

## Building Energy Resilience through State and Local Action

### NOTIFICATION OF FEMA FUNDING OPPORTUNITY FOR ENERGY INFRASTRUCTURE RESILIENCE

This August, Louisiana and California are dealing with the flip sides of severe weather. Hurricane Laura slammed into Cameron Parish with the strongest winds at landfall ever to hit Louisiana, leaving behind a wake of destruction on its path northeastward. Gulf Coast and Eastern states are bracing for what the National Oceanic and Atmospheric Administration (NOAA) predicts will be a particularly active hurricane season, with more “named” storms already than in any past year.<sup>1</sup> Just a few weeks ago, my home state of Connecticut was hit by Hurricane Isaias, which caused more damage and power outages in the state than Hurricane Sandy.



Lake Charles, LA on August 27, 2020. Courtesy of WAFB

<https://www.wafb.com/2020/08/27/photosvideos-storm-damage-hurricane-laura-across-la/>

On the West Coast, California is battling record wildfires, in many instances ignited by dry lightning, with at least 650 fires burning more than 1.25 million acres since August 15.<sup>2</sup> The fires have destroyed hundreds of structures, forced thousands to evacuate, and left seven dead. The air quality conditions across California, and to some extent Nevada, over the last two weeks has been some of the worst in the world. California has also experienced record heat this August that necessitated rolling blackouts in response to high electricity demand. Other western states—faced with the same intense heat wave—scaled back their electricity exports to California and issued their own conservation alerts.

The expectation that severe weather would increase as climate change accelerates is one of the major drivers of the greater focus on making the electric grid more resilient against a range of risks. In a report on developing state resilience frameworks, Argonne National Laboratory noted that “states and utility companies are at the front lines of assuring electric system resilience.”<sup>3</sup>

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Front Line Resilience Perspectives: The Electric Grid.  
Argonne National Laboratory ANL/GSS-16/2

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GridWise members are likely familiar with the resilience enhancement options that utilities regularly implement, from hardening, maintenance and vegetation management, security, redundancy, back-up equipment and mutual aid programs to smart grid investments, succession training, workforce development and business

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<sup>1</sup> <https://grist.org/climate/the-2020-hurricane-season-is-tearing-through-the-alphabet-at-lmnop-speed/>

<sup>2</sup> <https://www.vox.com/2020/8/21/21377181/california-wildfire-2020-scu-lnu-lightning-complex-climate-change>

<sup>3</sup> Finster, Phillips and Wallace. 2016. Front Line Resilience Perspectives: The Electric Grid. Argonne National Laboratory ANL/GSS-16/2. <https://www.energy.gov/sites/prod/files/2017/01/f34/Front-Line%20Resilience%20Perspectives%20The%20Electric%20Grid.pdf>

continuity planning.<sup>4</sup> Possibly less familiar are the processes by which states promote energy resilience through energy assurance planning, risk assessments, comprehensive energy plans, and public utility commission planning and proceedings. Utilities are responsible for their own infrastructure, but states and local governments work with utilities, agencies, first responders, businesses and others to reduce the consequences of energy disruptions, ensure public safety and rapid recovery, and over the long term, promote a more resilient grid through a variety of policy and regulatory approaches.<sup>5</sup>

Several years ago, the U.S. Department of Energy led a State Energy Risk Assessment Initiative to help states identify the greatest threats to their energy systems. DOE produced [state-by-state risk profiles](#) of natural and human-caused risks. This analysis helped inform almost every state's energy assurance

planning. The American Reinvestment and Recovery Act of 2009 (ARRA) included funding for states to create or update energy assurance plans for energy supply disruption risks and mitigation. In the next two years, forty-seven states and forty-three cities and towns produced energy assurance plans with this funding, and DOE held several exercises across the country to test the effectiveness of states' efforts. With little additional federal dollars, updates to state energy assurance plans have been uneven, although the National Association of State Energy Officials (NASEO) provides guidelines and some technical assistance. Congress may consider new funding through DOE for states to update their plans in upcoming appropriations.

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*While the owners and operators are responsible for their energy infrastructures and delivery systems, it is the responsibility of State and local officials to work with energy providers and stakeholders from other jurisdictions, government agencies, businesses, and related organizations, to reduce consequences and assure public safety, and provide for rapid recovery.*

National Association of State Energy Officials  
<https://www.naseo.org/energyassurance>

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Most states produce comprehensive energy plans at regular intervals to assess "current and future energy supply and demand, examine existing energy policies, and identify emerging energy challenges and opportunities."<sup>6</sup> The plans serve as roadmaps for energy resilience and economic development and help shape state investments and policy development over many years. Some states have gone further and developed specific energy resilience plans. For example, Oregon's original resilience plan was developed in 2013 to prepare the state for a future Cascadia earthquake and tsunami and laid the foundation for a 50-year implementation plan, including the creation of a state resilience officer and a series of budget requests. One component is "a plan for the Critical Energy Infrastructure Hub to prevent and mitigate catastrophic failure and ensure fuel supplies and alternate energy sources are available to responders and the public."<sup>7</sup>

Public utility commissions are increasingly considering state needs for resilient infrastructure and utility proposals for resilience investments. To aid commissions, the National Association of Regulatory Utility Commissioners (NARUC) recently established a [Task Force on Emergency Preparedness, Recovery and Resiliency](#), with a special subcommittee on the impacts of COVID-19. The Task Force will consider a host of questions about how to define resilience and implement and fund resiliency measures. The Task Force convened its first meeting at NARUC's virtual Summer Policy Summit in July.

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<sup>4</sup> Ibid.

<sup>5</sup> [www.naseo.org/energyassurance](https://www.naseo.org/energyassurance)

<sup>66</sup> [https://www.naseo.org/Data/Sites/1/naseo\\_39\\_state\\_final\\_7-19-13.pdf](https://www.naseo.org/Data/Sites/1/naseo_39_state_final_7-19-13.pdf)

<sup>7</sup> <https://www.nga.org/wp-content/uploads/2020/01/Energy-Resilience-Webinar-Masterdeck.pdf>

## ***NOTIFICATION OF FEMA FUNDING OPPORTUNITY FOR ENERGY INFRASTRUCTURE RESILIENCE***

One recent financing development at the federal level will generate a significant stream of regular funding for state energy resilience. [The Disaster Relief and Recovery Act of 2018](#) amended the Stafford Act to create a new Building Resilient Infrastructure and Communities (BRIC) program that aims to shift federal funding away from the need for disaster recovery and to pre-disaster investment in community resilience. Funding will focus on lifeline-sectors, like public health, communications, transportation, and energy, and one of the goals of the program is to enable large infrastructure projects. BRIC is funded by a 6% set-aside from federal post-disaster grant funding, and states that have had a major disaster declaration in the previous seven years are eligible for grants. States expect that annual funding for BRIC grants will be between \$500 million and \$1 billion.

The [first funding opportunity through BRIC](#) has just been announced: states and territories can apply for planning grants of up to \$600,000, with a tribal set-aside of \$20 million, and a national competitive grant program for mitigation projects will award over \$446 million.<sup>8</sup> The application process opens on September 30, 2020 and closes on January 20, 2020. Effective partnerships that “enable high-impact investments to reduce risk from natural hazards with a focus on critical services and facilities, public infrastructure, public safety, public health, and communities”<sup>9</sup> will be an essential element of winning proposals, as will the potential for winning projects to “reduce future losses and minimize impacts on the Disaster Relief Fund, ... and ...support the adoption and enforcement of building codes, standards, and policies that will protect the health, safety, and general welfare of the public, take into account future conditions, and have long-lasting impacts on community risk reduction, including for critical services and facilities and for future disaster costs.”<sup>10</sup>

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<sup>8</sup> [https://www.fema.gov/sites/default/files/2020-08/fema\\_bric\\_fy-2020\\_nofa\\_fact-sheet.pdf](https://www.fema.gov/sites/default/files/2020-08/fema_bric_fy-2020_nofa_fact-sheet.pdf)

<sup>9</sup> [https://www.fema.gov/sites/default/files/2020-08/fema\\_fy20-bric-notice-of-funding-opportunity\\_federal-register\\_August-2020.pdf](https://www.fema.gov/sites/default/files/2020-08/fema_fy20-bric-notice-of-funding-opportunity_federal-register_August-2020.pdf)

<sup>10</sup>ibid