



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 award criteria for 40101(d) funding at the following date, time, and location:

**Tuesday, August 30, 2022
10:00 A.M.**

Via Videoconference – Teams:

Join on your computer or mobile app

[Click here to join the meeting](#)

Meeting ID: 298 891 588 650

Passcode: 8JHW5s

Via Phone Conference:

Conference Call Number: 775-321-6111

Access Code: 352855085#

Phone Conference ID: 352 855 085#

AGENDA

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

Attendees: David Bobzien, Denise Frohlich, Laura Wickham, Lezlie Helget, Lorayn Walser, Janell Woodward, Dave Luttrell, Kristen Averyt, Carolyn M. Turner, Devlin Daneshforouz, Joy Grewatz, Joseph Stubitz, Eric Schwarzrock, Sarah Steinberg, Bill Newberg, Layla Murphy, Ryan Brodsho, Cameron Dyer, Brian Reeder, Kevin R, Bob Johnston, Christopher Naylor, Carolyn Barbash, Kaeci Daniels, Joshua Langdon, Fred Flippence, , Paige Barnes, Dane Bradfield, Severiano DeSoto.

1. **Call to Order.** Director David Bobzien called the meeting to order.

David Bobzien: Welcome to the Governor's Office of Energy's public hearing on 40101(d), the grid resilience program as part of the Bipartisan Infrastructure Law. Our office is preparing our application to the Department of Energy in pursuit of the formula allocated funds that we hope to put to good use here in Nevada for grid resilience projects.

Laura Wickham is joining us today and will be giving us a walk-through of where we are with our outlook on this program, and we look forward to receiving feedback and input today in this hearing.

Laura Wickham: The purpose of our public hearing is to discuss our proposed objectives, criteria, and metrics. We will have an opportunity to offer public comment both at the beginning and the end of our hearing. The purpose is to have an open discussion. Nothing is written in stone. We are here to listen to everyone's ideas and suggestions on how we can make this better. The majority of what we have prepared and written are the minimum requirements that the federal government has handed down to us in the application. Although some of these may sound like we need to make changes to them, we might not be able to make changes to them. We are happy to hear the different comments and ideas particularly on the metrics system.

David Bobzien: We will take public comment today recognizing that once we get into the program itself and the specifics, we'll have opportunity for some back and forth but if anyone would like to present public comment at the opening, now is your opportunity.

2. **Public comments and discussion*** – Public comment will be taken at the beginning and end of the meeting and may be taken at the discretion of the Director on agenda items listed for possible action. Public comments may be limited to 3 minutes per person at the discretion of the Director. Comment will not be restricted based on viewpoint. No action will be taken on any matters raised during the public comment period that are not already on the agenda. Persons making comment will be asked to begin by stating and spelling their name for the record. *There was no public comment.*

3. **Review of Anticipated Award Criteria – For Possible Action**

Laura Wickham: We will be discussing, first, our Objectives and soon after we will discuss the Metrics.

1(a). Objectives:

- I. **Energy Justice** – Ensuring an equitable energy future that leaves no one behind. Including underserved and disadvantaged communities, and vulnerable populations by equitably sharing the burdens and benefits of energy production and consumption, * while reducing the likelihood and consequence of disruptive events.

Energy Justice, Resilience, and Strong Labor Standards and Protections are mandated minimum requirements from the federal government; therefore, they are included in application and our objectives.

- II. **Resilience** – Reduction of frequency and duration of outages. Setting objectives to avoid, prepare for, and recover from energy disruptions to ensure energy availability and reliability.
- III. **Mitigation of Climate Related Risks** – Hazard mitigation and hardening in an effort to adapt to climate-related hazards.

IV. Strong Labor Standards and Protections – Creation of good paying jobs with the free and fair choice to join a union and/or a workforce development option.

We have metrics for each of these objectives. This is the section where we'd like to hear input from all of you because when and if you receive any funding through sub-grants, you'll be the ones that will have to meet the metrics and demonstrate that you're meeting the requirements of the grant funds. We want to make sure that they are realistic and able to meet these requirements.

1(b). Metrics:

I. Energy Justice:

Projects that demonstrate inclusion of underserved and disadvantaged communities and vulnerable populations in their project planning process will be prioritized for awarding of funds. Benefits to such groups or populations shall be established through data from sources such as The U.S. Census American Community Survey, State Department of Health Services, The U.S. Department of Housing, EIA, LIHEAP, or any other reputable source demonstrating fulfillment of this objective.

Comment and Discussion: No comments.

II. Resilience:

A reduction in frequency and duration of power outages shall be clear in the project planning of the potential recipient. Clear, projected benefits and outcomes must be provided in the event of use or construction of distributed energy resources for enhancing system adaptive capacity during disruptive events, including: microgrids; and battery storage subcomponents.

Comment and Discussion: No comments.

III. Mitigation of Climate Related Risks:

Analysis and projected mitigation of climate-related risks must be provided to demonstrate the clear and tangible benefits that will result from hazard mitigation and hardening. Activities may include weatherization technologies and equipment, fire-resistant technologies, and fire prevention systems, undergrounding of electrical equipment, utility pole management, relocation of power lines with low-sag, vegetation, and fuel-load management, or hardening of power lines, facilities, sub-stations, or other systems.

Comment and Discussion: No comments.

IV. Strong Labor Standards and Protections:

Potential funding recipients must demonstrate planning for the utilization of strong labor standards and protections (to include direct employees, contractors, and sub-contractors). This may be established by the use of project labor agreements, local hire agreements, and/or an outline of a plan 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, particularly those underrepresented or historically excluded). It may further be demonstrated through plans to partner with a training provider (labor, community college, etc.); and the use of an appropriately credentialed workforce (i.e., requirements for appropriate and relevant professional training, certification, and licensure).

Comment and Discussion: No comments.

One more thing to note is, these are evolving objectives, criteria, and metrics. We are proposing our plan and our framework in our application with the understanding that we have a year to continue to mold these. Even once we are granted the funds and the program is up and running, we will have another full year to finalize these objects, criteria, and metrics in our next application for funding the following year. If you don't have any ideas, thoughts, or comments you'd like to submit today you can certainly continue to reach out to us throughout the next year and we're happy to have these discussions to make sure that this is feasible to everyone, and everyone can benefit from the funding and doesn't feel that it's an unnecessary burden.

2. Criteria:

The following criteria will be used by GOE for selecting and determining the awards to eligible entities:

- I.** Priority should be given to projects that will generate the greatest community benefit (whether rural or urban) in reducing the likelihood and consequence of disruptive events,
- II.** The percentage made available to eligible entities that sell not more than 4,000,000 megawatt hours of electricity per year should not be less than the percentage of all customers in the State that are served by those eligible entities, and
- III.** Awards should be provided to eligible entities for projects within the State.

Laura Wickham: Do we have any comments or discussion on the Criteria?

Eric Schwarzrock: Could you please repeat the second item?

Laura Wickham: In essence what it is saying is that anyone who produces less than 4 million megawatt hours of electricity, we need to reserve a portion of our funding that is equal to at least the amount of the population of Nevada that those entities serve.

Carolyn Barbash: If there is an entity that serves 80% of the load in Nevada, they get 80% of the annual funding from the DOE?

David Bobzien: Correct hypothetical.

Laura Wickham: I will expand on what our plans are going forward. We are planning on submitting our application in the next couple of weeks and hoping that we can have this wrapped up and done in a couple of weeks, then we will wait for the funding to be granted, hopefully sooner than later. Once that takes place, we do have to go in front of the Legislature to be able to spend the funding and that we anticipate to be able to do late 2022 potentially early 2023. We expect to have our funding open and rolling by first quarter 2023. These are our projections for this application. We are excited to see all the projects come through and we're happy to continue to have conversations with all of you. Please feel free to reach out if you have any questions or if you want to discuss the funding or the different criteria we talked about today.

Joseph Stubitz: Can we see a copy of the application?

Laura Wickham: I don't know that our full application is public. This section of our application is public, but I can look into it and see if we can make it open.

Joseph Stubitz: Or at least the criteria and other bullet points that you described today.

Laura Wickham: Yes, we'll get those out to you.

Layla Murphy (via chat): Could mitigation of climate related risks also relate to the relocation of a line that is prone to long outages because it is difficult to access during an outage?

Laura Wickham: Yes, that would be an accepted project and we have a list of accepted activities that fall into the category of climate risk, hazard mitigation, and outages. I can send you the list if you'd like.

Carolyn Turner (via chat): To expedite review of Nevada's application, I'll plug the inclusion of the anticipated types of eligible entities as requested by DOE in its 40101(d) FAQ document. For example, NREA members are all eligible entities as "distribution providers."

Laura Wickham: Yes, thank you for that Carolyn. As part of our application, we did have this included. It's in our PowerPoint presentation and if anyone would like to see a full page of eligible entities, we'd be happy to make that available to you.

Janell Woodward (via chat): Will you be working with the State Hazard Mitigation Officer at the Division of Emergency Manager on any of your Mitigation projects?

Laura Wickham: Since these projects are not GOE projects, we are just helping to fund them. We are not involved in the creation or design or planning of these projects. However, we are happy to cooperate and inform the Division of Emergency Management whenever these projects come through, so they are aware of them as well.

David Bobzien: Just for everyone's awareness, GOE is the lead agency on this, but we have had planning conversation with DEM, Department of Forestry, Public Utilities Commission, and others regarding our program design. These are projects and proposals we'll be receiving from entities that are ultimately responsible for the execution. But the program design piece of it, we are in coordination with a variety of agencies at the State level.

Dave Luttrell: In the criteria, in the section 401 of the law, it specifies that for the smaller utilities that are four million megawatt hours or less, that the grant match only has to be 30% versus 100% for the larger entities? Is this in your application or do we need to re-state that?

Laura Wickham: It's part of our full application it's just not part of the criteria. It's not considered a criteria item, but it is part of the application.

David Bobzien: Before closing I would like to wrap this section up by expressing appreciation for everyone's interest in this. We're very excited about this program, the fact that we can make some on-the-ground impact quickly, by early next year with getting these funds out. This is a multi-year journey for us so we have a lot of incentive to get this right in year one so we can have successful years two, three, four, and five. We appreciate everyone's partnership and interest in this program and its success.

Dave Luttrell: In the future years, since this year you'll take the grant applications, you'll get the State Legislature to authorize the funding of it. In future years when we're not in Legislative session how will that be handled?

David Bobzien: Interim Finance Committee. It's important to note that it's the acceptance of the money from the Fed's that is the point of jurisdiction for the IFC, not the award of the funds so that is good news for project flow. That is the mechanism, it's a routine acceptance of funds each of the program years.

Dave Luttrell: That would make it a little bit later in the year in those off legislative years?

David Bobzien: Not necessarily because the IFC is known to meet during the Legislative session.

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David Bobzien: Do we have any closing public comment for today?

Severiano DeSoto: Good morning, Director Bobzien and members of the Governor's Office of Energy. My name is Severiano DeSoto. I am a Clean Energy Policy Fellow with Western Resource Advocates. WRA is an environmental advocacy organization with offices in Carson City and four other states that provides on-the-ground policy solutions for addressing climate change and sustaining a healthy economy for communities across the intermountain west. Thank you for this opportunity to comment today on the states plan to apply for Section 40101d – Grid Resiliency Grant funding made available through the Infrastructure Investment and Jobs Act.

Over the next five years, the Infrastructure Investment and Jobs Act will invest approximately \$20 billion to modernize the electrical grid and support the Biden Administration's goal of reducing greenhouse gas emissions 50 percent by 2030. Section 40101d formula funding represents a unique opportunity for Nevada to increase the resiliency of communities and mitigate the impacts of climate change that communities are experiencing across the state. This funding can be used for many different projects aimed at preventing outages and enhancing resiliency. WRA asks that the state of Nevada prioritize specific projects and technologies that increase the grids adaptive capacity to disruptive events, decrease the disproportionate burden that is felt by low-income and disadvantaged communities, and promote the uptake of more clean energy resources. While addressing the historical lack of investment in upkeep of the grid is important, this funding opportunity should focus instead on new investments that help evolve Nevada's grid into a more equitable, resilient grid that supports a clean energy economy.

One project example to consider, that touches all of these necessary considerations, is the development of community resiliency centers. These centers can provide support to residents in a community in the form of vital resources year-round, and a coordinated response to utility outages, disruptive events, and natural disasters. Providing these centers with funding to install on-site generation and storage capacity can improve community resiliency, emergency management preparedness, provide human health services, and improve social equity. Further, these community resources can be implemented by several eligible entities for this funding including community solar operators/developers.

The recent passage of the Inflation Reduction Act will also spur the market for both utility scale renewable energy projects and distributed energy resources. Nevada's application for 40101d funding should also focus on investments in technologies that increase the integration and management of these resources to rapidly meet our emission reduction goals in the most cost-effective manner possible. Technologies such as smart inverters, Distributed Energy Resource Management Systems, automated reconfiguration technologies, and other examples of advanced technologies will help improve the resiliency of the grid and support the growth of renewable energy generation.

Finally, now that parties have been provided with the additional information in today's presentation, WRA asks that GOE allows for further written comments to be submitted regarding this funding opportunity before the September 30th deadline. We look forward to working with the Governor's Office of Energy and other stakeholders throughout the state to ensure this historic investment in infrastructure supports the lives and livelihoods of all Nevadans. Thank you for the opportunity to comment today.

David Bobzien: Thank you Sev. While its not practice to respond to specific public comment I do want to note a couple of procedural matters. As Laura has indicated, we fully intend to take additional written comment beyond this public hearing. I do want to note though that we stated our desire to submit our application prior to DOE's September 30th deadline. We have not set on a date yet but we do appreciate hearing from those parties wishing to provide additional written comment sooner rather than later.

David Bobzien: Do we have any additional public comment?

No additional comment was received.

5. **Adjournment.** (For Possible Action)

** No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken.*