GRID RESILIENCE GRANT PROGRAM FAQS



The Indiana Office of Energy Development (OED) announces a \$9.6 million funding opportunity for a federal Grid Resilience Grant Program. This program will fund improvements to electric grid infrastructure in the state, particularly as it relates to the ability to withstand and recover from potential disruptions. Indiana OED seeks electric grid infrastructure projects that build upon existing efforts, can demonstrate increased reliability and resilience, and have strong community benefits. A minimum of 26% of available funds will be awarded to small utilities. More information about this funding opportunity is found at: https://www.in.gov/oed/grants-and-funding-opportunities/grid-resilience-program/.

1. What is the duration of a project that can be proposed?

Projects are encouraged to stay within a two (2) to three (3) timeframe but cannot be longer than four (4) years.

2. Are projects able to begin before receiving approval from the U.S. Department of Energy (DOE)? Projects cannot begin until awarded applicants enter into a subgrant agreement with Indiana OED, which will occur after OED receives approval from DOE.

3. Will you define the term "customer class"?

Customer class is defined using the three traditional electricity customer classes: residential, commercial, and industrial. Further, "customers" are defined the number of meters.

4. Can the application be submitted as a collection of multiple smaller projects?

Each application will be considered as one project, and the applicant should clearly describe the scope and parameters of their proposed project. A project may contain multiple components as long as they collectively can be defined as a project that fulfills the purpose and objectives of Indiana's Grid Resilience Program. Please note that depending on the scopes of each component of a project, OED may request the applicant to report metrics and activities for each component individually, based on DOE requirements.

5. Is there a definition for critical customers, and does that requirement differ or override the IIJA Disadvantaged Communities?

Critical customers and disadvantaged communities have two separate definitions, both included in the Application Instructions. Critical customers are defined as assets that deliver life-sustaining services to a portion of the general population (refer to the full definition in the page 6 footnote of the instructions).

Disadvantage Communities are defined using the <u>CEJST</u> or the <u>Energy Justice Mapping Tool</u> (refer to page 9 in the instructions). Both are currently recognized by U.S. Department of Energy, but as noted on the Energy Justice Mapping Tool website, that tool is undergoing changes and CEJST is the official definition for a geographically defined disadvantaged community. If the communities impacted by the proposed project do not

fit these definitions of a disadvantaged community, but have conditions that should be considered, please note them in the application.

6. Are there preferences or restrictions to what type of vegetation management projects are eligible? Under Section 40101(e), vegetation and fuel-load management is an eligible resilience-based investment permitted under the Grid Resilience program and is not further defined. As with any proposed project, applicants need to demonstrate that the resilience measures proposed fulfill the purpose and objectives of Indiana's Grid Resilience Program.

7. How much detail should we include in our grant application? What is the appropriate balance between too much and not enough information?

The application is designed to target specific information needed to assess whether the project meets the purpose and objectives of Indiana's Grid Resilience Program. Be sure to address each question concisely while still conveying the unique and critical elements of your proposed project. The application should be easy enough for the applicant to fill it out, and if you feel the need to hire a grant writer, then you might be including too much detail.

8. What is required regarding for quarterly reporting?

Quarterly reporting includes both performance and financial updates. They will include metrics and milestones provided in application, as well as a narrative on the status of the project. OED will provide a template for awardees to complete, which will mirror the PMP sheet, for quarterly reporting.

9. Will there be waivers for Buy America Build America (BABA) requirements, if the resource cannot be bought in the U.S.?

There is a BABA waiver process for applicants, but DOE's waiver process is expected to be very slow, and waivers will be specific to the purchases made on a single project. Applicants should address BABA concerns in the risk management table. Considering potential supply-chain issues or other time constraints, applicants who anticipate needing a BABA waiver will be highly encouraged to submit the waiver to OED as early as possible after application selection. Additional information on DOE BABA requirements, implementation, and guidance on requesting a waiver can be found at: https://www.energy.gov/management/build-america-buy-america.

10. Do we have to continue to report metrics after the end of the grant?

Reliability metric projections are required to be included in the application process and will be required during the course of the award. However, reporting is generally not required once the subgrant agreement with OED is complete. There may be certain terms and conditions that require post-award reporting, such as status of equipment purchased under the grant. These reporting terms will be noted in the subgrant agreement.

11. Can the funding request include administrative costs?

OED will not award funds for administrative expenses, as they are not directly related to the work performed on the project. OED will only be making awards for direct costs. Additionally, all costs must be eligible expenses under the program. Please list all expenses that cannot be captured in the specified spend categories on the PMP in the "Other" category, indicate what those expenses are, and how they relate to the completion of the project.

12. Is the \$2 million maximum award the total project amount or the federal portion of the award?

The \$2 million maximum award amount is the federal portion maximum and does not include applicant match or state funding portion. A small utility match of 38% of \$2 million is \$760,000, and 105% match for all other applicants is \$2,100,000. Using the PMP document, total expenses should be included in the "Total" column.

The Federal, State, and Match portions are populated automatically. The table is structured to automatically match the Federal portion of the grant award at 38% for small utilities and 105% for all other applicants. The maximum "Total" value for a small utility project is \$2,977,491.91 and the maximum "Total" value for all other applicant projects is \$4,317,491.91. In both cases, the award amount is \$2,217,491.91 (\$2 million Federal and \$217,491.91 State).

13. For environmental reviews, do environmental agencies need to be contacted, or may the applicant complete the Environmental Form to the best of its ability?

The Environmental Questionnaire (EQ1) document can and should be filled out by the applicant. Environmental agencies are not required to be consulted prior to the application submission, but awarded applicants will be required to complete all necessary reviews before the project commences. The EQ1 will be reviewed by the U.S. Department of Energy to determine if additional reviews are necessary. If the applicant has already engaged or completed environmental reviews for the project, the applicant should include the relevant information in the application EQ1. Should any questions arise about particular questions in the EQ1 form, please contact IOED.

14. Is the Grid Resilience and Innovation Partnership Program with the Grid Deployment Office one of the grants OED expects the applicant to disclose and justify how that request would be different from this grant request?

Yes, the U.S. Department of Energy requires applicants to identify how the proposed project under 40101(d) (Indiana's Grid Resilience program) differs from other project application to other federal Grid Resilience grant programs, including 40101(c). Applicants may not receive funds under both 40101(c) and 40101(d) for the same project.

15. Will applications be reviewed on a first-come, first-serve rolling basis?

Applications will be reviewed collectively. No preference will be given based on when an application is submitted as long as they are submitted before the deadline.

16. What is the Solicitation/Project number required for the Environmental Questionnaire? DE-DG0000015

17. How much detail should we provide in the application? Will the OED plan to award projects in full, partially fund projects, or both?

Please provide as much detail as possible within the application about the proposed project. OED may award projects up to the requested amount, not to exceed \$2 million, or lower, as determined by OED and approved by DOE. In addition, OED will not be allowed to award unallowable costs, consistent with 2 CFR 200 and program guidelines. Therefore, additional detail will allow OED to better understand the project and its costs, and may help avoid an entire project be disqualified from receiving an award because of a partial, unallowable project cost included in the application.

18. For Question 13, how do we determine which investment category our project falls into? Are there definitions for each category?

The U.S. Department of Energy has not further defined the investment categories. OED encourages all applicants to use their best judgement in selecting all applicable investment categories. The description of the project and the infrastructure (questions 11-12) should provide sufficient detail that helps to identify and justify the applicable category in question 13.