

Non-Competitive Tribal Funding for Energy Resilience Investments

US Department of Energy January 25, 2023 Homari Aoki



Content

- Provide overview of the Formula Grants to States and Indian Tribes for Preventing Outages and Enhancing the Resilience of the Electric Grid (Grid Resilience Formula Grants Provision, Sec. 40101(d))
- 2. Review application process





The Bipartisan Infrastructure Law provides \$13B for grid resilience over the next five years

Program	Funding Amount	Important Dates
Grid Resilience Formula Grants Sec. 40101(d)	\$2.3B	Applications Due: March 31, 2023 (FY22 and FY23)
Grid Resilience Innovation Partnership (GRIP)		
Grid Resilience Industry Grants Sec. 40101(c)	\$2.5B	Concept Papers Submitted: December 16, 2022 DOE Responses: February 2023 Applications Due: April 6, 2023
Smart Grid Grants Sec. 40107	\$3B	Concept Papers Submitted: December 16, 2022 DOE Responses: February 2023 Applications Due: March 17, 2023
Grid Innovation Program Sec. 40103(b)	\$5B	Concept Papers Due: January 13, 2023 DOE Responses: March 2023 Applications Due: May 19, 2023



Grant Highlights

- Non-competitive grant for projects reducing the likelihood and consequences of electrical outages due to extreme weather, wildfire and natural disasters
- ► Application deadline is March 31, 2023 for first 2 years of funding
 - Apply by deadline to "secure" funding
 - Applications do not need to identify specific projects. Projects can be specified after funding is awarded
 - Sample application templates and resources available to assist



The Grid Resilience Formula Grant program is driven by four strategic goals



Demonstrate measurable improvements in energy resilience to all hazards in the United States and mitigate climate-related risk Invest in modernized grid infrastructure that can enable consumer access to lowercost energy and accommodate increased electrification, increased penetrations of variable renewable electricity and distributed energy resources, and other evolving system needs over the coming decades



Invest in clean energy and decarbonization solutions to achieve a carbon-free power sector by 2035 and net-zero greenhouse gas emissions economy-wide by 2050



Create good-paying jobs with the free and fair choice to join a union



Allocations available to Indian Tribes

- \$96 Million available for FY22
- \$85 Million available for FY23-FY26

Tribal Allocations for FY22 + FY23

\$50-\$100K: \$100-500K: \$500K -\$1M: \$1M - \$5M: 45 Tribal entities 660 Tribal entities 49 Tribal entities 23 Tribal entities



Use the QR code or URL to find your tribe's allocations: <u>https://netl.doe.gov/bilhub/grid-</u> <u>resilience/formula-grants</u>



How are funds allocated?

Five funding factors:



Land area



Probability of disruptive events



Severity of disruptive events

Expenditure on mitigation efforts



Population



Resilience investments permitted under the Grid Resilience Formula Grant program

Potential Investments include:

- utility pole management,
- hardening of power lines, facilities, substations, of other systems,
- undergrounding of electrical equipment,
- replacement of old overhead conductors and underground cables,
- relocation of power lines or the reconductoring of power lines with low-sag, advanced conductors,
- vegetation and fuel-load management,

- weatherization technologies and equipment,
- fire-resistant technologies and fire prevention systems,
- monitoring and control technologies,
- use or construction of distributed energy resources for enhancing system adaptive capacity during disruptive events, including microgrids, and battery-storage subcomponents,
 - adaptive protection technologies, and
- advanced modeling technologies

Ineligible Investments

- Construction of a new electric generating facility
- Large-scale battery storage facilities not being used to supply electricity where needed during disruptive events
- Cybersecurity measures



Tribes must subgrant to 'eligible entities' to execute grid resilience projects

Eligible Entities

- Electric grid operators
- Electricity storage operators
- Electricity generators
- Transmission owners or operators
- Distribution providers
- Fuel suppliers

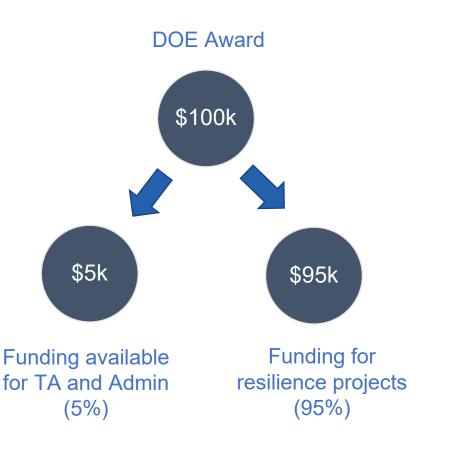






Up to 5% of federal funding can be used for technical assistance and program administration

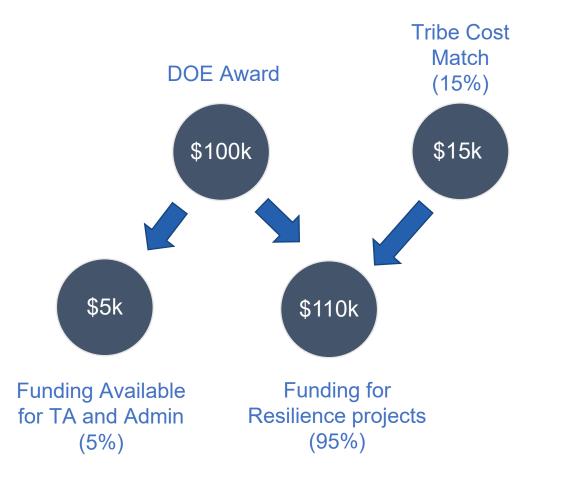
- These activities could include:
 - Providing technical assistance
 - Facilitating the distribution of information to reduce the likelihood and consequences of disruptive events
 - Administrative expenses associated with the program.
- This 5% could be given to a third-party to provide administrative and technical support





Grant recipients must provide a 15% cost match

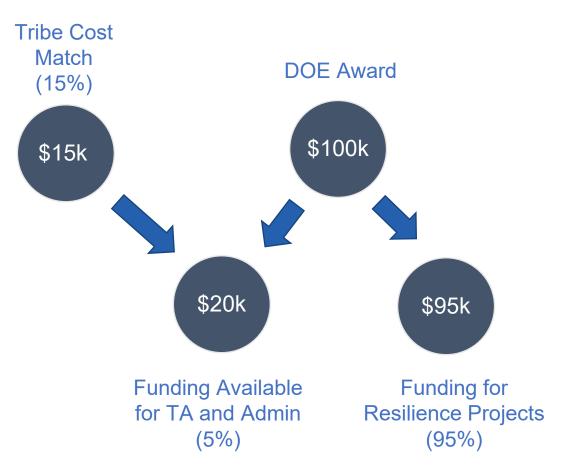
- Cost match can be in-kind contributions, such as staff time, or cash.
- Cost match can be provided by other entities.
- With very limited exceptions, federal funding cannot be used as cost match for these federal grants.





Grant recipients must provide a 15% cost match

 Some or all of the 15% cost match can also be used for technical assistance and program administration



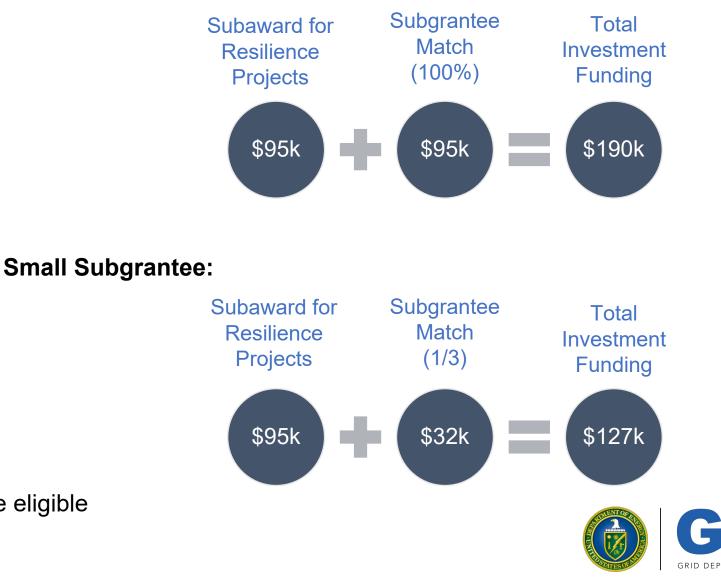


Subgrantees must also provide a match

Large Subgrantee:

- Any eligible entity that receives a subgrant under this program must match 100% of the amount of the subgrant
- However, if the subgrant entity sells ≤4,000,000 MWh of electricity per year, the required match will be 1/3 of the amount awarded to the subgrantee

*Small subgrantees must sell electricity to be eligible for the reduced cost match.



Two Key Application Components

Program Narrative

- At a minimum, it should address the anticipated categories of eligible entities the State or Indian Tribe anticipates carrying out these projects through subawards, and the process for selecting those eligible entities.
- Sample Program Narrative template available.

Head of Government Letter

Identifies the sole entity within the State or Indian Tribe to apply for, receive, and administer the award.





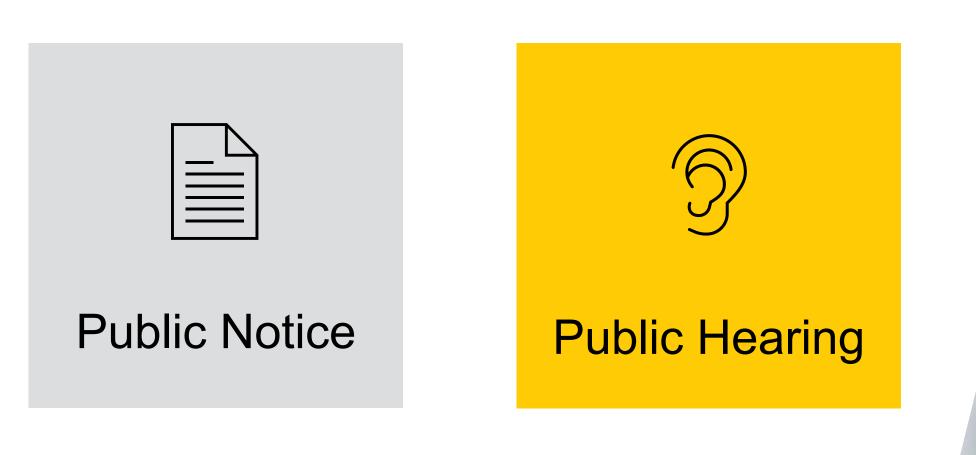
Program Narratives should include several key items

Objectives and Metrics Equity Approach 3-5 objectives and metrics that are driving resilience investments in your application A description of how the Tribe will ensure their proposal will incorporate: (a) quality jobs, prioritize the greatest community benefits, and (c) share or Criteria maximize project benefits across disadvantaged The criteria you will use for selecting and determining communities. awards to eligible entities Methods **Technical Assistance & Administration** A description of the process you will use to solicit, An explanation for how you plan to use the 5% of award and distribute the funds (and track the funds for TA and project administration proposed metrics)

Funding Distribution

A description of the proposed funding distributions and categories of subgrant recipients **Public Notice & Hearing** A description of public notice and hearing activities, as required by 40101(d)(2)(B)(ii)

Two key actions to complete prior to March 31st





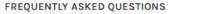
Helpful Resources



Apply at: https://www.energy.gov/gdo/gridresilience

APPLICATION RESOURCES

- Application forms and templates^a
- Allocation of grants to States and Tribes^d
- Administrative and Legal Requirements Documenter
- Application and administrative frequently asked questions
- Application assistance and example Program Narratived



+

Visit the **Grid and Transmission Program Conductor** to see which financing program is right for you.





Contact Us



