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# Grants for Enhancing MA Grid Resilience and Reliability Program Public Hearing

MASSACHUSETTS CLEAN ENERGY CENTER



# Agenda

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- 1 Grants for Enhancing MA Grid Resilience and Reliability Program Background**
- 2 Small Utility Set Aside – Update to Program Narrative**
- 3 Comments and Questions**

# Massachusetts Clean Energy Center (MassCEC)

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## History:

- MassCEC was established by Chapter 23J of the General Laws and **began operating in 2009**.
- We are a **quasi-public agency funded via the Massachusetts Renewable Energy Trust Fund**, which was authorized by the Massachusetts Legislature in 1997 as part of the electric utility deregulation process.




## About:

- MassCEC is a **state economic development agency dedicated to accelerating the growth of the clean energy sector across the Commonwealth** to spur job creation, deliver statewide environmental benefits and to secure long-term economic growth for the people of Massachusetts. MassCEC works to increase the adoption of clean energy while driving down costs and delivering financial, environmental, and economic development benefits to energy users and utility customers across the state.
- MassCEC's **mission is to accelerate the clean energy and climate solution innovation** that is critical to meeting the Commonwealth's climate goals, advancing Massachusetts' position as an international climate leader while growing the state's clean energy economy.
- MassCEC is **committed to incorporating principles of diversity, equity, inclusion, and environmental justice in all aspects of our work** in order to promote the equitable distribution of the health and economic benefits of clean energy and support a diverse and inclusive clean energy industry.
- MassCEC **strives to lead and innovate in equitable clean energy and climate solutions**.





# Grants for Enhancing MA Grid Resilience and Reliability Program Background

## FEDERAL PROGRAM

- ▶ Section 40101(d) of the Bipartisan Infrastructure Law - “Preventing Outages and Enhancing the Resilience of the Electric Grid”
- ▶ Formula funding opportunity
  - Each state is eligible for annual distributions of funding between FY22-FY26
  - MA is eligible for approximately \$4.5 million annually
  - Funding must be spent within five years of award, though period of performance may be extended to ten years
- ▶ The funding aims to:

-  Enhance the resilience of the electric grid
-  Prevent outages
-  Mitigate the impact of disruptive events

## MA PROGRAM

- ▶ The Commonwealth has been awarded its FY22-FY24 formula funding, totaling \$13.5M
- ▶ MassCEC and DOER developed the program to:
  -  Improve energy reliability and resilience
  -  Support decarbonization efforts
  -  Advance environmental justice
  -  Create good-paying, clean energy jobs

# Program Eligibility

## ELIGIBLE SUBAWARDEES

- Electric grid operators;
- Electricity storage operators;
- Electricity generators;
- Transmission owners or operators;
- Distribution providers;
- Fuel suppliers; and
- Any other relevant entity, as determined by the Secretary of DOE



# Program Eligibility

## ELIGIBLE ACTIVITIES

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

# Small Utility Set-Aside

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## LARGE VS SMALL ENTITIES

- ▶ Small entities are eligible subawardees that do not sell more than four million (4,000,000) MWh of electricity annually
- ▶ Large entities are eligible subawardees that sell more than four million (4,000,000) MWh of electricity annually OR that do not sell electricity
- ▶ DOE requires states to make funding available to small entities **proportionate to the number of customers who are served by small entities**

# Cost Match

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## COST MATCH REQUIREMENTS

- ▶ Cost match is required for all subawardees per federal requirements
- ▶ Large entity cost match – between 100-115% of award
- ▶ Small entity cost match – between one third (1/3) and one third (1/3) + 15% of award
- ▶ Required cost match (within specified ranges for large and small entities) will be determined upon subaward notification



# Updates to Small Utility Set Aside Calculation

## PREVIOUS SMALL UTILITY SET-ASIDE CALCULATION:

- MassCEC previously estimated that 59% of customers are served by small entities utilizing a data source suggested by DOE ([https://www.eia.gov/electricity/sales\\_revenue\\_price/pdf/table\\_10.pdf](https://www.eia.gov/electricity/sales_revenue_price/pdf/table_10.pdf))
- However, upon further review, this data source does not provide an accurate representation of the services that utilities provide in MA
  - Data source only reports “bundled” electricity sales (sales where the utility buys electricity on behalf of the customer and then delivers that electricity)
  - Bundled electricity sales do not capture the full electric delivery services provided by utilities

## NEW SMALL UTILITY SET-ASIDE CALCULATION:

- MassCEC identified a data source more accurate for MA and estimates that 13.5% of customers are served by small entities
- Utilized EIA data describing electric delivery service to make this calculation:  
[https://www.eia.gov/electricity/data/eia861/?mc\\_cid=27bc3c8df5&mc\\_eid=717b0a0fa1](https://www.eia.gov/electricity/data/eia861/?mc_cid=27bc3c8df5&mc_eid=717b0a0fa1)
- Some MLPs do not report data to the EIA. For these MLPs, MassCEC used data from the annual returns that the companies submit to the DPU ([https://www.mass.gov/info-details/find-an-mlp-annual-return?mc\\_cid=27bc3c8df5&mc\\_eid=717b0a0fa1](https://www.mass.gov/info-details/find-an-mlp-annual-return?mc_cid=27bc3c8df5&mc_eid=717b0a0fa1))

# Updates to the Program Narrative – Small Utility Set-Aside

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## WHAT WILL CHANGE?

- ▶ DOE requires states to make funding available to small entities **proportionate to the number of customers who are served by small entities**
- ▶ Accordingly, 13.5% of the funding will be made available to small entities.
- ▶ This is the **minimum** amount of funding that must be made available to small entities. It **does not limit** the amount of funding that may be awarded to small entities.
- ▶ MassCEC will update its Program Narrative to reflect that 13.5% of customers are served by small entities in MA.

# Additional Program Updates

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## FY24 FUNDING NOW AVAILABLE!

- ▶ MassCEC received its **FY24 allocation** of funding in early September.
- ▶ The FY24 allocation is approximately **\$4.3 million**, bringing the total available program funding to **\$13.5 million**.
- ▶ MassCEC **may award up to \$13.5 million** during the current solicitation round.

## REMINDER: APPLICATION DEADLINE

- ▶ Applications for the current solicitation round are due on **October 4<sup>th</sup>, 2024**.
- ▶ Note: new NEPA Environmental Questionnaire is now available on our website.
- ▶ Please submit all materials to [grid@masscec.com](mailto:grid@masscec.com).
- ▶ Email us with any questions!

# Comments and Questions

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## SUBMIT COMMENTS

- ▶ Please submit all written comment to [grid@masscec.com](mailto:grid@masscec.com)
- ▶ Comments and questions must be submitted by the **EOD on September 26<sup>th</sup>**.

## SUBMIT COMMENTS LIVE

- ▶ Write comments/questions in the chat
- ▶ Use the “raise hand” function to ask a question

**THANK YOU!**