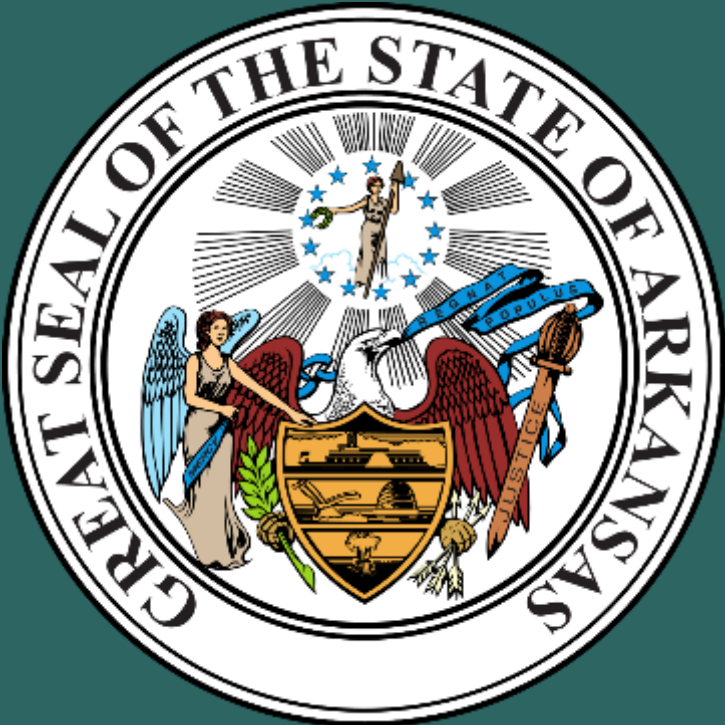


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# Arkansas Department of Finance and Administration (DFA)


## Grid Enhancement Grant Program Public Notice and Hearing

May 11, 2023

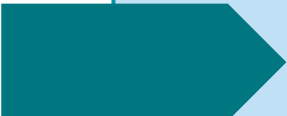
# Agenda



Provide an overview of the *Preventing Outages and Enhancing the Resilience of the Electric Grid Formula Grants to States and Tribes (Section 40101(d) of IIJA)*



Talk through the DFA's draft application for Grid Enhancement Formula Funds



Gather input and feedback from this hearing and incorporate the feedback into the application

# Becky Keogh

## State Infrastructure Coordinator

Arkansas Department of Finance and Administration

Throughout her 40+ year career, State Infrastructure Coordinator Becky Keogh has held multiple positions in both the public and private sectors. She has over 25 years of experience in various positions within the state government of Arkansas, including Deputy Director and Director of the Department of Environmental Quality, and Cabinet Secretary for the Department of Energy and Environment. She also served as the chair for former Governor Hutchinson's Infrastructure Planning Advisory Committee (IPAC).



# Arkansas Department of Finance and Administration Overview

## Our Role In This Opportunity

At the direction of the governor's office, DFA has been delegated as the **primary authority** for this formula funding

## Our Mission For This Grant

To strengthen and enhance the electric grid while **providing affordable and reliable energy** to all residents of Arkansas.

## What We Do

How will we get there:

- Establishing **objectives and metrics**
- Define the eligible activities and criteria for subrecipients
- Outline the distribution of funds

# Infrastructure Investment and Jobs Act (IIJA) Overview

## Infrastructure Investment and Jobs Act (IIJA)<sup>1,2</sup>

IIJA was signed into law in November 2021, providing an unprecedented level of infrastructure funding to state and local governments. This funding invests in both new and existing federal programs.

**The legislation makes \$840B available nationwide to address funding and project needs in 12 infrastructure areas**

**Funding will be made available through 380 programs available to federal government agencies, states, tribes, local governments, and private industry partners**

**Themes within the legislation include Economic Growth & Jobs, Community Impact, Security & Enhancement, and Connectivity**

# Grid Enhancement Formula Grant Overview

*Preventing Outages and Enhancing the Resilience of the Electric Grid Formula Grants to States and Tribes (Section 40101(d) of IIJA):<sup>1,2</sup>*

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- **Program Description:** Strengthen and modernize America's power grid against extreme weather, natural disasters, and other disruptive events. Funding will be provided to carry out activities supplemental to existing hardening efforts and reduce the risk of downed power lines; or reduce the likelihood and consequences of disruptive events.
- **Announced FY22 Formula Funding for Arkansas:** \$5.16M
- **Announced FY23 Formula Funding for Arkansas:** \$5.14M
- **Future Funding will be made Available for FY24 – FY26**
- **Lead Arkansas Agency:** Arkansas DFA

# Eligibility for Grid Enhancement Grants

## Eligible Subrecipients

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- Electric Grid Operators
- Electricity Storage Operators
- Electricity Generators
- Transmission Owners or Operators
- Distribution Providers
- Fuel Suppliers
- Any other relevant entity determined by the secretary of US Department of Energy

# Eligible Activities for Grid Enhancement Grants

- Weatherization technologies and equipment
  - Fire-resistant technologies and fire prevention systems
  - Monitoring and control technologies
  - The undergrounding of electrical equipment
  - Utility pole management
  - The relocation of power lines or the reconductoring of power lines with low-sag, advanced conductors
  - Vegetation and fuel-load management
- The use or construction of distributed energy resources for enhancing system adaptive capacity during disruptive events, including:
    - Microgrids
    - Battery-storage subcomponents
  - Adaptive protection technologies
  - Advanced modeling technologies
  - Hardening and upgrading power lines, facilities, substations, and other systems
  - The replacement of old overhead conductors and underground cables

Enhancement measures that **are not allowed** include:

- Construction of a new: a) electric generating facility; or b) large-scale battery-storage facility that is not used for enhancing system adaptive capacity during disruptive events; or c) Cybersecurity



# DFA Objectives and Metrics for Grid Enhancement Grants

Objective #1	Objective #2	Objective #3
<p style="text-align: center;"><b>Increase the Reliability of the Arkansas Electric Grid</b></p>	<p style="text-align: center;"><b>Achieve Whole Community Impact</b></p>	<p style="text-align: center;"><b>Support the Development of the State's Grid Workforce</b></p>
<p style="text-align: center;"><b>Metrics</b></p> <ul style="list-style-type: none"> <li>• Number of customers anticipated to be impacted by the proposed project (both overall number of customers and the percentage of the utilities' total customer base);</li> <li>• The System Average Interruption Frequency Index (SAIFI), which equates to how often the average Arkansas electricity customer experiences an interruption.</li> <li>• The System Average Interruption Duration Index (SAIDI), which equates to the total number of minutes (or hours) the average Arkansas electricity customer experiences an interruption.</li> </ul>	<p style="text-align: center;"><b>Metrics</b></p> <ul style="list-style-type: none"> <li>• Description of how enhancement measures of a project will / did benefit Arkansas in vulnerable or disadvantaged communities in the service area;</li> <li>• A description of strategies deployed to ensure all customers in service areas are positively impacted by grid enhancements, especially those in vulnerable or disadvantaged areas;</li> <li>• Percentage of total funding provided to subrecipients serving vulnerable or disadvantaged communities in Arkansas</li> </ul>	<p style="text-align: center;"><b>Metrics</b></p> <ul style="list-style-type: none"> <li>• Number of trained and credentialed workers able to undertake grid enhancement projects;</li> <li>• Of all workers employed to execute awarded projects, percentage of workers that come from vulnerable populations;</li> <li>• Number of local businesses or vendors employed to execute projects through the funding of this program;</li> <li>• Of all local businesses or vendors awarded projects, percentage of businesses that are from vulnerable communities;</li> <li>• Number and description of the labor standards used for direct employees, contractors, and subcontractors (e.g., project labor agreements, local hire agreements, etc.);</li> <li>• Average hourly wage or rate, by worker type, employed on the proposed project; and</li> <li>• A description of engagement of potential training partners to support utility-related workforce development, including any efforts to support those displaced by shifts in the workforce and those in economically distressed areas.</li> </ul>

# Q&A

**Type your questions  
into the chat box**


# Thank You!



Go to [Preventing Outages and Enhancing the Resilience of the Electric Grid Grants | Department of Energy](#) to learn more about the grant opportunity



Funding is anticipated for Summer 2023; application instructions to follow



A PDF and video recording of this presentation will be available on DFA's website.



Send further inquiries to this email: [Infrastructure@dfa.arkansas.gov](mailto:Infrastructure@dfa.arkansas.gov)