

Arkansas Grid Enhancement Grant Subaward Program

CFDA# 81.422

Request for Proposals

RFP# GRID-24

Release Date

April 2, 2024

Amount Available

\$10,300,000.00

Contact Information

Please see the Program Guidance and FAQ document for further details regarding requirements of this RFP. For additional questions regarding this RFP, contact

Email: infrastructure@dfa.arkansas.gov

APPLICATION DEADLINE:

Proposals must be submitted via email by 5:00 p.m. CT, July 19, 2024

Email: infrastructure@dfa.arkansas.gov



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Arkansas Grid Enhancement Grant Subaward Program

Notice of Available Funding and Request for Proposals

Available Funds

The Arkansas Department of Finance and Administration (DFA) announced up to \$10.3 million¹ in funding through the Grid Enhancement Grant. This funding is awarded by the U.S. Department of Energy (U.S. DOE) through the Infrastructure Investment and Jobs Act (IIJA) Section 40101(d) and focuses on modernizing America's power grid against natural disasters.

Request for Proposals

DFA is seeking proposals for grid enhancement and resilience projects that will strengthen the resilience of the electric grid and/or reduce the impacts of electric outages in the state.

Program Description

The Arkansas Grid Enhancement Grant Subaward program focuses on enhancing the resilience of the electric grid and preventing electric outages by addressing three objectives:

- **1. Increase the Reliability of the Arkansas Electric Grid** Reduce the frequency with which the grid experiences sustained interruptions and decrease the number of customers impacted by all-hazard events, especially those customers that experience higher-than-average frequency and duration of outages.
- **2. Achieve Whole Community Impact** Ensure that these Grid funds benefit Arkansans, specifically those who reside in communities that are more susceptible or vulnerable to electric power outages.
- **3. Support the Development of the State's Grid Workforce** Support the development of the state's workforce responsible for grid enhancement projects, potentially by means of offering additional professional development and/or workforce development opportunities. Consider additional efforts to help Arkansas train, attract, and retain a skilled workforce.

Timeline and Deadlines

The application period opens on April 2, 2024.

Submission Deadline: Complete project proposals must be submitted to infrastructure@dfa.arkansas.gov no later than 5PM CT on Friday, July 19, 2024.

Anticipated Subaward Date: Preliminary award announcements are anticipated in September 2024. (Please note: Before final awards are made, the state must submit recommended awards to U.S. DOE for approval.)

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¹ The state has been awarded \$10.3 million in funding through the Grid Enhancement Grant. Per guidance from the U.S. DOE, up to 5% of this funding may be used to administer the grant (\$515,000).



Applicant Eligibility and Requirements

Eligible Applicants: Eligible applicants generally include all Arkansas electric utilities (i.e., investorowned electric utilities, electric cooperatives, and municipal electric utilities). Please see the comprehensive list of eligible entities below:

- Electric grid operator: Maintains reliable and secure operation of the electric grid
- Electricity storage operator: Manages and maintains energy storage system
- Electricity generator: Generates electricity for public use
- Transmission owner or operator: Maintains efficient and reliable transmission of electricity from electricity generators to regional/local distribution operators
- Distribution provider: Operates and manages local and/or regional energy distribution networks
- Fuel supplier: Supplies fuel used to generate electricity in the state

Considerations for Small Utilities: A small utility is defined as selling less than 4,000,000 Megawatt Hours (MWh) per year. Per U.S. DOE guidance regarding funding for small utilities, at least 49% of this funding will be set aside for projects submitted by small utilities.²

Organizations should direct questions or concerns regarding their eligibility to infrastructure@dfa.arkansas.gov. The Office of the Infrastructure Coordinator will provide additional guidance as appropriate.

Eligible Projects

Eligible Grid Resilience Projects: Proposed projects should seek to strengthen the state's electric grid through one or more of the following eligible enhancements:

- Adaptive protection technologies
- Advanced modeling technologies
- Fire-resistant technologies and fire prevention systems
- Hardening of power lines, facilities, substations, or other systems
- Monitoring and control technologies
- Relocation of power lines or reconductoring of power lines with low-sag, advanced conductors
- Replacement of old overhead conductors & underground cables
- Undergrounding of electrical equipment
- Use or construction of distributed energy resources (DERs) for enhancing system adaptive capacity during disruptive events, including microgrids and battery-storage subcomponents
- Utility pole management
- Vegetation and fuel-load management
- Weatherization technologies and equipment

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² A state or Indian Tribe receiving a grant under the program shall ensure that... the percentage made available to eligible entities that sell not more than 4,000,000 megawatt hours of electricity per year is not less than the percentage of all customers in the State or Indian tribe that are served by those eligible entities.



Eligible Workforce Projects: Workforce development projects aligned to the eligible projects listed above are also eligible and encouraged. Projects can include the following aspects of workforce development:

- Plans to attract, train, and retain an appropriately skilled workforce (i.e., through registered apprenticeships and other joint labor management training programs that serve all workers)
- Plans to partner with a training provider/educational institution to develop training programs that prepare skilled workers for new and existing employers (labor, community college, etc.)
- Develop opportunities to increase accessibility of appropriate credentials and licenses (i.e., requirements for appropriate and relevant professional training, certification, and licensure)

Ineligible Projects: Construction of new electric generation facilities, large scale battery storage not used to supply electricity where needed during disruptive periods, purchase and installation of an emergency generator, cybersecurity measures, and compensation adjustments or bonuses to existing staff are not considered eligible projects.

Cost Match Requirements

Cost Match: Applicants must provide details of the cash or in-kind cash value of all proposed cost match to fulfill the project. This will be a component within the budget section. Cost match includes:

- <u>Cash Cost Match</u>: Encompasses monetary contributions to the project made by the applicant or third party (entities/individuals that do not have a role in delivering the project) for all costs incurred and paid during the project.
- <u>In-Kind Cost Match</u>: Encompasses contributions to the project where a value of the contribution can be readily determined and verified, but where no actual cash is transacted (e.g., volunteer personnel hours, donation of space or use of equipment, etc.).

Match Requirements: Under this program, U.S. DOE calculates cost match for small³ utilities and large⁴ utilities as a percentage of the Federal funds only, rather than the Total Project Cost.

For simplicity, DFA has calculated the following cost match percentages for any Total Project Cost:

- **Small**: Total cost match (to be provided by the applicant) would equal **32.9% of any project cost**. The subaward would be equal to 67.1% of the project cost.
- Large: Total cost match (to be provided by the applicant) would equal **53.7% of any project cost**. The subaward would be equal to 46.3% of the project cost.

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³ This match amount is 1/3 required under U.S. DOE guidance, plus 15.8% excess match to satisfy the state's portion, as allowed under IIJA 40101(d).

⁴ This match amount is 100% under U.S. DOE guidance, plus 15.8% excess match to satisfy the state's portion, as allowed under IIJA 40101(d).



Proposal Review and Determination

Proposal Evaluation: To facilitate fair scoring and evaluation, applicant submissions will be grouped by entity size (e.g., small utility submissions will be scored independently and prioritized against other small utility submissions).

Prescreening (Eligibility Review): Proposals will be prescreened to ensure that (a) minimum eligibility requirements have been met, (b) proposal is complete and includes all required forms, (c) proposal was submitted by the deadline, (d) the applicant's record in sam.gov is active, and (e) the entity is not suspended or debarred from receiving federal funds. If a project proposal fails the prescreening phase, the applicant will be notified in writing that it is not eligible to receive funding for the reason stated.

Proposals will be reviewed and scored on how fully they satisfy the evaluation criteria listed below:

Criteria	Description	Scoring
Project Narrative	The extent to which the proposed project aligns with eligibility criteria and delivers measurable benefits towards one or more of the three outlined program objectives	20 points
Concept Maturity	The extent to which the project proposal is "shovel-ready," articulates a realistic financial plan, and avoids imposing additional costs/obligations to the state government beyond Grid Resilience grant funding	20 points
Community Benefit	The extent to which the proposed project is cost effective and benefits Arkansas residents, particularly those in low-income communities, rural communities, and/or areas with higher risk of impacts from natural disasters	20 points
Risk Mitigation	The extent to which a proposed project anticipates project risk(s), outlines plans to address risk(s), and can report on metrics and project progress	20 points
Replicability	The extent to which proposed project plans, activities, and anticipated outcomes can be replicated in other service areas and/or future projects	20 points
	Total	100 points

DFA reserves the right to determine whether a proposed project will receive a full or partial funding, based on the results of the evaluation.

Applicant organizations will also be assessed for general fitness and capability of execution.

Please note: additional information from applicants may be requested as needed.

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Subaward Application

Section 1: Applicant Information and Eligibility

1.1 Ap	plicant Information
a.	Entity Name:
b.	Entity Address:
c.	Project Location:
d.	SAM.gov Unique Entity Identifier (UEI) (the UEI has replaced the DUNS number as the authorized identifier for the federal government. To find or request a UEI, please visit <u>SAM.gov</u>):
e.	Employer Identification Number (EIN) (this is also known as a Federal Tax Identification Number, and is used to identify a business entity):
f.	Does the application contain confidential and/or trade secret information?
	□ Yes □ No
	If yes, please indicate which pages and/or sections of the application must be redacted in the event of a public records request:
g.	How many customers (i.e., meters) does the applicant serve?
h.	Is the applicant considered a small utility, defined as selling less than 4,000,000 megawatt hours per year?
	☐ Yes ☐ No ☐ Not Applicable
1.2 Co	ntact Information
a.	Primary Point of Contact (for questions regarding the proposal, attachments, etc.):
	a. Name:
	b. Title:
	c. Email:
	d. Phone Number:



1.3 Eligibility

a.	What category of Eligible Entity is entity applying as? Please see definitions on page 1 of this document (select all that apply): Electric grid operator Electricity storage operator Electricity generator Transmission owner or operator Distribution provider Fuel supplier Other – Please Specify (selecting 'other' may require U.S. DOE approval)
	Click or tap here to enter text.
b.	Which of the following eligible enhancements will be addressed by this project? (select all that apply):
	☐ Adaptive protection technologies
	☐ Advanced modeling technologies
	☐ Fire-resistant technologies and fire prevention systems
	 Monitoring and control technologies
	☐ Utility pole management
	 Relocation of power lines or reconductoring of power lines with low-sag, advanced conductors
	\square Replacement of old overhead conductors & underground cables
	☐ Undergrounding of electrical equipment
	 Use or construction of distributed energy resources (DERs) for enhancing system adaptive capacity during disruptive events, including microgrids and battery-storage subcomponents
	\square Utility pole management
	\square Vegetation and fuel-load management
	☐ Weatherization technologies and equipment

	☐ Workforce Development Project <i>as related to a project selection above</i> (if an applicant selects this option, they must select at least one of the options above)
c.	Identify whether the applicant is applying to and/or was awarded funding for IIJA Section 40101(c) funding (Grid Resilience and Innovation Partnerships (GRIP) Program): ☐ Yes ☐ No
	If an entity is submitting an application under IIJA Section 40101(c) (GRIP Program) - Please describe the differences between this application under 40101(d) (Grid Program) and the 40101(c) (GRIP Program) application:

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a.	Acknowledgement that applicant will comply with the <u>Davis-Bacon Act</u> , as applicable.				
	☐ Yes	□ No	☐ Not Applicable		
b.	Acknowledgem requirements,		nt will comply with <u>Build America, Buy America (BABA)</u>		
	☐ Yes	□ No	☐ Not Applicable		
	•	d, the applicant v why the waiver is	will be required to attach a waiver request and provide a brief necessary.		
C.	_	nent that applica nent Opportunity	nt will comply with the requirements of Executive Order 11246, χ , as applicable.		
	☐ Yes	□ No	☐ Not Applicable		
d.	_	nent that applica Questionnaire, a	nt will file a <u>National Environmental Policy Act (NEPA)</u> as applicable.		
	☐ Yes	□ No	☐ Not Applicable		
e.	Does the applic	•	nvolving any known foreign nationals in the planning and delivery		
	☐ Yes	□ No	☐ Not Applicable		
			ording foreign national participation, please refer to the Grid		

As a condition of funding, DFA must apply the terms and conditions of the Grid Enhancement Grant Award. If the applicant is unable to comply with any of these requirements, as applicable, they will be ineligible for consideration in this program.

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Section 2: Project Scope and Delivery

2.1 Project Details

b.	Project Management Contact:

a. Name:b. Title:

a. Project Title:

- c. Email:
- d. Phone Number:
- c. Overall Project Scope (limit 50 250 words): Please provide a summary of the proposed project, which may include the need for the project and how this proposed project addresses the need. Click or tap here to enter text.

d. Project Narrative (**limit 2000 words or 5 pages**): Please provide a detailed description of project activities and outcomes, including how funding will be used. The project narrative should **clearly explain** how the proposed project addresses one or more of the three objectives outlined in the state's Program Narrative, how it will reduce the likelihood and consequences of disruptive grid events, and how funding will directly impact the project.

Please attach.

e. Project Timeline: *Provide a chronological description of the project timeline with milestones outlined to completion of the project.*

Please attach.

f. Project Risks: *Identify potential project risks as related to project delivery and corresponding mitigation strategies*.

Please attach.



g.	Does the proposed project have the potential to be replicated in other service areas?				
	□ Yes	□ No			
	Please Explain:	Click or tap here to enter text.			
h.	Does the proposed project include a component for the training, recruitment, retention, and reskilling of skilled and properly credentialled workers?				
	☐ Yes	□ No			
	Please Explain: Click or tap here to enter text.				



Section 3: Funding and Budget

3.1 Project Budget and Expenses

Please fill out the Budget Summary below. This will be used to evaluate the cost-effectiveness and financial feasibility of the project. Please include a brief justification to explain the funding amount for each category. Budget Categories:

- **Personnel:** Personnel refers to the position titles and correlated salaries for permanent and/or temporary personnel directly working on the project.
- **Equipment:** Items (including information technology systems) with a cost of \$5,000 or more per unit, which have useful life for more than one year. Equipment purchased under federal funding must comply with 2 CFR 200.
- **Supplies:** Items generally consumed during a relatively brief period. Examples include repair parts, office supplies, safety materials and educational supplies.
- Other: Direct costs required for the project, which do not fit clearly in other categories.

Please note, should the project be selected as a finalist for award, a detailed budget and match information will be requested, including a Cost Match Commitment Letter. Per U.S. DOE guidance, awardees will need to provide the following forms: Budget Form SF-424 and detailed Budget Sudget Sudget

Budget Summary						
Category	Funding Requested (from DFA)	+	Cost Match (from Applicant)	=	Subtotal	Brief Explanation
Personnel		+		=		
Equipment		+		=		
Supplies		+		=		
Other		+		=		
	Total Funding Requested		Total Cost Match		Total Project Cost	
Total for each Column:		+		=		

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Section 4: Reporting and Metrics

4.1 Project Metrics

a. Project Build Metrics: Using the list of provided Project Build Metrics (see Appendix A), please select 3-5 applicable metrics that best relate to the proposed project and can be reported on a quarterly basis. If there is a workforce development component to the project, at least one workforce development metric must be included.

Build Category	Build Metric

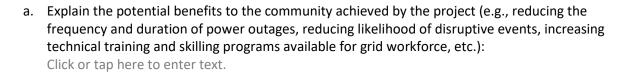
b. Project Impact Metrics: Using the list of provided Impact Metrics (see **Appendix B**), **please select 2-3 metrics from at least two separate categories** that will be used to evaluate project impact.

Impact Category	Impact Metric



Section 5: Community Benefit

5.1 Impact



- b. How many customers in Arkansas are expected to benefit from the proposed project?
 Click or tap here to enter text.
- c. Explain whether the potential benefits of this project will impact communities identified as low-income or rural (please provide a description of the service area and supporting documentation for the location of the project. Applicants may reference <u>U.S. Dept of Energy Mapping Tool</u> as appropriate):

Click or tap here to enter text.



Appendix A: Build Metrics

Categories	Table of Possible Build Metrics
J	Miles of new distribution lines
	Miles of distribution lines undergrounded
	Miles of distribution lines of vegetation clearing
Distribution	Miles of distribution lines reconductored
modifications	Miles of distribution lines with other upgrades
	Number of distribution poles inspected
	Number of distribution poles replaced
	Number of distribution poles with other upgrades
	Miles of new transmission lines
	Miles of transmission lines undergrounded
	Miles of transmission lines of vegetation clearing
Transmission	Miles of transmission lines reconductored
modifications	Miles of transmission lines with other upgrades
	Number of transmission structures inspected
	Number of transmission structures replaced
	Number of transmission structures with other upgrades
	Number of substations relocated
	Number of substations with added physical protection
Substation	Number of substations with added sensors/monitors
modifications	Number of substations with elevated equipment
	Number of substations with upgraded equipment
	Number of substations with other upgrades
	Number of substations with redundant equipment
Monitoring and	Number of fault location, isolation, and service restoration (FLISR) devices installed Number of other monitoring/metering devices installed
control devices	Number of other protection or control devices installed
	Power Rating of battery system installed (MW)
Batteries	Energy rating of battery installed (MWh)
	Voltage rating of mobile substation (kV)
Mobile Units	Voltage rating of mobile transformers (kV)
	Capacity rating of hardened generation (MW) - photovoltaics
	Capacity rating of hardened generation (MW) - wind
	Capacity rating of hardened generation (MW) - diesel
	Capacity rating of hardened generation (MW) - natural gas
	Capacity rating of hardened generation (MW) - coal
	Capacity rating of hardened generation (MW) - nuclear
Hardened	Capacity rating of hardened generation (MW) - hydropower
Generation	Average annual electricity produced of hardened generation (MWh) - photovoltaics
	Average annual electricity produced of hardened generation (MWh) - wind
	Average annual electricity produced of hardened generation (MWh) - diesel
	Average annual electricity produced of hardened generation (MWh) - natural gas
	Average annual electricity produced of hardened generation (MWh) - coal
	Average annual electricity produced of hardened generation (MWh) - nuclear
	Average annual electricity produced of hardened generation (MWh) - hydropower
Fuel supply	Percent increased energy storage capacity in reserve fuel - diesel
	Percent increased energy storage capacity in reserve fuel - propane

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	Percent increased energy storage capacity in reserve fuel - gasoline	
Restoration equipment	Number of transportation assets purchased to assist with power restoration	
	Number of communications assets purchased to assist with power restoration	
	Number of other assets purchased to assist with power restoration	
Operating systems	Percentage of system migrated into new software system	
Inventory	Percentage increase in pole inventory	
	Percentage increase in transformer inventory	
	Percentage increase in equipment inventory	
	Expected lifetime of new equipment	
	Other (please explain)	

Examples of Workforce Development Metrics: applicants are encouraged to develop their own metric as applicable to the type of workforce development project submitted.

Workforce Development	Percentage of new employees
	Employment rate (Full-time and or Part-time)
	Average training hours per employee
	Average time to fill job opening
	Other (please insert/explain)

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Appendix B: Impact Metrics

Impact Categories	Possible Impact Metrics
Outages	Largest outage cause
	Number of outages
	Hours to repair outages
	System Average Interruption Duration Index (SAIDI)
	Customer Average Interruption Duration Index (CAIDI)
	System Average Interruption Frequency Index (SAIFI)
	Customer Average Interruption Frequency Index (CAIFI)
	Number of individual customers with more than 5 interruptions
	Number of individual customer outages that extend beyond 24 hours
	Number of critical services with outages that extend beyond 24 hours
	Hours of unmet load
	Average hours to restore 50% of customers
	Average hours to restore 90% of customers
	Average hours to restore 100% of customers
	Outage recovery cost (\$)
	Hours line loading exceeded normal rating
Damages	Number of poles damaged
	Feet of conductor replaced
	Number of electrical components damaged
	Number of residential customers benefitted by project
	Number of commercial customers benefitted by project
	Number of industrial customers benefitted by project
	Number of customers that provide community services/emergency centers benefitted by project
Customers Benefitted	Number of customers that provide communication services benefitted by project
	Number of customers that provide energy supply benefitted by project
	Number of customers that provide transportation services benefitted by project
	Number of customers that provide water services benefitted by project
	Number of customers that provide food services benefitted by project
	Other (please explain)

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