IDAHO GOVERNOR'S OFFICE OF ENERGY & MINERAL RESOURCES

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RE: Idaho Energy Resiliency Grant program

Greetings,

In recent years, Governor Little and the Legislature have championed investments in critical infrastructure without raising taxes or fees. This year, Idaho will once again invest in our electric grid, making it stronger and more resilient to wildfires, extreme weather, and other natural disasters. The Idaho Governor's Office of Energy and Mineral Resources (OEMR) is pleased to announce the latest funding opportunity under the Idaho Energy Resiliency Grant program. OEMR anticipates the application for this funding will be available in early October 2023.

The Idaho Energy Resiliency Grant program fosters strategic investments that demonstrate measurable improvements to grid resiliency, deliver modernized grid infrastructure, and mitigate risks from increased electrification and disruptive events. Funding for this round of the program is available as a subgrant pursuant to Section 40101(d) of the Infrastructure Investment and Jobs Act (IIJA) – Preventing Outages and Enhancing the Resilience of the Electric Grid Formula Grants to States and Indian Tribes. Through a combination of state and federal funds, OEMR will build upon the prior success of the program and once again leverage public funds to spur private investments for the benefit of your customers and Idaho's economy.

OEMR intends to subaward its Section 40101(d) grant in two phases. This funding opportunity is for phase one, which prioritizes investments in existing infrastructure that alleviate the risk of disruptive events and improve resiliency. Phase two is anticipated to occur in subsequent years and will prioritize investments into modernizing and improving the existing infrastructure.

Below are some general guidelines OEMR may use to evaluate project applications. Additional guidelines and more specific requirements will be included in the application solicitation.

¹ A "disruptive event" is an event in which the operations of the electric grid are disrupted, preventatively shut off, or cannot operate safely due to extreme weather, wildfire, or natural disaster.

PRIORITY PROJECTS:

Applications proposing projects with the following characteristics will be most successful:

- Demonstrates a strong need for alleviating probable risks;
- Demonstrates clear and cost-effective solutions for improving grid resilience;
- Creates well-paying jobs and leads to economic development opportunities;
- Generates the greatest community benefit to the greatest number of citizens;
- Serves low-income and energy burdened residents; and
- Qualifies as a categorical exclusion, avoids complex environmental review (i.e., NEPA and Section 106), and adheres to Buy America and Davis Bacon Act requirements.

PROJECT EXAMPLES INCLUDE BUT ARE NOT LIMITED TO:

- Vegetation and fuel load management
- Replacing old overhead conductors and underground cables
- Fire-resistant technologies and fire prevention systems
- Weatherization technologies and equipment
- Monitoring and control technologies
- Undergrounding electrical equipment
- Utility pole management
- Reconductoring power lines with low-sag, advanced conductors
- Hardening power lines, facilities, substations, or other systems

Applicants should refer to the <u>Administrative and Legal Requirements Document</u> for the Preventing Outages and Enhancing the Resilience of the Electric Grid Formula Grants to States and Indian Tribes (DE-FOA-0002736) for additional examples and other program requirements.

ELIGIBLE ENTITIES INCLUDE:

- an electric grid operator;
- an electricity storage operator;
- an electricity generator;
- a transmission owner or operator;
- a distribution provider; and
- a fuel supplier.

COST MATCH REQUIREMENTS:

Successful applicants are subject to the following cost match requirements:

- Entity that sells over 4,000,000 MWh annually: 100% of the amount of the project cost
- Entity that sells less than 4,000,000 MWh annually: 1/3rd of the amount of the project cost

Examples of cost matching are:

- If OEMR provides grant funds of \$200,000 to an eligible entity that sells more than 4,000,000 MWh of electricity per year, the entity would be required to match an amount at least equal to \$200,000. In this case, the total project cost would be \$400,000.
- If OEMR provides grant funds of \$150,000 to an eligible entity that sells less than 4,000,000 MWh of electricity per year, the entity would be required to match an amount at least equal to \$50,000. In this case, the total project cost would be \$200,000.

SUBMISSION DEADLINE: 30 days from application opening

OEMR anticipates that the application will be released in early October. The application will be delivered via email to the contacts included for this letter and available on OEMR's website. All entities wishing to apply for this funding opportunity must obtain an Unique Entity Identification (UEI) from the Systems for Award Management (SAM). Due to the high demand of UEI requests, entities should start the UEI and SAM registration process as soon as possible. If you would like to explore project prioritization and future opportunity metrics, OEMR staff is happy to coordinate with your team to discuss the types of projects that will be most competitive, now and in the future.

Sincerely,

Richard Stover Administrator

Idaho Governor's Office of Energy and Mineral Resources