



August 10, 2022

**Bipartisan Infrastructure Law - Section 40101(d)
Preventing Outages and Enhancing the Resilience of the Electric Grid**

Notice of Request for Written Comments and Notice of Public Meeting

I. Introduction

The Connecticut Department of Energy and Environmental Protection (DEEP) will be developing a grant application to receive federal funding under Section 40101(d) of the Infrastructure Investment and Jobs Act (IIJA), referred to herein as the Bipartisan Infrastructure Law (BIL). The BIL is providing approximately \$1.1 trillion of key investments needed to improve and rebuild our Nation's infrastructure. Section 40101(d) funding (Program Funding) will allocate \$459 million annually over a period of five years to States and Indian Tribes as formula grants for preventing outages and improve the resilience of the electric grid against disruptive events.¹

Connecticut is expected to receive \$3.2 million in the first program year (FY22), with annual awards for the remaining four years expected to be around the same amount.² To receive Program Funding, DEEP must submit an application that includes the proposed criteria, methods, and intended outcomes benefiting the public that will be used by DEEP to award grants to Eligible Entities in Connecticut.

DEEP is seeking public comment through written comments and a public meeting on DEEP's policy goals guiding Connecticut's application, the process and timing of the structure for project solicitation, the requirements for proposals, and other general comments about the grant award criteria and process, as detailed in this Notice.

DEEP will hold a public meeting on the contents of this Notice on **August 29, 2022 at 9:30 AM**. Those interested in attending the public meeting may [register via Zoom](#).

II. Background

The DOE is providing grants to States, Indian Tribes, U.S. Territories, and the District of Columbia to improve the resilience of their electric grids. States may further allocate funds to the following Eligible Entities, as defined by Section 40101(a)(2):

- an electric grid operator,
- an electricity storage operator,
- an electricity generator,
- a transmission owner or operator,
- a distribution provider,

¹ The term "disruptive event" means "an event in which operations of the electric grid are disrupted, preventively shut off, or cannot operate safely due to extreme weather, wildfire, or a natural disaster." 42 U.S.C. 18711(a)(1).

² With the 15% match requirement from Connecticut, this results in approximately \$3.7 million in the first year of the program going to eligible projects.

- a fuel supplier, or
- any other relevant entity, as determined by the DOE Secretary.

Program Funding provided by DOE, which will be sub-granted by DEEP to Eligible Entities in Connecticut, may be used to implement a wide range of resilience measures intended to mitigate the impact of disruptive events, including:

- Weatherization technologies and equipment,
- Fire-resistant technologies and fire prevention systems,
- Monitoring and control technologies,
- The 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 disruptive events, including microgrids and battery-storage subcomponents,
- Adaptive protection technologies,
- Advanced modeling technologies,
- Hardening of power lines, facilities, substations, of other systems, and
- The replacement of old overhead conductors and underground cables.³

Funding may also be used for the training, recruitment, retention, and reskilling of skilled and properly credentialed workers in order to perform the work required for the resilience measures listed above. DEEP intends to solicit comments to refine its goals for project selection within the allowable resilience measures under this Program Funding through this public process.

Federally assisted projects that involve infrastructure work, undertaken by applicable recipient types, are subject to Buy America requirements that require that all iron, steel, and manufactured products used in the infrastructure work are produced in the United States and all construction materials used in the infrastructure work are manufactured in the United States. Whether a given project must apply this requirement or is eligible for a waiver is project-specific and dependent on several factors, to be further evaluated in DEEP's proposal review process.

III. Policy Goals

Connecticut is working to achieve a 100% zero-carbon electric sector by 2040, as recently codified in Senate Bill 10, and is undertaking a range of policy initiatives and programs to reach this goal. This goal provides direction for state and local agencies, utility companies, and other partners to collaboratively plan and implement Connecticut's energy policies. Maintaining grid resilience and reliability is critical as Connecticut integrates additional renewable resources. DEEP is looking to use this Program Funding to build on the policy direction established through existing initiatives, such as DEEP's procurement authority for transmission and distribution level energy storage systems pursuant to Section 3 of Public Act 21-53, the Microgrid and Resilience Grant and Loan Program, and PURA's grid modernization

³ 42.U.S.C. 18711(e)(1).

dockets, including but not limited to the proceedings focused on reliability and resilience, PURA Docket No. 17-12-03RE08, and non-wires alternatives, PURA Docket No. 17-12-03RE07.

DEEP aims to utilize Program Funding for projects that support the reliability and resilience objectives outlined in DEEP's Integrated Resources Plan, particularly as it relates to upgrading the electric grid to support and integrate variable and distributed energy resources needed to meet the State's zero carbon electric sector goal, and PURA's recent decision in [Docket No. 17-12-03RE08](#) Investigation into Distribution System Planning of the Electric Distribution Companies – Resilience and Reliability Standards and Programs. DEEP intends to focus on the following Policy Goals in selecting projects eligible for funding in this proceeding:

- Supporting the efficient and reliable integration of variable and distributed energy resources needed to meet the State's zero carbon electric sector goal, and avoiding fossil peaking generation,
- Improving system reliability and resilience in a range of weather and storm conditions, including but not limited to alleviating fuel security challenges during extreme winter cold events, or any identified system and customer vulnerabilities to climate change in Docket No. 17-12-03RE08,
- Maximizing Community Benefits, which DEEP defines for the purpose of this grant program as providing quantifiable and/or tangible benefits relating to reducing the likelihood and duration of occurrences of disruptive events to members of the community, prioritizing customers located in environmental justice communities or low-income customers, including but not limited to: (a) reducing the frequency and duration of disruptive events, (b) maximizing benefits for all customers in the defined community, (c) providing other measurable resilience enhancements, (d) providing electric bill savings, and/or (e) fostering economic development,
- Improving overall grid flexibility,
- Improving grid resilience consistent with the principles of energy justice and the Justice40 Initiative, including but not limited to the proposed program modifications to maximize Community Benefits outlined in the [Interim Implementation Guidance for the Justice40 Initiative](#), and
- Developing proposals using strong labor standards and protections, and using a strategy to attract, train, and retain an appropriately skilled workforce.

DEEP's application for Program Funding must include details on project evaluation criteria that prioritizes projects that will generate the greatest Community Benefit (whether rural or urban) in reducing the likelihood and consequences of disruptive events. DEEP is seeking public input on additional measures for Community Benefit that may include reduction of environmental impacts or other factors.

Finally, DEEP notes that there are additional federal funding opportunities that could align with the direction of the Program Funding, including but not limited to BIL Section 40101(c) funding available to non-State entities like electric utilities and electric generators; BIL Section 41001, Energy Storage Demonstration Projects, which includes the Long-Duration Demonstration Initiative, Energy Storage Demonstration Projects, and Energy Storage Pilot Grant Program; and programs available through a number of other BIL sections in DOE's Building a Better Grid Initiative. Of note, BIL Section 40101(e)(2)(C) prohibits Eligible Entities from submitting an application for a grant provided under 40101(c), the funding available for non-State entities, and 40101(d), the funding available for State

entities that is the subject of the instant proceeding, during the same application cycle. DEEP intends to align its Policy Goals through this proceeding with its policy objectives in those funding opportunities in order to maximize benefits for Connecticut residents.

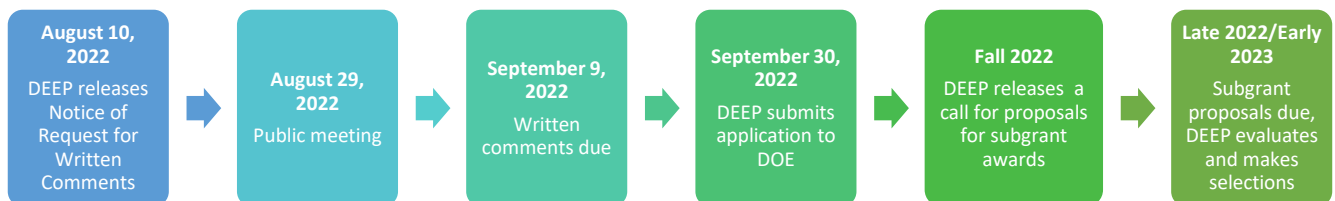
IV. Grant Process and Timeline

The current guidance in the Section 40101(d) Administrative and Legal Requirements Document (ALRD) outlines the grant process and timeline following the submission of an application. DEEP must submit its grant application package to DOE by September 30, 2022 to be eligible to receive a grant award for the first year, Fiscal Year 2022. Upon receiving a complete grant application package, DOE will initiate discussions with DEEP with the purpose of making an award and will award a single grant agreement to DEEP. The grant agreement will cover multiple years, as needed, with one-year budget periods. Throughout the term of the grant agreement, DEEP is required to submit sub-award packages for approval by DOE that describes the work to be done by each Eligible Entity within the Program Funding guidelines.

Eligible Entities are expected to match at least 100% of the amount of the sub-award, although that matching requirement is reduced to one-third of the amount of the sub-award to those utilities that sell not more than 4,000,000 megawatt hours of electricity per year. DEEP will require cost-matching details in project proposals, as detailed more below.

V. Proposed Process for Subawards

DEEP proposes the following process to incorporate public comment on the intended applications for Program Funding in Connecticut and the process for both making direct awards and soliciting proposals through a competitive process from Eligible Entities that meet the Policy Goals outlined in Section III. Through this Notice, DEEP will accept written comments and will hold a Public Meeting on its Policy Goals, proposed process for competitively soliciting proposals (including, but not limited to, the information a proposal must include when submitted to DEEP in order to be considered), and the evaluation criteria DEEP will use to evaluate any proposals submitted. This information will be used to develop the Program Narrative for Connecticut's application to DOE due on September 30, 2022. DEEP intends to follow the timeline below in this proceeding, which may change as DOE releases additional guidance to states interested in applying for Program Funding. The below timeline is subject to change, particularly depending upon the number of proposals received, but DEEP will endeavor to give respondents at least 45 days to submit proposals after DEEP releases a call for proposals.



(a) Proposal Requirements for Subawards to Eligible Entities

Through this public process and application development, DEEP will further specify program objectives and project performance metrics based on Connecticut's particular needs and policies for reliability, resilience, job creation, and equity that are additional to DOE reporting requirements. DEEP is also developing methods it anticipates it will use for soliciting, awarding, and distributing funds, potentially including the use of competitive solicitations and/or direct awards.

DEEP will release a subsequent Notice of Request for Proposals with the proposal requirements for projects to be considered for Program Funding. Through this notice, DEEP is seeking feedback on the following proposed requirements for each proposer to submit at least the following information:

1. An executive summary of the proposal,
2. A list of each Policy Goal the proposal achieves, and a detailed description of how the proposal meets each of the listed Policy Goals,
3. A detailed breakdown of the project costs, including but not limited to:
 - a. A clear indication of the total project cost, the total funding request of DEEP, and total matching funds brought by the proposal proponent,
 - b. A breakdown of the total project cost into the following categories:
 - i. Design/engineering
 - ii. Land acquisition
 - iii. Equipment
 - iv. Interconnection
 - v. Permitting
 - vi. Construction
 - vii. Financing
 - viii. Legal and insurance
 - ix. Ongoing operations and maintenance
 - x. Measurement and verification
 - xi. Other costs,
 - c. For each of the cost categories listed above, include the total cost for each category, and of that total cost, how much is being requested of DEEP and how much is being provided as a matching fund by the proposal proponent.
4. For all matching funds identified in response to Requirement 3, identify the source of such funds and whether any approvals are required before the proposal proponent can access those funds,
5. A cost/benefit analysis describing the intended outcomes from each of the project cost categories where the benefit is readily quantifiable (e.g., the number of local jobs created, added storage capacity, other direct grid benefits); Proposals should also include a summary of the qualitative benefits that are expected from the project, such as greater Community Benefits,
6. A description of how the proposal provides a Community Benefit, as defined by the Policy Goals, including a detailed narrative and quantifiable and/or tangible information with the frequency and duration of current disruptive events, anticipated reduction in the frequency and duration of such events, number of customers currently affected by such disruptive events, anticipated number of customers benefiting from such reduction in the frequency and duration of such events, and anticipated number of customers in the same census tract as those customers benefiting,

7. A timeline for project completion, including a detailed schedule and when funding from DEEP must be made available to achieve the stated timeline,
8. A description of the ownership structure of the proposal, including a description of each entity involved in the proposal and the role each entity plays in the project
9. Financial and managerial experience of the project team,
10. Operations and maintenance plans for the proposal, including the entity responsible for proposal maintenance,
11. A description of the anticipated impact the proposal has on utility operations,
12. A detailed plan for the proposal's performance measurement, including metrics for how the installed proposal can demonstrate it is achieving each of the stated Policy Goals and a detailed plan for measurement and verification of achieving such goals over the life of the proposal,
13. A detailed description of how the project will use strong labor standards and protections (including for direct employees, contractors, and sub-contractors), such as through the use of project labor agreements and local hire agreements,
14. 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); 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),
15. Details of appropriate data, indices, and screening tools, including from the [DOE's Energy Justice Dashboard](#), to determine whether a specific community⁴ is disadvantaged based on a combination of variables that may include, but are not limited to, the following:
 - a. Low income, high and/or persistent poverty,
 - b. High unemployment and underemployment,
 - c. Racial and ethnic residential segregation, particularly where the segregation stems from discrimination by government entities,
 - d. Linguistic isolation,
 - e. High housing cost burden and substandard housing,
 - f. Distressed neighborhoods,
 - g. High transportation cost burden and/or low transportation access,
 - h. Disproportionate environmental stressor burden and high cumulative impacts,
 - i. Limited water and sanitation access and affordability,
 - j. Disproportionate impacts from climate change,
 - k. High energy cost burden and low energy access,
 - l. Jobs lost through the energy transition, and
 - m. Access to healthcare.

(b) Evaluation Criteria

DEEP proposes to evaluate proposals based on the following proposed evaluation criteria:

⁴ Community is defined as "either a group of individuals living in geographic proximity to one another, or a geographically dispersed set of individuals (such as migrant workers or Native Americans), where either type of group experiences common conditions."

1. The thoroughness of the response to all the proposal requirements,
2. The costs/benefit analysis of a proposal,
3. The demonstrated ability of a proposal to achieve each of the stated Policy Goals,
4. The extent to which the proposal provides a Community Benefit,
5. Whether the proposal provides direct benefits to an environmental justice community, as defined in [Public Act No. 20-6](#), and
6. Project readiness, with preference given to projects that can begin construction within six months.

(c) Ongoing Commitments

In addition to carrying out the proposed project, any selected subgrant recipient through this process will be expected to submit quarterly progress updates to DEEP. The information and data provided in the quarterly progress updates must show measurable progress towards completion of the project and that the established objectives are being realized. Quarterly progress updates must include at least the following information, which may be amended as needed based on DOE guidance:

1. A brief description of the work completed,
2. Status of project financing, as applicable,
3. Status of interconnection process, as applicable,
4. The cost spent in furtherance of the project development in the previous quarter,
5. The types of activities, technologies, equipment, and hardening measures funded by the grant and the location of funded activities,
6. A description of the progress made in furtherance of each of the performance metrics identified in the proposal,
7. A description of the tracking and evaluation of community engagement, stakeholder engagement, and Community Benefits,
8. For projects receiving \$5 million or more in funding (based on expected total cost), a detailed project workforce continuity plan, or, in lieu of such plan, a certification that the project either will use a unionized workforce or includes a project labor agreement,
9. A description of any challenges encountered in the previous quarter and projected impact on the project, and
10. Any anticipated changes to project completion date.

(d) Small Utilities Set Aside

Connecticut is required by the DOE to ensure that, of the amounts made available to Eligible Entities, the percentage made available to Small Utilities, which are Eligible Entities that sell not more than 4,000,000 megawatt hours of electricity per year, is not less than the percentage of all customers in the State that are served by those Eligible Entities. DEEP will set aside a percentage of Connecticut's total funding allocation based on proportionate customers served by the Small Utilities in Connecticut. If DEEP does not receive qualified projects from Small Utilities to utilize this set aside amount, DEEP will allocate the funding to other qualified projects. The set aside amount will be included in the subsequent call for proposals.

VI. Public Comment and Public Meeting

By way of this Notice, DEEP is accepting public comment and will hold a public meeting on the topics addressed in this notice, including but not limited to:

1. The Policy Goals outlined in Section III, including whether the identified Goals are aligned with DOE's guidance on BIL Section 40101(d) Program Funding,
2. The proposed process outlined in Section IV, including but not limited to the proposed timeline and the content of proposals submitted to DEEP for evaluation,
3. The subaward proposal evaluation criteria outlined in Section V(b), and
4. Any other topics relevant to the implementation of Program Funding.

DEEP will hold a public meeting on the contents of this Notice on **August 29, 2022 at 9:30 AM**. Those interested in attending the public meeting may [register via Zoom](#).

DEEP will also accept the submission of written comments on these topics. Written comments may be filed electronically on [DEEP's Web Filing System](#) or submitted directly to DEEP at DEEP.EnergyBureau@ct.gov and should include "BIL 40101(d) Grid Resilience Funding Comments" in the subject line and be submitted by **4:00 PM on September 9, 2022**. All materials submitted by stakeholders and other participants in this proceeding will be posted on the DEEP's Web Filing System. After reviewing the comments received, DEEP will prepare and publish the final process and schedule for soliciting project proposals and awarding subgrants.

The Connecticut Department of Energy and Environmental Protection is an Affirmative Action/Equal Opportunity Employer that is committed to complying with the requirements of the Americans with Disabilities Act. Please contact us at (860) 418-5910 or deep.accommodations@ct.gov if you: have a disability and need a communication aid or service; have limited proficiency in English and may need information in another language; or if you wish to file an ADA or Title VI discrimination complaint. Any person needing a hearing accommodation may call the State of Connecticut relay number - 711. Requests for accommodations must be made at least two weeks prior to any agency hearing, program, or event.