



40101(d) Formula Funding Public Hearing

Commonwealth of Massachusetts

Department of Energy Resources

Massachusetts Clean Energy Center

40101(d) Program Background

- Program outlined in Section 40101 of the Infrastructure Investment and Jobs Act (IIJA, aka the Bipartisan Infrastructure Law)
- One of several programs aimed at increasing resilience of the electric grid
- Resilience is distinct from reliability – more focused on how system responds to extreme events (vs. day-to-day performance)

40101(d) Program Goals

- The goal of this financial assistance is to support the Biden Administration's and Congress' objectives to:
 - (1) demonstrate measurable improvements in energy resilience to all hazards in the United States and mitigate climate-related risk,
 - (2) invest in modernized grid infrastructure that can enable consumer access to lower-cost energy and accommodate increased electrification, increased penetrations of variable renewable electricity and distributed energy resources, and other evolving system needs over the coming decades,
 - (3) invest in clean energy and decarbonization solutions to achieve a carbon-free power sector by 2035 and net-zero greenhouse gas emissions economy-wide by 2050, and
 - (4) create good-paying jobs with the free and fair choice to join a union.

40101(d) in the Commonwealth

- The Commonwealth's annual formula funding allocation is approximately **\$4.6 million**
- Funding will be allocated to Massachusetts and MassDOER/MassCEC will operate a competitive grant funding opportunity to sub-allocate the funding to projects that meet DOE and Massachusetts Goals
- Massachusetts will need to develop and provide a Program Narrative to DOE by March 31 outlining the anticipated program structure
- At this time, MassCEC and DOER anticipate a program that seeks projects that meet the following goals:
 - Use of carbon-free resources for resilience
 - Significant collaboration between electric grid operators and communities (i.e., community goals are considered in project design)
 - Projects will meaningfully reduce inequitable impacts of electric grid outages (i.e., outage-related burden is considered in project design, investments support the resilience of buildings that will be used equitably or support vulnerable populations)
 - Project proposal includes clear operational framework for use of assets (such as staffing and communications protocols in case of an outage) or development thereof
 - Project proposals that include islanding DER must consider interconnection requirements

DOE Program Requirements

- Eligible subgrant recipients:
 - Electric grid operators (incl. transmission)
 - Electricity generators or energy storage operators
 - Distribution providers
 - Fuel suppliers
- Match requirements:
 - Small utilities (e.g. most MLPs) must match 1/3 of federal grant
 - All other recipients must match 100% of federal grant
- Potential project types include:
 - Power grid hardening/undergrounding
 - Monitoring and control technologies
 - Use of DER for backup purposes (e.g. microgrids, batteries)
 - Advanced modeling
 - Grid modernization for resilience (e.g. adaptive protection, monitoring and control technologies)

Important Dates and Logistics

- Stakeholder comment due **February 17**
- Application for Y1 and Y2 funding due from MassCEC/DOER to DOE on **March 31**
- MassCEC will post RFP in **late spring 2023** and provide application guidelines that comply with federal requirements
- Subgrantees will enter into contract with MassCEC

Questions for Stakeholders

- What criteria should MassCEC and DOER use in evaluating project proposals, relative to the goals outlined previously?
- How can MassCEC and DOER best support formation of meaningful partnerships between communities and electric grid operators?
- How should MassCEC and DOER consider proposed use of innovative approaches to resilience (i.e., approaches that are new to the applicant)?
- How should MassCEC and DOER consider workforce impacts and benefits in proposed project structures?
- How can MassCEC and DOER best measure resilience impact?
- Should MassCEC and DOER set a minimum or maximum award value?

Written Feedback

- Please send written feedback to:
 - grid@masscec.com and
Aurora.Edington@mass.gov
- Please send written feedback by COB on February 17
- Slides will be provided to all participants