



**GOVERNOR'S OFFICE OF ENERGY**

**Bipartisan Infrastructure Law - SECTION 40101(d)**  
**PREVENTING OUTAGES AND ENHANCING THE RESILIENCE OF THE ELECTRIC GRID**

**State of Nevada Governor's Office of Energy**  
**12/20/2022**

## **Program Narrative**

### **1. Objectives and Metrics:**

The Governor's Office of Energy (GOE) seeks to develop a planning framework that will guide decisions pertaining to the investment of 40101(d) funding. The objectives align to GOE's mission for resilience to address all-hazards including future climate implications, demonstrate community support, offer the option to scale for statewide applicability, and/or serve a public interest by reducing the frequency and duration of outages in disadvantaged communities within the objectives below:

- 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.
- 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.

Objective	Metrics
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.
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.
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.
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

Strong Labor Standards and Protections	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).
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*The objectives and metrics indicated in this Program Narrative are provisional pending further discussion and consideration by the State with its stakeholders.*

## 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 consequences 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.

## 3. Methods:

- I. Award Information – Upon award receipt of 40101(d) funds by the Governor’s Office of Energy (GOE) and when approved to be expended by the Interim Finance Committee (IFC), GOE will release a Notice of Funding Opportunity (NOFO) to the public. Once applications are received, reviewed, and scored, funds will be awarded to one or more sub-grantees. GOE reserves the right to determine the number and amounts of awards for the NOFO, based on available funding, projects selected, and current program priorities. The application must provide information about the applicant’s plan for completing the proposed project no more than one (1) year after the Notice of Award (NOA) is issued.
- II. Subgrant Review and Selection Process – Eligible applications are reviewed, evaluated, and competitively scored by a review committee. Scoring is provided to

rank the applications as the primary basis for final determination for funding. To avoid disqualification, the entire application must be concise and complete; certifications must be signed and dated; and objectives must be measurable. Denial letters, with scoring disclosure, will be sent to applicants that are not funded.

- III. Subgrant Commencement and Duration – Subgrants will be awarded for each subgrant period. Funding is based on performance of subgrantee goals, activities, milestones, reporting requirements, and availability of funds; GOE reserves the right to terminate a subgrant award demonstrating poor performance. Project implementation must be initiated within ninety days (90) from the starting date indicated on the subgrant award. Requests for an exception to this rule must be justified and submitted in writing within thirty (30) days of award and approved by GOE. At the discretion of GOE, the subgrantee risks losing the award if the project does not commence as required.
- IV. Reporting Requirements – Progress reports are required to be submitted along with reimbursement requests and will be made public to demonstrate the improvement of resilience by reducing the likelihood and consequence of disruptive events, the generation of quality jobs, and community benefits.

#### **4. Funding Distribution:**

- I. Proposed Funding Distributions – GOE subgrants are reimbursement subgrants. Subgrantees are expected to pay for expenses upfront from their budgets and will be reimbursed for eligible expenses listed on the approved award budget after a review of the expense request form and appropriate backup. To be reimbursed by GOE, subgrantees must be established as a vendor with the Nevada State Controller's Office.
- II. Categories of Recipients – Electric grid operators, electricity storage operators, electricity generators, transmission owners/operators, distribution providers, fuel suppliers, electric cooperatives, power districts, and municipal utilities are eligible to participate.

#### **5. Equity Approach:**

The State of Nevada is committed to establishing resilience to address all-hazards including future climate implications, demonstrate community support, offer the option to scale for statewide applicability, and/or serve a public interest by reducing the frequency and duration of outages in disadvantaged communities. It is its goal to support the objectives of 40101(d) funding by investing in America's workforce and advancing the Department of Energy's (DOE)

equity, environmental, and energy justice priorities, including DOE's commitment to the Justice40 Initiative. GOE will ensure proposed projects will incorporate:

- I. Quality Jobs – Ensuring accessibility to good paying, safe jobs to all workers. Applicants will be tasked with demonstrating efforts to attract, train and retain a skilled workforce. Additionally, they should include provisions such as labor agreements, partnerships with a training provider and/or the use of an appropriately credentialed workforce.
- II. Community Benefits – Priority shall be given to projects that will generate the greatest community benefit (whether rural or urban) in reducing the likelihood and consequences of disruptive events. Benefits to such communities shall be demonstrated through data from sources such as electric utilities, 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 a potential reduction of disruptive events. Proposed projects with the greatest demonstrated benefits to these communities will be prioritized to receive funding.
- III. Diversity, Equity, Inclusion, and Accessibility – The State of Nevada will focus its efforts on inclusion and prioritization of projects benefiting underserved and vulnerable populations, racial minorities, and rural and disadvantaged communities. Special emphasis will be placed on potential partnerships and layering of funding available to maximize the project's benefits to these communities. Additionally, GOE encourages the use of the Climate and Economic Justice Screening Tool to both determine communities in need and establish benefits to these communities. Applicants shall include the residents, workers and stakeholders in these communities when planning future projects. The Justice40 Initiative will serve as a framework to bring together residents, workers, and community leadership in an effort to make well informed plans for future projects that will benefit these communities. The State of Nevada will review community engagement performed by the applicant as well as targeted communities and populations to ensure 40101(d) funding benefits are maximized and carry out its goals.

## **6. Technical Assistance and Administration:**

GOE intends to utilize up to 5% of funds for administration of the program, to establish procedures, create an administrative structure and ensure the success of the program. Additionally, GOE may utilize funding to provide technical assistance to applicants and stakeholders in the form of webinars or printed material providing guidance on how to establish which communities and populations are to be better served and accurate ways to provide performance metrics.

## 7. Public Notice and Hearing:

GOE gave notice and held a public hearing on August 30, 2022 at 10 am to review the anticipated criteria and methods to be used to grant awards to eligible entities. This fulfilled the requirement found in Section 40101(d)(2)(B)(ii). During this hearing, GOE shared its proposed approach for criteria, objectives, and metrics as well as funding distributions and requirements.

Stakeholders, electric grid operators, electricity generators, transmission owners and operators, distribution providers, and the public were invited to attend and provide public comment both at the beginning and end of the public hearing. All in attendance were provided the proposed criteria, objectives, and metrics to review and for discussion. Recommendations were made by several in attendance and as a result, modifications were made to the proposed criteria. Attendees were invited to submit further revisions to aid in establishing formal objectives and metrics for implementing strategic planning processes.

### **\*Definitions:**

Underserved Communities – People who have a decreased level of service or access to energy system services.

Vulnerable Populations – Those who are economically disadvantaged, racial and ethnic minorities, the elderly, rural residents, those with inadequate education, and those with other socio-economic challenges.

Disadvantaged Communities – Those who most suffer from economic, health and environmental burdens.