



## **Bipartisan Infrastructure Law - Section 40101(d)** Preventing Outages and Enhancing the Resilience of the Electric Grid

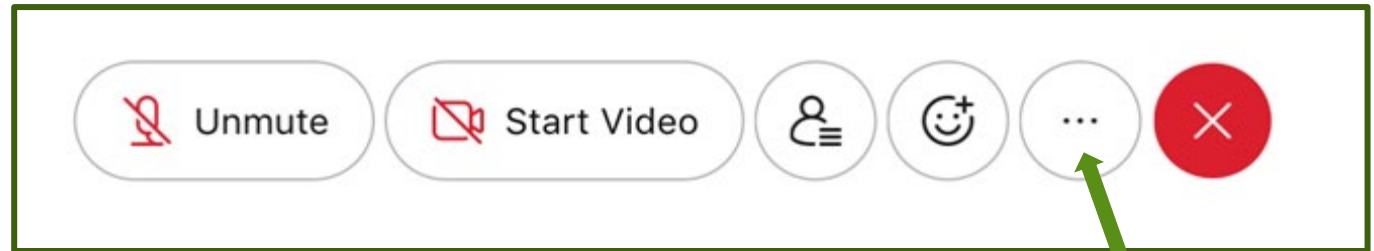
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# WebEx Attendee Webinar Basics

- Please remain muted unless speaking – after the presentation when we open it up for comments.
- Type questions or public comments into Q&A box (not the chat box)
- Send to “Everyone”
- We will NOT be answering any questions or responding to comments today
- Webinar recorded & archived
- Slide set will also be available

## WebEx Controls at Bottom of Your Screen



Open the Q&A box by clicking the three dots in the circle at the bottom right of the Webex panel.



# AGENDA

## IIJA/BIL

# 40101(d) Preventing Outages and Enhancing the Resilience of the Electric Grid / Hazard Hardening (Grid Resilience Grants)

### Introduction

- a. 40101(d) Background
- b. Eligible Use of Funds
- c. Summary of Previous Outreach
- d. Anticipated Timeline

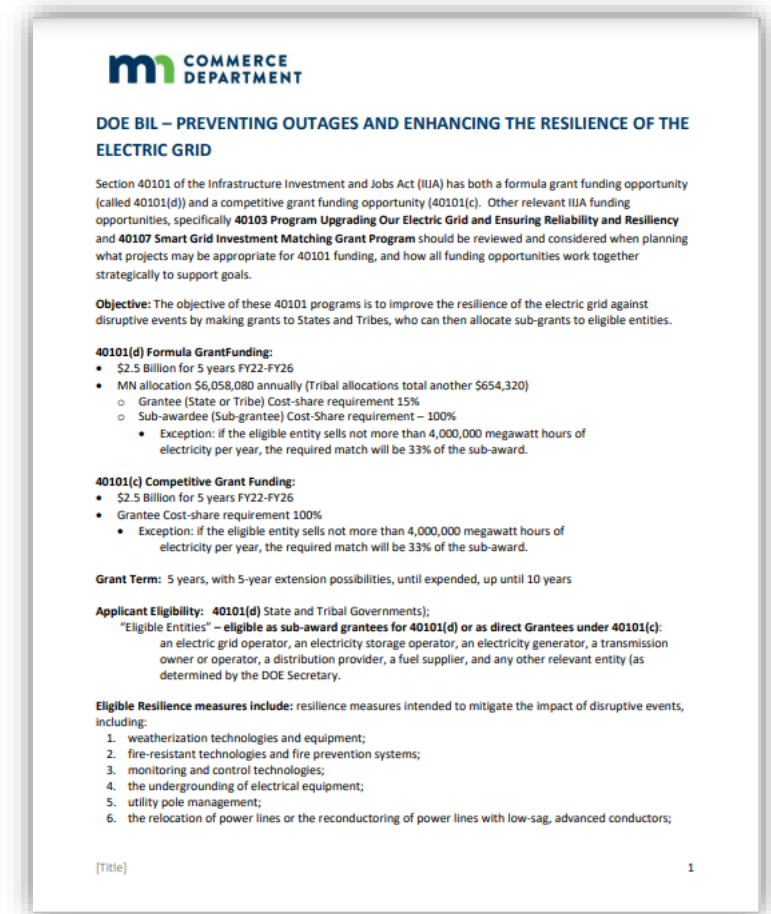
### 1. MN's Draft Plan Narrative

- a. Objectives & Metrics
- b. Criteria & Methods
- c. Post-Award Reporting Requirements (Anticipated)
- d. Distribution of Funds
- e. Justice40 and Community Engagement
- f. Technical Assistance Available

### 2. Conclusion

# 40101(d) Background: Preventing Outages and Enhancing the Electric Grid

- **Infrastructure Investment and Jobs Act (IIJA) Section 40101**
  - 40101(d): formula grant funding
  - 40101(c): competitive grant funding
- **40101 Programs' Objective:** to improve the resilience of the electric grid against disruptive events by making grants to States and Tribes, who can then allocate sub-grants to eligible entities.
- **40101(d) Formula Grant Funding:** MN Allocation: \$6,058,080 annually (Tribal allocations total another \$654,320)
  - Grantee (State or Tribe) Cost-Share Requirement: 15%
  - Sub-awardee (Sub-grantee) Cost-share Requirement: 100% (with exceptions)



More information: [Federal Funding Opportunities](#)

# Eligible Use of Funds

Weatherization  
Technologies &  
Equipment

Fire-Resistant  
Technologies & Fire  
Prevention Systems

Vegetation & Fuel-Load  
Management

Use or Construction of  
DER for Enhancing  
System Adaptive  
Capacity During  
Disruptive Events

Monitoring & Control  
Technologies

The Undergrounding of  
Electrical Equipment

Adaptive Protection  
Technologies

Advanced Modeling  
Technologies

Utility Pole Management

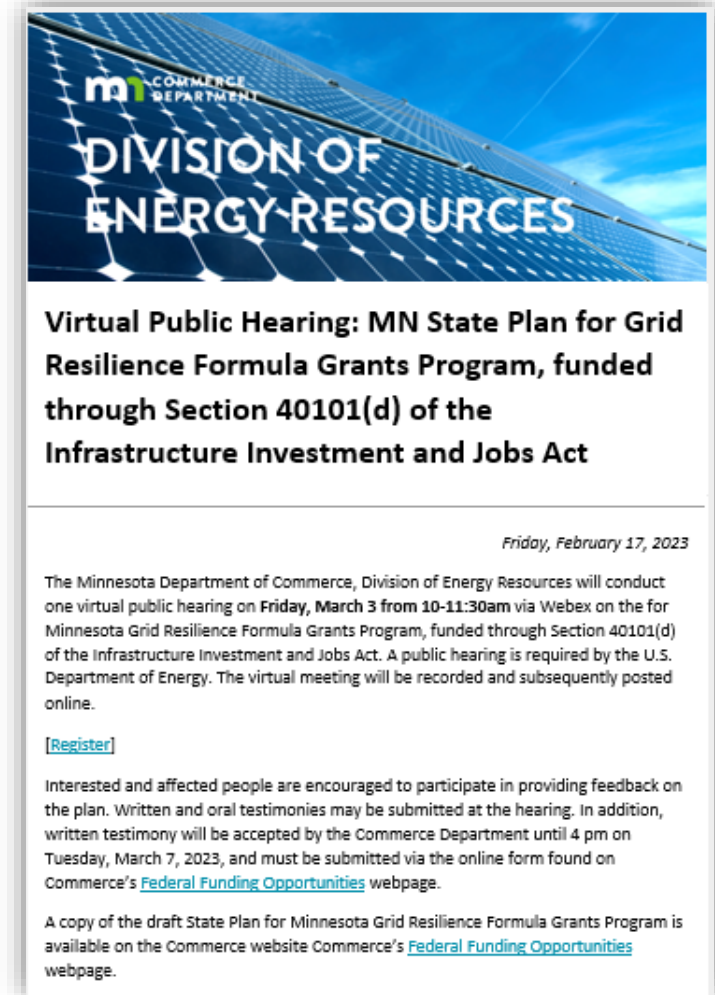
Relocation of Power  
Lines or Reconductoring  
of Power Lines with Low-  
Sag Advanced  
Conductors

Hardening of Power  
Lines, Facilities,  
Substations, or Other  
Systems

Replacement of Old  
Overhead Conductors  
& Underground Cables

# Summary of Public Engagement and Input to Date

- State [Federal Funding Opportunities](#) website
- Surveys for non-utility stakeholders
- Surveys for utility stakeholders
- GovDelivery emailed [newsletter](#)
- Virtual stakeholder meetings and webinars
- Phone calls with interested parties, including utilities (as requested)
- Emails responses to public, consultant, and utility inquiries



**Virtual Public Hearing: MN State Plan for Grid Resilience Formula Grants Program, funded through Section 40101(d) of the Infrastructure Investment and Jobs Act**

*Friday, February 17, 2023*

The Minnesota Department of Commerce, Division of Energy Resources will conduct one virtual public hearing on **Friday, March 3 from 10-11:30am** via Webex on the for Minnesota Grid Resilience Formula Grants Program, funded through Section 40101(d) of the Infrastructure Investment and Jobs Act. A public hearing is required by the U.S. Department of Energy. The virtual meeting will be recorded and subsequently posted online.

[\[Register\]](#)

Interested and affected people are encouraged to participate in providing feedback on the plan. Written and oral testimonies may be submitted at the hearing. In addition, written testimony will be accepted by the Commerce Department until 4 pm on Tuesday, March 7, 2023, and must be submitted via the online form found on Commerce's [Federal Funding Opportunities](#) webpage.

A copy of the draft State Plan for Minnesota Grid Resilience Formula Grants Program is available on the Commerce website Commerce's [Federal Funding Opportunities](#) webpage.

- Public Comments:
  - Orally at the end of this presentation
  - Written in the comments during this presentation
  - [Online](#) by EOD Tuesday, March 7
- Mid-March: potential second public hearing
  - Depending on comments and resulting program edits
- March 31, 2023: State Plan due to U.S. DOE



The image shows a screenshot of a web form titled "40101d Public Comment Form". The form has a teal header with the title. Below the header, there is a section labeled "\* Required". The form contains three numbered questions, each with a text input field:

1. What is your name? \*
2. Which organization are you commenting on behalf of? \*
3. As part of the planning process for submitting an application to the US Department of Energy for the Minnesota Grid Resilience Formula Grants program, funded through Section 40101(d) of the Infrastructure Investment and Jobs Act (IIJA), the Minnesota Department of Commerce is required to allow a public comment period on the state's plan. Please write your public comment in the space below. \*

At the bottom of the form, there is a teal "Submit" button.

# MN Plan Overview: Objectives & Metrics

1. Maintain or Improve Energy Reliability and/or Resilience

2. Generate the Greatest Community Benefit

3. Enhance Equity

4. Support Quality Jobs as well as Diversity, Equity, Inclusion (DEI) ,& Accessibility

5. Mitigate Natural Hazard Risk



# MN Plan Overview: Criteria & Methods

## Competitive Solicitation

- **Track 1:** Small Eligible Entities
- (<4,000,000MWh/yr)
- **Track 2:** Large Eligible Entities
- (>4,000,000MWh/yr)

## Minimum Proposal Requirements

- RFP Deadlines, Processes, & Formatting
- Minimum Qualifications
- Federal Flow Down Requirements

## Criteria for Selection

- Scoring Rubric – Specific Criteria & Weighting Metrics
- Evaluation Team
- Fund Allocation & Reallocation

# MN Plan Overview: Post-Award Reporting Requirements

## Energy Resilience

- Electricity Reliability (SAIDI / SAIFI)
- Equipment Age
- Number and Percent of MN Customers & Communities Served by Project
- Grid Resilience Plan, Milestone Progress
- Critical Infrastructure Protection & Community Benefit

## Equity

- Equity Training Programs
- Economic Benefit to Community Through Ratepayer Savings

## Quality Jobs

- # FTE Jobs Supported & Average Hourly Rate by Job Category – New & Existing
- Total Funds that will Support Minority, Women, & Veteran Owned Business for Supplies, Services, or Equipment
- Total Funds that will Support Project Labor Agreements or Local Hire Agreements
- Partnerships to Develop Training Opportunities & Career Paths

# MN Plan Overview: Distribution of Funds

Eligible Entity	Proposed Funding Distribution
Electric Grid Operator	Estimated 1%
Electric Storage Operator	Estimated 1%
Electricity Generator	Estimated 1%
Transmission Owner or Operator and/or Distribution Provider	Estimated 95%
Fuel Supplier	Estimated 1%
Any Other Relevant Entity, as Determined by (U.S. Department of Energy) Secretary	Estimated 1%

## Cost Match

- a. Large Eligible Entities: 100%
- b. Small Eligible Entities: 33%
- c. MN SEO State Match: 15%

## Cost Recovery:

- a. Portion funded through a grant awarded under the program
- b. Portion not funded by a grant awarded under the program

# MN Plan Overview: Justice40 & Community Engagement

## Generate Greatest Community Benefit

Demonstrate community economic benefit via -

- Ratepayer savings
- Industry-standard economic development metrics
- Expanded market opportunities, and/or local economic spending during construction
- Cost savings to eligible entity and/or community due to reduced outages
- Leveraging other funding

Are supported by the community, indicated via-

- Public input processes
- Governing body adopted plans and/or goals

Community letters of support

## Enhance Equity

Project supports disadvantaged communities

- [Climate and Economic Justice Screening Tool](#)
- [Energy Justice Dashboard](#)

Use workforce and community agreements e.g. -

- Project labor agreements
- Community benefits agreements
- Community workforce agreements
- Collective-bargaining agreements

Training opportunities and career paths developed

- Leveraging partnerships at technical colleges
- Utilize resources, like MN Dep. of Labor and Industry's [Labor Education Advancement Program \(LEAP\) Grant](#)

# MN Plan Overview: Justice40 & Community Engagement

## Support Quality Jobs as well as DEI & Accessibility

Use workforce and community agreements e.g. -

- Project labor agreements
- Community benefits agreements
- Community workforce agreements
- Collective-bargaining agreements

Use of partnerships to develop training opportunities and career paths e.g. -

- Leveraging partnerships at technical colleges
- Utilize resources, like MN Dep. of Labor and Industry's [Labor Education Advancement Program \(LEAP\) Grant](#), which provides funding to community-based organizations to facilitate participation of people of color, Indigenous people and women in registered apprenticeship programs.

The MN SEO encourages eligible entities to review the [U.S. DOE resources on Community Benefits Plans](#) and anticipates that incorporation of those guiding principles will help enhance competitiveness of project proposals for Minnesota Grid Resilience Formula Grants program as relates to the final criteria within the subaward process.

# MN Plan Overview: Technical Assistance



# Conclusions

- [Submit Written Testimony](#) Online through 4pm Tuesday March 7
- Depending on Programmatic Changes Resulting from Public Comment, a Second Public Hearing may occur Between March 13 – 15
- Sign up for the [FedQuestions Newsletter](#) to Receive Program Updates
- Recording of this Public Hearing and the PPT Slides will be Posted on Commerce's [Federal Funding Opportunities](#)
- All Questions will be Answered Collectively in a FAQ, Posted Online and Emailed to [FedQuestions Newsletter](#) Subscribers
- Have general federal funding opportunities questions? Send an email detailing the program, your organization and contact information to **Kellye Rose**, IJA Initiatives Project Manager [fedquestions.commerce@state.mn.us](mailto:fedquestions.commerce@state.mn.us)

# Reliability Improvement Investments and Best Practices

## Resources for Utilities

- [EPRI Assessment Methods and Operating Tools for Grid Reliability: An Executive Report on the Transmission Program of EPRI's Power Delivery Reliability Initiative](#)
- [EPRI Equipment Reliability Process and the Process Safety Model: A Comparative Analysis](#)
- [EPRI Distribution System Reliability Practices: Noteworthy Practices at We Energies](#)
- [IEEE Electric Distribution Reliability Best Practices](#)
- [DOE Transforming the Nation's Electricity Sector: The Second Installment of the QER – Chapter IV: Ensuring Electricity System Reliability, Security, and Resilience](#)
- [DOE Transmission Reliability Program](#)
- [American Public Power Association \(APPA\) 2020 Distribution system Reliability & Operations Survey Report](#)
- [LBNL Applications of Value-based Reliability/Resilience Planning \(includes link to interruption cost calculator\)](#)
- [LBNL Reliability Performance Data and Metrics](#)