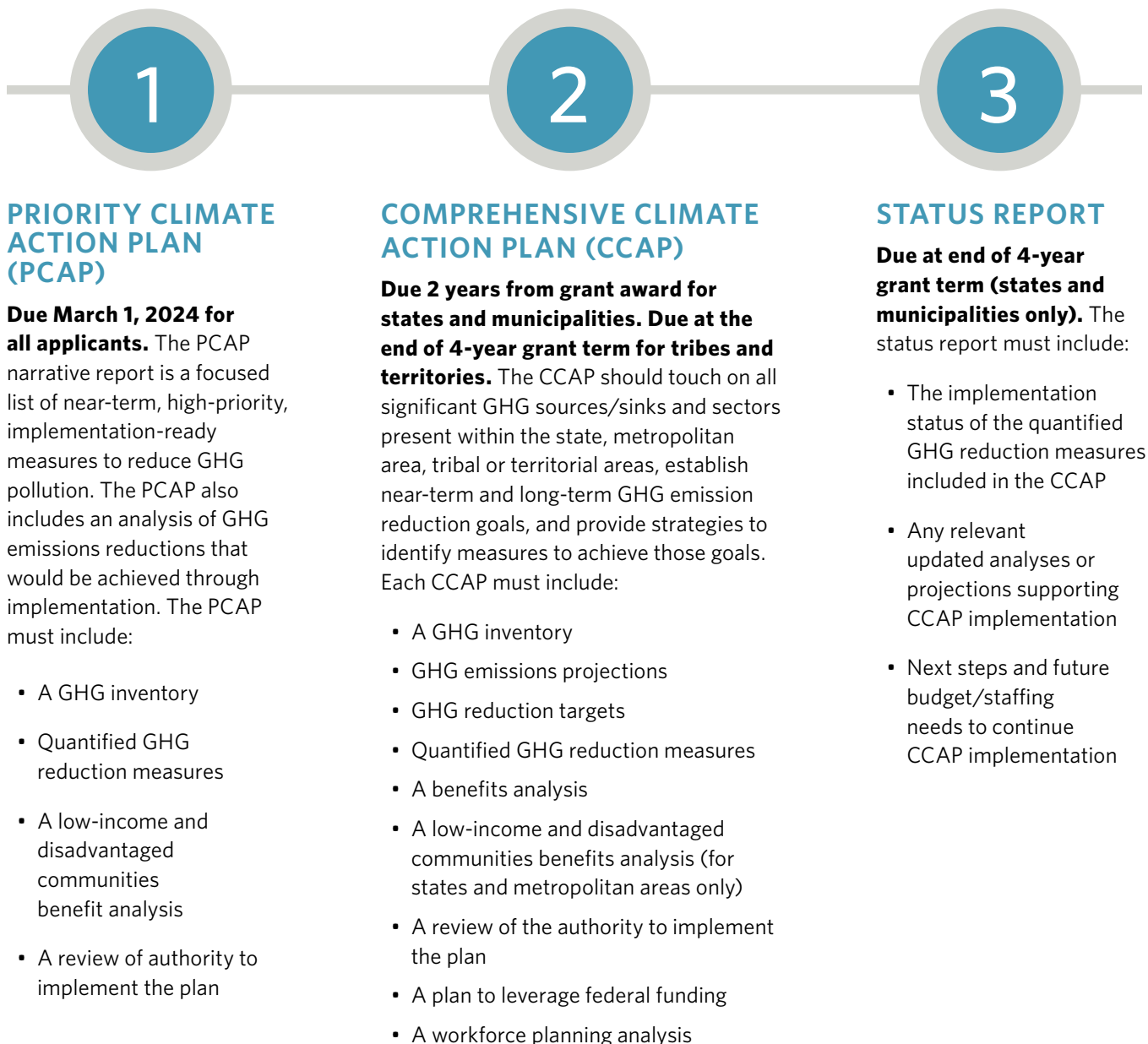
Applicants must be registered in the System for Award Management (SAM.gov) which can take several weeks to complete if an applicant is not already registered. Applicants are encouraged to verify their registration or start a new registration as soon as possible to avoid submittal challenges.

For the planning grant workplan, applicants should prepare a high-quality, narrative discussion of how the applicant intends to execute the planning grant. The narrative should include the proposed approach to developing each of the three deliverables, the entities responsible for completing each element, and a schedule with milestones for developing the deliverable.

The planning grants support three distinct deliverables over a 4-year program period running to 2027, summarized in **Figure 2**.

Workplans should include a discussion of how the applicant will approach interagency and intergovernmental coordination, as well as their plan for stakeholder engagement in developing the deliverables.

**Figure 2: Planning Grants Support Three Distinct Deliverables over a 4-year Program Period**



The EPA guidance lists additional requirements unique to states and metropolitan areas, respectively — but the emphasis is on early and meaningful engagement with affected stakeholders to deliver plans that are informed by coordination and outreach.

Refer to sample workplan outlines, prepared by the EPA, for more information:

[Sample Workplan Outline \(States, Puerto Rico, DC, and Municipalities\)](#)

[Sample Climate Pollution Reduction Grants Workplan \(Tribes and Territories\)](#)

## Implementation Grants

The Priority Climate Action Plan is a prerequisite for the second phase of the CPRG program, which will competitively award \$4.6 billion for implementation.

While tribes and territories may choose not to pursue planning funds to develop climate action plans, they are eligible to compete for implementation funds, provided the project seeking funding is listed on a PCAP.

For states and municipalities, when pursuing implementation grant funding, the application must

include a PCAP that describes the programs, policies, measures and projects the entity will carry out with the implementation grant funding. EPA expects to make implementation grant funding available through a Notice of Funding Availability in late 2023.

## How HDR Can Help

HDR has expertise in infrastructure policy, decarbonization, application development, funding, financing and other key strategies essential to the successful implementation of the CPRG program. We specialize in calculating GHG emissions and helping to develop decarbonization strategies for clients.



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