

Alert | Energy & Natural Resources



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U.S. Department of Energy, Office of Manufacturing and Energy Supply Chains Publishes Notice of Intent to Issue Funding Opportunity Announcement for Domestic Manufacturing Conversion Grants

On June 28, 2023, the U.S. Department of Energy, Office of Manufacturing and Energy Supply Chains (MESC) published a Notice of Intent to issue a Funding Opportunity Announcement (FOA) for approximately \$2 billion of “Domestic Manufacturing Conversion Grants” (Grants). The Grants aim to accelerate the adoption of efficient vehicles by supporting domestic manufacturing of such vehicles. The FOA is expected to be issued in August 2023.

Using federal funds appropriated by the Inflation Reduction Act (IRA), the Grants will prioritize projects to convert domestic facilities producing or supporting internal combustion engine vehicles that have recently ceased operation—or “face risk” of doing so—to the production or support of efficient hybrid, plug-in electric hybrid, plug-in electric drive, and hydrogen fuel cell electric vehicles.

The Grants will provide up to 50 percent of the cost of such conversion projects and will be available to domestic facilities converting to the production or support of the vehicle types specified above in light-, medium-, and heavy-duty classes. Eligible projects may convert a whole or partial facility (such as a single

production line). MESC expects individual awards to vary between \$25 million and \$500 million, with a period of performance of approximately 24 to 60 months.

MESC anticipates that the FOA may have three topic areas: commercial scale assembly or component manufacturing facilities for electrified vehicles of large, medium, and small size. The parameters for the different sizes have not yet been specified, but the maximum anticipated individual awards for the three topic areas are expected to be \$500 million for large vehicles (with a minimum of \$250 million per award), \$200 million for medium vehicles (with a minimum of \$100 million per award), and \$99 million for small vehicles (with a minimum of \$25 million per award).

Would-be applicants will be required to submit a Community Benefits Plan as part of the application, which will count for 20% of the technical merit review of proposed projects by considering factors including worker training and retention, community and labor engagement, diversity, equity, accessibility, and environmental justice. MESC also notes that in the interest of strengthening domestic manufacturing of efficient vehicles—with the opportunity to join a union—applicants should consider and identify domestic sources of equipment, feedstock, or materials, and potential downstream domestic customers.

MESC advises would-be applicants to complete the following required steps in the time before the FOA is issued:

- Register and create an account in [Infrastructure Exchange](#), which will allow the user to apply to any open MESC FOAs.

It is recommended that each organization or business unit, whether acting as a team or a single entity, use one account as the contact point for each submission. Questions related to the registration process and use of the Infrastructure Exchange website should be submitted to:

InfrastructureExchangeSupport@hq.doe.gov

- Register with the [System for Award Management \(SAM\)](#). Designating an Electronic Business Point of Contact (EBiz POC) and obtaining a special password called an MPIN are important steps in SAM registration. SAM registration should be updated annually. Upon registration, SAM will automatically assign a Unique Entity ID (UEI).
- Register in [FedConnect](#). To create an organization account, the organization's SAM MPIN is required. For more information about the SAM MPIN or other registration requirements, review the [FedConnect Ready, Set, Go! Guide](#).
- Register in [Grants.gov](#) to receive automatic updates when Amendments to an FOA are posted. However, please note that applications will not be accepted through Grants.gov. All applications must be submitted through Infrastructure Exchange.

Authors

This GT Alert was prepared by:

- [Kenneth M. Minesinger](#) | +1 202.530.8572 | Kenneth.Minesinger@gtlaw.com
- [Jack T. LeBris Erffmeyer](#) ‡ | +1 202.530.8560 | lebriserffmeyerj@gtlaw.com

‡ Admitted to practice in Illinois. Not admitted in the District of Columbia. Practice in D.C. supervised by shareholders admitted to practice in D.C. Practice limited to Federal Courts and Agencies.

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