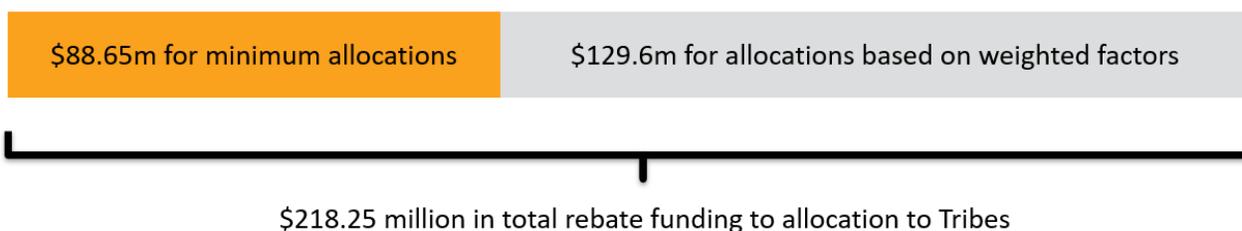


## Appendix A.1: Explanation of Formula for Allocations to Tribes

Section 50122(a)(2)(B) of the IRA directs DOE to “reserve funds made available [for Indian Tribes] ... in a manner determined appropriate by the Secretary.”<sup>1</sup> Through this direction, DOE set several goals for its Tribal Home Electrification and Appliance Rebates program allocation formula based on feedback received from its request for information submissions,<sup>2</sup> its March 2023 Tribal Consultation, and its August 2023 Federal Register Notice that contained the draft formula.<sup>3</sup> This appendix describes these goals and the corresponding allocation formula. Appendix A.2 contains the resulting allocations per Indian Tribe.

### Components of the Final Formula

DOE constructed its formula to include two components: a minimum allocation for every Tribe, and an additional amount allocated to every Tribe based on weighted factors.



To determine the final formula, DOE addressed the following questions:

- What Tribes are eligible to receive an allocation?
- What minimum allocation is an equitable amount per Tribe?
- What weighted factors best fit the goals of the Tribal Home Electrification and Appliance Rebates program?

### Tribes Eligible for allocations within the Final Formula

Indian Tribes, as defined in the Indian Self-Determination and Education Assistance Act,<sup>4</sup> are eligible to receive an allocation. This includes:

- 354 Tribes located in the Lower-48 States<sup>5</sup>
- 227 Alaska Native Villages and Regional Tribes
- 182 Alaska Native Village Corporations<sup>6</sup>
- 12 Alaska Native Regional Corporations

<sup>1</sup> 42 U.S.C. 18795a(a)(2)(B). Grant awards are to be distributed to an Indian Tribe if the application is approved.

<sup>2</sup> The DOE Home Energy Rebates Request for Information is available at [https://eere-exchange.energy.gov/Default.aspx?utm\\_medium=email&utm\\_source=govdelivery#Foald01172e95-5645-4356-8f3b-96fd144f9213](https://eere-exchange.energy.gov/Default.aspx?utm_medium=email&utm_source=govdelivery#Foald01172e95-5645-4356-8f3b-96fd144f9213).

<sup>3</sup> 88 FR 55674 (Aug. 16, 2023), available at <https://www.federalregister.gov/documents/2023/08/16/2023-17571/notice-of-availability-of-tribal-allocation-formula-for-the-tribal-home-electrification-and>.

<sup>4</sup> 25 U.S.C. 5304(e).

<sup>5</sup> In this context, Tribes in the Lower-48 states refer to any federally recognized Tribe located outside of Alaska.

<sup>6</sup> DOE is using the same list of Alaska Native Village Corporations that received allocations for DOE's Energy Efficiency Conservation Block Grant program (see [https://www.energy.gov/sites/default/files/2023-01/IJA%20%2840552%29%20EECBG%20Program Attachment%201c.%20 Tribal%20Allocations\\_FINAL.pdf](https://www.energy.gov/sites/default/files/2023-01/IJA%20%2840552%29%20EECBG%20Program%20Attachment%201c.%20Tribal%20Allocations_FINAL.pdf)) and the 40101(d) Formula Grants to States and Indian Tribes (see <https://netl.doe.gov/sites/default/files/2023-05/Allocations%20for%2040101d%20Formula%20Grants%20-%20ALRD%20Amendment%20006.pdf>).

## Minimum Allocations within the Final Formula

DOE intends to provide an allocation to every Indian Tribe that wants to administer a home electrification and appliance rebates program. DOE also intends to provide sufficient funding so that small and under-resourced Tribes can successfully administer rebate programs. While small Tribes often lack existing staff capacity, Tribes may utilize 20% of their grant to cover administrative expenses to help address this issue. DOE intends for the minimum award to each Tribe to provide a meaningful amount of funding for administrative costs, particularly if Tribes choose to apply via a consortium as described in Section 1.0 of this document and the ALRD.

In addition, DOE intends to distribute rebates program grant funds in an equitable manner based, in part, on local Tribal housing needs. To do this, DOE established a minimum of \$150,000 for every Tribe with local housing needs data, employing the method used by the Department of Housing and Urban Development (HUD) Indian Housing Block Grant (IHBG)<sup>7</sup> program. This method allocates funding by assigning housing needs data based on geographic formula areas for each Tribe. HUD uses the IHBG method to avoid the double-counting of Tribal housing needs from households with overlapping membership at multiple Tribal levels.<sup>8</sup> The concern of potential double-counting of housing needs is especially relevant for Indian Tribes in Alaska, where Tribal citizens may simultaneously be a member of an Alaska Native Village, Alaska Native Village Corporation, and Alaska Native Regional Corporation. Therefore, HUD's IHBG method does not provide allocations to 182 Alaska Native Village Corporations and to two Alaska Native Regional Corporations.

For those Tribes without housing needs data and do not receive an allocation from HUD's IHBG program, DOE's final formula distributes the original minimum allocation across Alaskan Tribes with overlapping membership (e.g., Native Villages and Native Corporations). DOE maintains that an equitable funding allocation for all eligible Tribes in Alaska is achieved by distributing the allocations across Tribes with overlapping members, which maintains the same funding per capita for Tribal citizens in Alaska as the HUD IHBG method. Further, DOE's final allocation formula also allows for Alaskan Tribes with overlapping membership to receive rebates funding that is not claimed by an associated Tribe. Please see the "Additional Considerations for Alaskan Tribes" section for more details.

See allocation tables provided in Appendix A.2.

## Weighted Factor Allocations within the Final Allocation Formula

DOE will distribute rebates program grant funds based on Tribal housing and energy upgrade needs. DOE evaluated several potential datasets for housing and energy upgrade needs, but most available datasets lack detailed information on housing conditions and energy burden or do not provide full data for all Tribal nations. The best available dataset on Tribal housing needs is the formula data used by HUD to allocate funding for its IHBG program, as discussed above. Because of this, DOE used IHBG data as the full basis of the weighted factors element for the final allocation formula.<sup>9</sup>

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<sup>7</sup> The IHBG program website is available at [www.hud.gov/program\\_offices/public\\_indian\\_housing/ih/grants/ihbg](http://www.hud.gov/program_offices/public_indian_housing/ih/grants/ihbg).

<sup>8</sup> The Federal Register Notice on the draft formula provides more details on the IHBG method of assigning housing needs data. Please see <https://www.federalregister.gov/d/2023-17571/p-29>.

<sup>9</sup> Please see "Supplemental Information on the DOE Tribal Rebates Formula" for more details, forthcoming at <https://www.energy.gov/scep/tribal-home-electrification-and-appliance-rebates>.

## Additional Considerations for Alaskan Tribes

Alaskan Tribes have overlapping jurisdictions and memberships, and individual Alaskan Tribal Households may simultaneously belong to an Alaska Native Village, an Alaska Native Village Corporation, and an Alaska Native Regional Corporation. Because of this, allocations for Alaskan Tribes include modifications to achieve an equitable distribution of funding based on Tribal household needs. These modifications ensure that Alaska Native households have access to funding even if small Alaskan Tribes do not apply. These modifications include:

- All Alaskan Tribes will receive a modified minimum allocation of \$84,442 to account for households with overlapping memberships. Total funding for Alaskan Tribes remains constant between the August 2023 draft formula and the final formula. Alaskan Tribes are encouraged to form a Tribal Consortium and/or partner with a third-party agent to administer their programs.
- If an Alaska Native Village or Alaska Native Village Corporation does not apply for its allocation by the deadline (May 31, 2025), then that allocation will automatically be added to the associated Alaska Native Regional Corporation if that associated Alaska Native Regional Corporation is successfully administering a Tribal Rebates program. Appendix A.2 groups each Alaska Native Village and Alaska Village Corporation under its respective Alaska Native Regional Corporation for identification purposes.
- If an Alaska Native Regional Corporation does not apply for its allocation by the deadline (May 31, 2025), then that allocation will be divided pro rata for each Native Village and Native Village Corporation that is successfully administering a rebates program and is associated with that particular Alaska Native Regional Corporation. Appendix A.2 groups each Alaska Native Village and Alaska Village Corporation under its respective Alaska Native Regional Corporation for identification purposes.

If an Alaska Native Regional Corporation does not apply for its allocation by the deadline (May 31, 2025), the funding reserved for the Regional Corporation that is not part of the pro rata portions awarded to associated Alaska Native Villages and Alaska Native Village Corporations who are successfully administering rebate programs, will be reallocated to Tribes throughout the country who are successfully administering rebate programs.<sup>10</sup>

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<sup>10</sup> 42 U.S.C. 18795a(a)(2)(C)(ii).