



GOVERNOR'S OFFICE OF ENERGY

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**MINUTES
of the Hearing of the
GOVERNOR'S OFFICE OF ENERGY**

PLEASE TAKE NOTICE that a public hearing will be held before the Nevada Energy Director ("Director") to review the application and reporting criteria for 40101(d) funding at the following date, time, and location:

**Thursday, September 28, 2023
2:00 P.M.**

Via Videoconference – Microsoft Teams:

Join on your computer or mobile app.

[Click here to join the meeting](#)

Meeting ID: 299 139 763 979

Passcode: PxjR9C

Via Phone Conference:

Conference Call Number: 775-321-6111

Phone Conference ID: 407 697 871#

AGENDA

(Action may be taken on those items denoted "For Possible Action")

Attendees: Director Dwayne McClinton, Governor's Office of Energy, Lezlie Helget, Governor's Office of Energy, Nicole Ting, Deputy District Attorney, Carolyn Turner Nevada Rural Electric Association, Dane Bradfield, Carolyn Barbash, NV Energy, Morgan Biaselli SSGR, Thad Ballard, Jason Harston, Gabe DeGuzman, Corey Tague, NV Energy

1. **Call to Order.** Director Dwayne McClinton called the meeting to order at 2:03 p.m.

Director Dwyane McClinton: Welcome to the Governor's Office of Energy Public meeting on 40101(d) funding. I am Director Dwayne McClinton, of the Governor's Office of Energy. This is a meeting to collect information that will ultimately support and inform GOE on best practices for

the 40101(d) application and reporting design element. GOE seeks to develop a planning framework that will guide decisions pertaining to the investment of 40101(d), defunding.

Lezlie Helget is joining us today and will walk us through the objectives and matrix outlined in our recently posted Request for Information and guidance received from the Grid Development Office (GDO). We look forward to receiving feedback and input from you all today. We appreciate those who took the time to complete and submit answers during the open RFI process.

- 2. Public Comment. Dwyane McClinton:** We'll take public comment today, recognizing that once we get into the program itself and the specifics, we will have opportunity for a back and forth. But if anyone would like to speak and present comment today, at this moment we will take public comment. Let the record reflect that no person has sought to make public comment at this time.

At this time, I would like to turn things over to Lezlie to walk us through the review of the RFI and GDO requirements.

3. Review of Request for Information (RFI) #01GO-S2466 – *For Possible Action*

Lezlie Helget: Good afternoon, everyone. Today we will quickly go over the 40101(d) RFI that was released on August 16th. Once again, thank you to those of you who took the time to complete and submit the RFI. We really appreciate your feedback.

I've been told by our state purchasing division that GOE can still accept RFI's, so if there is any information, you'd like to share in a written format rather than today in public, I can send you the link to the RFI and you can send the responses directly to me. We would like to have those responses by the end of next week as we are hoping to move forward on the Notice of Funding Opportunity soon.

We will also be reviewing the application criteria and reporting requirements handed down to GOE from the Grid Deployment Office. If you have any questions about those, we can go over that too.

I'd like to mention that once applications are received, reviewed, and scored by GOE, we will be forwarding them to GDO for final project approval.

We appreciate your patience while we work through this federal funding process.

We're going to go over the RFI. If anyone has any questions, please let me know.

Eligible entities. Do we have any questions on eligible entities?

No.

Proposed projects, are they an eligible activity? I think these are all self-explanatory. Weatherization, fire resistant technologies, monitoring and controlling technologies, 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 the disruptive event, including microgrids and battery storage subcomponents.

I do want to mention this grant program may not be used for the construction of new electrical generating facilities, which happens to also include backup generators or a large-scale battery storage facility that is not used for enhancing the system adaptive capacity during a disruptive event, or cyber security.

We did ask for a ballpark cost estimate just to see where we were with the funding that we've received and the allocations that we might be distributing.

Next, we have the small utility set aside. Did anyone have any questions on the small utility set aside?

Carolyn M. Turner: I don't have a question about the small utility set aside, but I do want to emphasize in this public forum as well as in the comments that we filed in response to this RFI, the importance of prioritizing projects for small utilities. Nevada is a state that has a very diverse geographical layout. We've got a lot of small, very disparate communities spread across a very large portion of the state. The members of my organization, all of whom qualify as small utilities pursuant to the infrastructure investment and Jobs Act, they combined, serve almost half of the states certificated service territory, and it's critical that this office really prioritized projects in these areas and ensure that the investment made is adequate and again I'll just emphasize that the small utilities set aside is a floor, it's not a ceiling and we would greatly appreciate your consideration of enhanced set aside for those utilities that need it the most. Thank you.

Lezlie Helget: Thank you, Carolyn.

Next, we have the cost match. Did anyone have any questions on the cost match?

The next thing we would like to talk about are the challenges, given how sub award programs are often designed.

We did receive some great response on this during the written RFI process.

And is there anyone that would like to comment on the program design given the challenges?

No

Can anyone think of any insurmountable barriers that might be seen, or that we can talk about.

The proposed projects need to show how it will generate the greatest community benefit. We will be looking at that piece closely.

Administrative requirements. Does anyone have any questions on those?

Carolyn Turner: Have you gotten any feedback from the feds about which components may be covered under the build America by America Act requirements? And, as I had indicated in our comments, and I think a few of my members also mentioned, there are a significant number of electric infrastructure components that do not have a domestic supply chain available. We want to make sure there's as much clarity going into the process about what components may be covered.

There's been some back and forth between different agencies on the federal level in between some of these different grant funding opportunities with some questions about what might be covered. Do you have a sense of what's covered under this specific funding opportunity and on whether yes or no, is your office able to assist where necessary to request project specific waivers or to help us get some programmatic waivers in place eventually?

Lezlie Helget: I don't have an answer for you at this time, but I will certainly make note of that and contact GDO, and we can get an answer for you.

Reporting requirements: Here is a list of some, but not all, reporting requirements. We didn't get a whole lot of feedback on this portion. Does anyone have any comments on the reporting and how they might see these requirements being reported? No comment.

We did get some great feedback on identifying how lessons learned from previous funding opportunities could be implemented to not replicate mistakes that were made in the past. That was great to see too.

OK, that basically covers the RFI.

We'll move on to the GDO information, however, I'm not going to go through this page by page. So please stop me if you have any questions.

This slide-deck is technical guidance given to GOE from the GDO, so it's worded towards us, but I want people to be aware of the requirements that we are going to have to use to report information back to DOE and it's important that everyone is aware and understands the reporting requirements so that we can flow this back up to DOE.

Funded through BIL and administrated through the Building a Better Grid Initiative, the grid resilience Formula Grants program is designed to strengthen and modernize America's power grid against wildfires, extreme weather and other natural disasters that are exasperated by the climate crisis. Given the historic level of investments represented by BIL programs, it's incumbent on the Grid Deployment Office through GOE to transparently track, report and communicate the outcomes of these programs. The Executive Order related to BIL directs GOE to prioritize investing public dollars efficiently and equitably, working to avoid waste, and focusing on measurable outcomes for Nevadans.

The GDO will collect information from GOE and analyze the data to measure the progress of grid resilience implementation and the resulting impacts. GDO expects that GOE will collect information from the eligible entities to which they will support program funds. To enable DOE's oversight of program spending, the standard set of metrics is necessary.

This document specifically provides guidance to GOE on developing uniform collection, measurement, and reporting methodologies that GOE can use to communicate the outcomes and impacts of BIL investments, particularly those of section 40101(d) while ensuring consistency, transparency, and accountability to support administrative program objectives.

This GDO PDF is posted on GOE website and you're welcome to go pick that up and look at this.

GDO is particularly interested in collecting the following types of metrics:

- Grid resilience build metrics
- Grid resilience impact metrics
- Energy equity and community benefit metrics

Build metrics track what grant recipients spend program funds on, which may include hardware, software, additional equipment, and organizational changes. For example, if a sub-granted project is hardening a substation, build metrics will track the number and type of hardware changes being made to the substation. If a project is installing a new software system, build metrics will track migration to the new system as well as its new capabilities.

Impact metrics measure the extent to which grant-funded projects have improved grid resilience and reduced the likelihood and consequences of disruptive events. As projects become operational, impacts should be measurable over time. For example, a project that includes distribution automation may see a significant reduction in customer outage minutes. Another project may see a reduction in the number of outages caused by high-wind events through undergrounding or increased vegetation management.

Energy equity metrics will identify the impact these resilience projects have on disadvantaged communities (DACs), as defined by the DOE Justice40 program.³ This includes not only improved resilience, but also job creation, investments in businesses located in DACs, investments in job quality and job training, and reduction of the energy burden in these communities. Community benefit metrics encompass many of these equity metrics but also consider the quality of engagement. To measure community benefits, DOE is adopting a Spectrum of Community Engagement to Ownership⁴ that is more expansive than previous practices and shifts toward involving, collaborating with, and deferring to the community. This approach encourages project teams to build trust, ongoing relationships, and partnerships with impacted communities, whose input will then be considered in key project decisions such as siting, design, implementation, and continuous improvement.

GDO recognizes that the impacts of grid resilience projects should inherently lead to community benefits and that these metrics are intertwined with energy equity. GDO's goal is for the developed metrics to comprehensively consider and inform a deeper understanding of energy equity. To that end, data from the above categories of metrics will be explicitly requested in quarterly and annual reporting templates, as described in further detail in the Documentation section.

GDO's approach involves three basic steps: gather information from grant recipients, analyze the information, and communicate the results to the public. Results will present aggregated data from projects. Identifiable information from individual projects will not be disclosed without permission from the grant recipient.

GDO seeks to work with grant recipients to arrive at a set of metrics for each project that communicates the use of funding and the benefits of funded projects without creating undue burden. To achieve this, grant recipients will work through their DOE Federal Project Officer to select metrics that are most applicable to their proposed projects. Working closely with subrecipients, recipients are advised to choose metrics using the following process:

- What infrastructure, equipment, and devices were deployed?
- What functionality or capability was targeted?
- What benefits were derived from the projects?

Identify resilience objectives. To better determine what metrics to track, recipients should first consider the objective of the project. Most resilience investments will have at least one of the following two goals: prevent outages from occurring or reduce the time it takes to restore power when outages do occur.

Select investments that meet those objectives. Identifying which resilience objectives are most important will inherently determine which types of resilience strategies to invest in. Physical system upgrades such as reconductoring, moving power lines underground, or increasing vegetation management are typically activities done to prevent outages from occurring in the first place. Advanced system monitoring and control technologies, as well as increased system redundancy, can reduce the time it takes to restore power and reduce the number of customers that experience an interruption. Finally, increased numbers and staging of spare parts as well as improvements in inventory management can reduce the time it takes to restore power, especially after an extreme weather event.

Consider the scope of the project. Next, recipients should consider which part of the system they plan to target and why. Projects that target specific communities or sections of a system should collect corresponding impact metrics specific to the project area as much as possible, since gathering data on systemwide performance may not allow recipients to see an impact. For example, when possible, recipients should collect customer interruption data on those directly impacted by the resilience investment. This could mean collecting feeder-specific data if a project is focused on only a few select feeders.

Determine who benefits from the project. Grant recipients are responsible for prioritizing investments and may need to weigh multiple factors when considering different resilience projects proposed by potential subgrantees. These project selection criteria will inform the metrics tracked for each project. In addition to assessing whether a proposed project would be in a high-risk area, grant recipients may also consider socioeconomic, criticality of load, geographic, or climate factors when deciding resilience projects. If investments are used to ensure equitable access to grid resilience, recipients could consider comparing outage data of the targeted community to other communities within the same service territory. Alternatively, if projects are designed to improve the performance of critical services during extreme weather events, comparing critical service availability to an average or a baseline would help determine if the project provided the desired benefit.

Establish a baseline. Finally, to capture the extent to which an investment fulfilled its resilience objective, grant recipients need to set a baseline. GDO recommends that recipients—working closely with subrecipients—establish a five-year baseline prior to the project’s start date. The impact metrics will then remain consistent throughout the duration of the project.

Examples of objectives would be.

SUBSTATION HARDENING

The recipient should consider collecting the following metrics:

- **Build**
 - Estimated lifetime of new equipment
 - Increase in elevation of substation
 - Number and type of flood monitors
 - Number and type of new equipment installed
- **Equity and community benefit**
 - Number and demographics of employees assigned to project
 - Number and demographics of employees trained for project
 - Number and type of customers served by substation, specifically considering disadvantaged, tribal, fossil energy, and rural communities served
 - Number and type of critical infrastructure served by substation (e.g., resilience hubs, community centers, transportation, fuel supply, food, and water services)
 - Number and type of meetings or outreach activities held with community members about project
 - Number and type of community groups or other organizations engaged with through outreach activities, specifically considering disadvantaged, tribal, fossil energy, and rural communities engaged
- **Impact (tracked five years prior to project implementation to establish a baseline, as well as during the project performance period)**
 - Number of outages caused by wildfires in areas designated for vegetation management
 - Number of outages caused by vegetation in areas designated for vegetation management
 - Number of poles replaced because of vegetation-caused outages in project area
 - Length (in feet) of conductor replaced because of vegetation-caused outages in project area
 - Number of other electrical components replaced because of vegetation-caused outages in project area
 - Number of events where the entire tribal community lost power and the cause of those outage events
 - SAIDI/SAIFI/CAIDI values for the tribal community, considering total values, wildfires specific values, and vegetation-specific values

Documentation: Metrics reporting will be split into two reporting templates: the Quarterly Progress Report and the Annual Program Metrics and Impact Report. The Quarterly Progress Report will capture data on project attributes, which includes data on the type of project, the expected benefits, the customers impacted, project location, subaward entity, cost, project milestones, and build metrics. The Quarterly Progress Report will be requested at the end of each quarter.

The Annual Program Metrics and Impact Report will further capture benefits that communities realize through the program. Data requests include tracking avoided outages, avoided costs, and

reduced restoration time, as well as further information on community and labor engagement; workforce and community agreements; investments in job quality and job training; diversity, equity, inclusion, and accessibility; and Justice40 benefits. The Annual Program Metrics and Impact Report will be requested at the end of each federal fiscal year.

The reporting templates will provide a list of metrics to choose from to help recipients consider the possible metrics to report. However, recipients can use any additional metrics they deem appropriate for the projects funded by the Grid Resilience Formula Grants program. Appendix A provides a list of metrics for all three metric categories.

Metrics reporting templates will be provided by the National Energy Technology Laboratory, which is helping to administer the Grid Resilience Formula Grants program.

As outlined in the Administrative and Legal Requirements Document, reporting requirements are identified on the Federal Assistance Reporting Checklist and Instructions, DOE F 4600.2, attached to the award agreement.

Metrics tracking guidance for all projects funded by BIL is under development by DOE's Office of Policy, which may identify additional reporting requirements. These additional reporting requirements will be added as needed to the Annual Program Metrics and Impact Report. Recipients should maintain sufficient records on their projects.

There's an appendix A which will provide a list of metrics for all three metric categories, metrics, reporting, metric reporting templates will be provided by the National Energy Technology Laboratory, which is helping to administer the grid resilience Formula Grant program as outlined in the administrative and legal requirements document reporting requirements are defined on the Federal Assistance Reporting Checklist and instructions.

Do we have any questions? No questions at this time.

This concludes the information that I have prepared today.

Thank you for joining us and thank you, Carolyn, for your feedback.

Director Dwayne McClinton: Thank you, Lezlie, for walking us through the RFI as well as the guidelines from the Grid Deployment Office, GDO.

4. **Public comments and discussion*** At this time we'll take public comment if anyone has any public comment that they would like to put on the record, here is your time to do so.

Carolyn Turner: This may not be appropriate for public comments because it's kind of in the form of a question, but I would love your thoughts about what the next steps are. I'm not sure if you're in a position where the RFI can be closed. You know that deadline was two weeks ago. I don't know if that impacts our next steps going forward. But then again, I appreciate that the public comment period may not be an appropriate juncture to pose the question, but if you are able to respond to my question about next steps, I'd greatly appreciate your time.

Lezlie Helget: Thank you. Our next steps are that GOE staff will be putting the final touches on our Notice of Funding Opportunity, and we hope to have it out sometime in the next couple weeks, sometime in October.

Carolyn Turner: Excellent. Thank you so much.

Director Dwayne McClinton: Anyone else for public comments before we close today?

Alright, Let the record reflect that there's no other public comments at this time.

5. **Adjournment**

Director Dwayne McClinton: We will conclude this meeting at 2:29 PM.

Thank you all for your attendance and participation. Again, if you have any questions, please feel free and don't hesitate to reach out to GOE. Thank you all and have a great day.