State of Louisiana: 40101(d) Award Grid Resilience Initiative

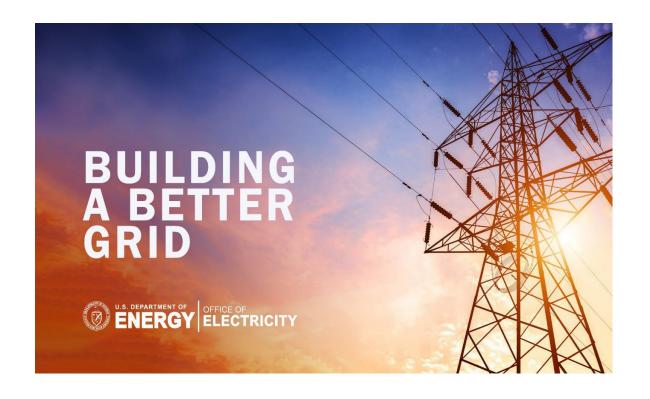
Second Round of Solicitations

Informational Webinar

November 13, 2024

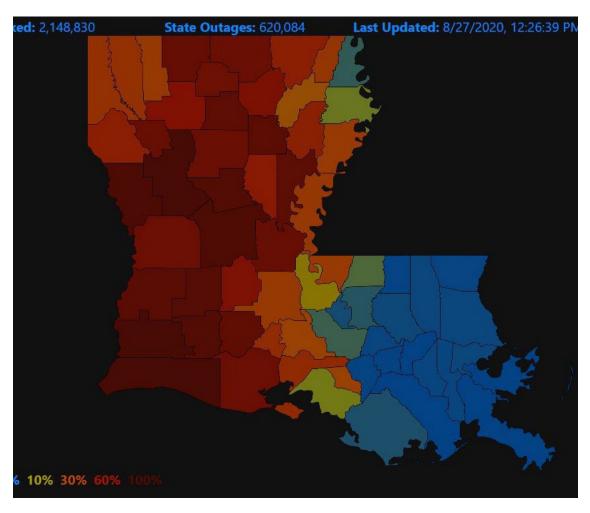
40101(d) Grid Resilience | Award Overview

- U.S Department of Energy announced in May 2023, that State of Louisiana was one of four states and two Tribal nations selected to receive \$15,990,093 for the first two program years (FY22 and FY23) in the <u>first</u> round of funding in <u>Grid Resilience State and</u> Tribal Formula Grants.
- Overall, Louisiana will receive \$40 million over 5 years under this program to help modernize its electric grid to reduce impacts due to extreme weather and natural disaster and ensure the reliability of the power sector's infrastructure, so all communities have access to affordable and reliable electricity anytime, anywhere.



\$40 million over 5 years to State of Louisiana for Grid Resilience

40101(d) Grid Resilience | Energy Security



State Outages: 449,772 Last Updated: 8/29/2021, 04:06:3 2,180,894

HURRICANE LAURA | 2020

HURRICANE IDA | 2020

40101(d) Grid Resilience | Program Objectives

The established Louisiana Interagency Work Group focused on grid resilience and innovation for the region and adopted a set of the following core objectives as part of its plan for Infrastructure Investment and Jobs Act (IIJA) Section 40101(d) "Preventing Outages and Enhancing the Resilience of the Electric Grid" program.

RESILIENCE

Resilience. Modernize the power infrastructure system to withstand stresses and shocks from extreme weather events and large-scale disruptions and move towards a secure, resilient and affordable grid.

ENVIRONMENTAL

Environmental. Build the next generation sustainable, customer-centric, carbon-free grid.

EQUITY

Equity. Advanced more equitable, economically sustainable, and resilient communities throughout Louisiana.

AFFORDABILITY

Affordability. Reduce overall energy burden, particularly for disadvantaged communities, and ensure energy costs remain competitive.

SAFETY

Safety. Ensure the continued, safe operation of the energy system by instituting standard safety practices and planning new investments through a safety lens.

40101(d) Grid Resilience | Program Criteria

DOE Minimum Requirements

WHO

- Electric grid operator
- Electricity storage operator
- Electricity generator
- Transmission owner or operator
- Distribution provider
- Fuel supplier
- Other relevant entity
- · Small utility set-aside

WHERE

- State of Louisiana
- Small utility setaside

WHAT

- Weatherization
- Fire-resistance/prev.
- Monitoring/Control
- Undergrounding
- Utility pole manage.
- Power lines
- **DERs & microgrids**
- Adaptive protection
- Advanced modeling
- Hardening

WHEN

 5-year period of performance per each annual budget period

HOW

- Workforce development
- Diversity, Equity, Inclusion and Accessibility
- Buy America
- Davis-Bacon
- Cost-match

Louisiana **Prioritization**

- Other eligible entities to include "units of local government, critical facilities. non-profit organizations, and co-ops whose organizational mission is to serve and benefit disadvantaged communities."
- 24.72% carve-out

small utilities

- 51.% of funds located in and/or demonstrating benefit to Disadvantaged Communities
- Critical Facility Microgrids
- Community Microgrids
- Community-Based "Relief Islands"
- Vehicle-to-Building and Vehicle-to-Grid Integration
- **Enhanced Vegetation** Management Programs

- Shovel-ready bucket (< 24 months)
- Early-Stage Community-Based **Project Partnerships**
- Request for Information
- Competitive Requests for **Proposals**
- Future Down-Select for Community-**Based Project Partnerships**
- ReportCard

Fall 2024 - Request for Projects

1. RFP#LADENR-40101d2 A Request for Projects for Early-Stage Community-Based Project Partnerships

- Release date: October 30, 2024
- Pre-applications due:
 January 7, 2025 OPEN
- RFP available <u>here</u>
- 2. RFP# LADENR-40101d3 A Request for Projects for Distribution Grid Upgrade Projects that Can Support Resilience Hubs and Critical Infrastructure
 - Release date: November 13, 2024
 - Pre-applications due:
 January 31, 2025 OPEN
 - RFP available here



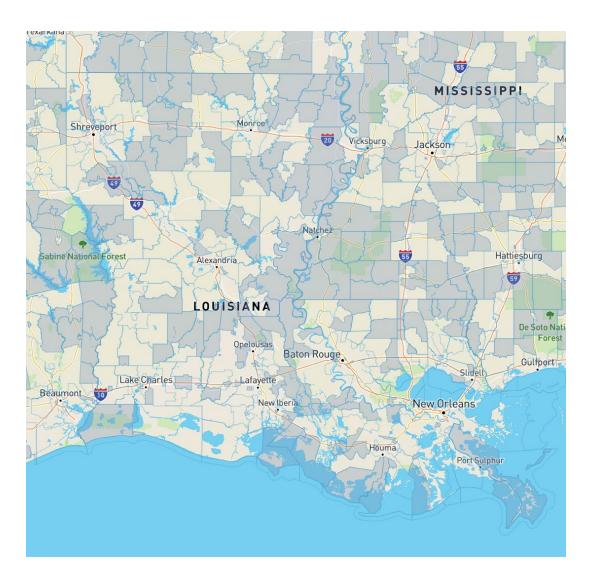
Previous Request for Projects (Fall 2023)

Round 1: RFP#LADENR-40101d2

- Release date: December 1, 2023
- Pre-applications due: January 8, 2024 CLOSED
- Received and reviewed applications from 10 projects; 3
 projects pre-selected and pending full applications.



40101(d) Grid Resilience | Prioritized Locations



The State of Louisiana will work to ensure that more than 50% of project investments are benefitting Disadvantaged Communities (DAC) as designated by the Climate and Economic Justice Screening Tool.

The State of Louisiana will also consider projects that have been identified as Disadvantaged Communities through the US Department of Energy's DAC Community Reporter Tool.

42% of the population of the State of Louisiana live in a Disadvantaged Community census tract.¹

1 Source: Climate and Economic Justice Screening Tool data as of January 2022

40101(d) Grid Resilience | Funding

	2 nd and 3 rd round
Early-Stage Community-Based Project Partnerships All projects must be designed to benefit Disadvantaged Communities	\$3.45 m
Projects that can be complete < 24 months	\$5.24 m
Projects that can take up to 5 years At least 50% will be designated to benefit Disadvantaged Communities	\$9.6 m

SUMMARY

3 RFPs in 2023 and 2024 for \$26.5 million in FY22, FY23, and FY24 Federal Funds.

At least 51.3% of funds will be designated to benefit Disadvantaged Communities.

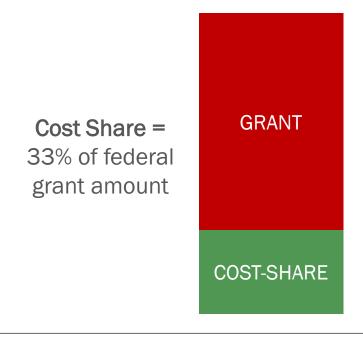
These categories can overlap.

STATE OF LOUISIANA GRID INITIATIVE 9

Estimated Funding

40101(d) Grid Resilience | Cost-Share

SMALL UTILITIES OTHER ENTITIES



Cost Share =
100% of federal
grant amount
(50% of total
project cost)

COST-SHARE

"Small Utility" = entity selling not more than 4,000,000 MWh of electricity per year

Everyone else = other entities

RFP#LADENR-40101d2 Early-Stage Community-Based Project Partnerships

Pre-Applications Due: January 7, 2025

Early-Stage Community-Based Project Partnerships

Eligible Projects: Collaborative **planning** efforts to develop grid and community resilience plans for future eligible projects that could be submitted for funding under the future rounds of competitive projects solicitations within this Grid Resilience State and Tribal Formula Grants Program.

 These planning efforts must support projects benefiting disadvantaged communities that can be completed within a 5-year time horizon but need near-term resources and technical assistance to develop a comprehensive and final approach.

Available Funding	Benefitting Disadvantaged Communities	Other Location
Total Funding	\$3,432,566	0
Average awards	Up to \$350,000	0
Number of awards	5-9 awards	0

RFP#LADENR-40101d2 Pre-Applications Due: January 7, 2025 Early-Stage Community-Based Project Partnerships

Eligible entities overall:

- electric grid operator,
- electricity storage operator,
- electricity generator,
- transmission owner or operator,
- distribution provider,
- fuel supplier, and
- Other relevant entity, as may be determined by the Secretary of the US DOE.

Prioritization: LDENR will prioritize project proposals submitted by the following entities:

- municipal utilities,
- rural electric cooperatives,
- local governments,
- regional planning agencies,
- non-profits or other utilities (in partnership with local governments).

RFP#LADENR-40101d2 Pre-Applications Due: January 7, 2025 Early-Stage Community-Based Project Partnerships

Eligible activities for RFP:

- Community energy and resilience planning,
- local outreach and coordination,
- data analysis,
- engineering and design activities,
- financial analysis,
- modeling, and
- other activities as necessary to develop a grid resilience proposal.

Eligible activities for planned grid projects: The ultimate grid resilience proposals developed through the proposed Early-Stage Community Based Project Partnership must aim at implementing activities defined as eligible under the ALDR: activities, technologies, equipment, and hardening measures to reduce the likelihood and consequences of disruptive events, including:

weatherization fire-resistant & prevention;

monitoring and control undergrounding

utility pole management vegetation and fuel-load management

lines relocation/reconductoring advanced modeling

adaptive protection grid hardening

overhead conductors/underground cables replacement

DER for enhancing system adaptive capacity during disruptive events, including: microgrids, battery-storage

Pre-Applications Due: January 7, 2025

Early-Stage Community-Based Project Partnerships

Non-Eligible Activities

A subaward to an eligible entity under this grant program may not be used for:

A. construction of

- a new electric generating facility, or
- large-scale battery-storage facility that is not used for enhancing system adaptive capacity during disruptive events.

B. cybersecurity.

RFP#LADENR-40101d3 Distribution Grid Upgrade Projects to Support Resilience Hubs and Critical Infrastructure

Pre-applications due: January 31, 2025

Distribution Grid Upgrade Projects to Support Resilience Hubs and Critical Infrastructure

Eligible Projects: project proposals that include activities, technologies, equipment, and hardening measures to support deployment of community resilience hubs, critical infrastructure, and associated microgrids.

Available Funding	Benefitting Disadvantaged Communities	Other Location
Total Funding	\$14.84 million * At least \$4.8 million benefitting Disadvantaged Communities	
Shovel ready (up to 24 months)	\$5.24 million	
Other Projects (up to 4 yrs)	\$9.6 million	
Number of awards	5-15 awards	

Pre-applications due: January 31, 2025

Distribution Grid Upgrade Projects to Support Resilience Hubs and Critical Infrastructure

Eligible entities overall:

- electric grid operator,
- electricity storage operator,
- electricity generator,
- transmission owner or operator,
- distribution provider,
- fuel supplier, and
- Other relevant entity, as may be determined by the Secretary of the US DOE.

Prioritization: LDENR will prioritize project proposals submitted by the following entities:

- municipal utilities,
- rural electric cooperatives,
- other utilities.

Pre-applications due: January 31, 2025

Distribution Grid Upgrade Projects to Support Resilience Hubs and Critical Infrastructure

Eligible activities for planned grid projects: activities, technologies, equipment, and hardening measures to support deployment of community resilience hubs, critical infrastructure, and associated microgrids, including:

- weatherization
- fire-resistant & prevention
- monitoring and control
- adaptive protection
- grid hardening (power lines, facilities, substations, systems)
- other related distribution infrastructure and grid hardening investments
- DER for enhancing system adaptive capacity during disruptive events, including:

microgrids

battery-storage

Pre-applications due: January 31, 2025

Distribution Grid Upgrade Projects to Support Resilience Hubs and Critical Infrastructure

Non-Eligible Activities

A subaward to an eligible entity under this grant program **may not** be used for:

A. construction of

- a new electric generating facility, or
- large-scale battery-storage facility that is not used for enhancing system adaptive capacity during disruptive events.

B. cybersecurity.

40101(d) Grid Resilience | Application Process

- 1. Pre-applications due: accessible, easy-to-navigate method for outlining proposed project:
 - A. Applicant's Information (up to 1 page, Word or a readable PDF file);
 - B. Project Narrative (up to 5 pages, Word or a readable PDF file);
 - C. Budget Narrative, Metrics and Timelines (Excel spreadsheet in Attachment A);
 - D. Applicant's Certifications (Word or a readable PDF file).
- 2. Full Applications due. Selected applicant will be invited to submit a full application and additional forms and materials required under the ALRD and Louisiana's laws and regulations, including SAM.gov registration, NEPA, cost match commitment letters.
- 3. USDOE pre-approval & award. Successful applications will be submitted for USDOE approval, before the award can be issued.
- **4. Next Steps:** For years 3, 4, and 5 of funding, the State will start a down-select process for approximately 3 projects per year from the previously-funded Community-Based Project Partnerships for follow-on funding based on readiness and outcomes.

Prioritized Projects Definitions



Critical Facility Microgrids. Grid-connected and behind-the-meter generation, storage, and controls for hospitals, emergency, water treatment and pumping, and other life-essential services. Projects should include the ability to island (stand alone) from the main grid, ideally with black-start capability (ability to start up independently after an outage).



Community Microgrids. Community-oriented local grid system with connected distributed energy resource (DER), storage, and controls for a defined set of residential and commercial buildings to enable communities to be resilient in place. Projects should include the ability to island (stand alone) from the main grid, ideally with black-start capability (ability to start up independently after an outage).

Prioritized Projects Definitions



Community resilience hubs. Create local community-based resilience hubs (e.g., cooling / heating centers, first responders, food and supplies, charging stations) to help a community ride out outage events in their own neighborhood. Projects could include microgrids.



Vehicle-to-Building and Vehicle-to-Grid. Leveraging energy storage in vehicles to provide critical back-up and other services to improve resiliency in buildings or the local distribution grid.



■ Enhanced Vegetation Management Programs. Example investments can include wider trim corridors, more hazardous tree and/or limb removals. New technology can include tracking of individual trees and trim corridor violations using advanced tracking technologies.

40101(d) Grid Resilience | Resources

- State of Louisiana Infrastructure Investment and Jobs Act webpage: https://infrastructure.la.gov/
- U.S. Department of Energy 40101(d) Announcement: https://www.energy.gov/articles/biden-harris-administration-invests-50-million-states-and-tribal-nations-modernize?utm_medium=email&utm_source=govdelivery
- 40101(d) First Round Allocations: https://www.energy.gov/gdo/grid-resilience-state-and-tribal-formula-grant-awards
- Louisiana 40101(d) Fact Sheet: https://www.energy.gov/sites/default/files/2023-05/052323_Grid-Resilience-State-and-Tribal-Formula-Grants-Fact-Sheet Louisiana.pdf

What's Next?

The State of Louisiana is hosting stakeholder outreach webinars to inform interested parties of the grant opportunity and encourage submissions of qualified grid resilience projects through the issued Requests for Proposal (RFPs).

• Next Webinar: December 11, 2024, at 2pm CDT Register