

Bipartisan Infrastructure Law – Section 40101(d)
PREVENTING OUTAGES AND ENHANCING THE RESILIENCE OF THE ELECTRIC GRID

State of Georgia
Prepared by the Georgia Environmental Finance Authority

Program Narrative
DRAFT VERSION

This Program Narrative is provided by the Georgia Environmental Finance Authority (GEFA), as the officially designated applicant for the state of Georgia, as part of the application for funding under the U.S. Department of Energy's (DOE) IJA Preventing Outages and Enhancing the Resilience of the Electric Grid Formula Grant Program. The objectives and metrics are provisional pending further discussion and consideration by statewide stakeholders and public comment. GEFA will accept comments on the draft Program Narrative through 4 pm on March 17, 2023. Comments may be submitted via email to energyresources@gefa.ga.gov

1. OBJECTIVES AND METRICS

GEFA, in consultation with its stakeholders, has established the following objectives and supporting metrics to guide decisions involving resilience investments made in conjunction with this grant.

Objective 1: Develop a planning framework to address all hazards, including future climate implications, for preventing outages and enhancing the resilience of the electric grid.

Metrics (Provisional):

- A. Reduce frequency and duration of outages to four main areas:
 - Key infrastructure,
 - Priority customers,
 - Key geographic areas, and
 - Disadvantaged communities.
- B. Measure the frequency (occurrences per year) of electricity service disruptions of one hour or more to the four main areas mentioned above.
- C. Measure the number of hours/days that key infrastructure, priority customers, key geographic areas, and disadvantaged communities, are closed due to lack of electricity.

Objective 2: Invest in projects that that increase the skilled workforce within Georgia by demonstrating standards and protections (including for direct employees, contractors, and subcontractors), such as using project labor agreements or local hire agreements.

Metrics (Provisional):

- A. Outline of a plan to attract, train, and retain an appropriately skilled workforce (e.g. through registered apprenticeships and other joint labor-management training programs that serve all workers, particularly those underrepresented or historically excluded).

- B. Outline plans to partner with a training provider (labor, community college, etc.) and the use of an appropriately credentialed workforce (e.g. requirements for appropriate and relevant professional training, certification, and licensure).
- C. Measure the number of Georgians trained to operate and maintain grid resilience projects.
- D. Measure the number of locally owned businesses that develop capacity to install, operate, and/or maintain grid resilience projects.

Objective 3: Invest in modernization of the grid infrastructure, enabling consumer access to lower-cost energy, while investing in clean energy solutions that align with the Justice40 Initiative.

Metrics (Provisional):

- A. Reduce frequency and likelihood of outages in disadvantaged communities.
- B. Address energy justice by reporting on the likelihood of achieving zero disconnections of customers (from the electric grid), specifically disadvantaged communities (DACs).
- C. Benchmark and track trends in disconnections over the last 20 years, causes, and human conditions that drive disconnections, and a plan (including partnerships) to get to zero.
- D. Megawatt hours created and/or saved with the implementation of the new renewables/DERs

2. CRITERIA

GEFA will ensure all projects that receive funding shall be located within the state of Georgia. Eligible entities must identify the location of the project and the community for which the project benefits and confirm that the project and its award will be invested solely in Georgia.

Priority will be given to projects that will generate the greatest community benefit (whether rural or urban) in reducing the likelihood and consequences of disruptive events. Furthermore, the percentage of funding made available to eligible entities that sell not more than 4 million megawatt hours of electricity per year should not be less than the percentage of all customers in Georgia that are served by those eligible entities.

A. Eligible Entities: as defined in Section 40101(d)(a)(2), an “eligible entity” means:

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

B. Match Requirements:

- LARGE: 100 percent match required for larger entities selling more than 4 million megawatt hours (MWh) of electricity per year.
 - Georgia Power: 80,814,387 MWh/year (2020)
 - Jackson EMC: 5,339,689 MWh/year (2020)

- SMALL: 33 percent for eligible entities that sell 4 million megawatt hours (MWh) or less, of electricity per year, of the subaward as required by Section 40101(h)(2).
- Of the total amount to subgrantees, the percentage made available to smaller entities cannot be less than the percentage of all customers in the state served by those entities. (42.4 percent of all funding to subgrantees must go to smaller entities)
 - There are a total of 4,952,622 power customers in Georgia.
 - Georgia Power and Jackson EMC serve a combined total of 2,852,248 customers (57.6 percent)
 - Smaller EMCs and Munis serve a combined total of 2,100,374 customers (42.4 percent)

C. Potential Investments:

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

D. Unallowable:

- Construction of new electric generating facility or large-scale battery storage facility.
- Cybersecurity

3. **METHODS**

Through the stakeholder and public review process and application development, GEFA will specify program objectives and project performance metrics. GEFA is also developing methods for soliciting, awarding, and distributing funds, including the use of competitive solicitations and/or direct awards. GEFA will follow federal and state procurement procedures to solicit, award, and distribute grant awards.

Awarded eligible entities will enter into a contract agreement with GEFA. Projects will be monitored and reported upon quarterly. Subrecipients will be required to provide quarterly performance and financial reports describing activities completed to date and progress toward objectives and metrics. Awarded funds will be distributed on a reimbursement basis to the subrecipients upon proof of completion of work and sufficient invoice detailing the work performed.

GEFA will make public the metrics achieved using program funds by way of our listserv, website– gefa.georgia.gov, and reporting in the Georgia Energy Report.

4. FUNDING DISTRIBUTION

Entities eligible for grid resilience funding following the federal requirements include electric grid operators, electricity storage operators, electricity generators, transmission owners or operators, distribution providers, fuel suppliers, or other entity determined by the DOE secretary.

For the first two years of funding, GEFA is expecting to receive formula funding of \$8,680,915 and \$8,655,930 respectively.

Two utility providers in Georgia sold more than 4 million MWh/year (based on data from 2020). Georgia Power sold 80,814,387 MWh/year. Jackson EMC sold 5,339,689 MWh/year.

A. Georgia Power and Jackson EMC serve a combined total of 2,852,248 customers (57.59 percent) and will be eligible to receive up to 57.59 percent of the available funding which will require a 100 percent match. For Year 1, this is \$4,999,338.95. For Year 2, this is \$4984,950.

B. Smaller EMCs and Munis serve a combined total of 2,100,374 customers (42.41 percent) and will be eligible to receive not less than 42.41 percent of the total federal formula funds to Georgia each year and will require a 33 percent match. For Year 1, this is \$3,681,576.05. For Year 2, this is \$3,670,979.90.

Georgia Power, EMC totals Sales, Customers, and Potential Funding Amount (Year 1 Example)

	Total Sale MWh	Customers Served	% of Total Custor	% of funding	Funding Amount	GaPower & Jackson EMC
Georgia Power	80,814,387	2,614,431	52.79%	57.59%	\$ 4,582,655.03	\$ 4,999,338.95
Jackson EMC	5,339,689	237,817	4.80%	57.59%	\$ 416,683.92	
Other EMC/Munis	43,769,021	2,100,374	42.41%	42.41%	\$ 3,681,576.05	
Totals:	129,923,097	4,952,622	100.00%	100.00%	\$ 8,680,915.00	

This data and funding distribution plan will be further reviewed with GEFA stakeholders and will be verified when projects are planned, and sub-agreements are negotiated.

State Cost Match:

Under Section 40101(d)(8), each state and Indian tribe is required to match 15 percent of the total federal grant allocation provided to the state or Indian tribe under the program. For Year 1, Georgia’s 15 percent match is \$1,302,137.25. However, states and Indian tribes may utilize excess cost match of eligible entities to cover the state’s portion. Therefore, eligible entities that are not classified as small utilities shall provide at least 115 percent in cost match of the amount of the federal award they receive. For example, if a utility receives a \$1 million award for a project under this program, the eligible entity will be required to provide at least \$1,150,000 cost match. In this case, the total subaward value would be \$2,150,000. Eligible entities that are considered small utilities will be required to match at least one third of the amount of the federal award they receive. For example, if a small utility receives a \$750,000 award for a project under this program, the small utility will be required to provide at least \$362,500. In this case, the total subaward value would be \$1,112,500.

5. EQUITY APPROACH:

A. Community Benefits:

Priority will be given to projects that will generate the greatest community benefit (whether rural or urban) in reducing the likelihood and consequences of disruptive events. It is important that all Georgians have equal access to affordable and reliable energy. It is also important that no one bear a disproportionately high burden for that service in terms of rates or environmental and social impacts from the energy infrastructure.

Accordingly, GEFA will ensure that all projects are planned and implemented in a manner that promotes fairness to all its citizens. The stated objective of improving resilience of critical facilities is of most importance to low-income and under-served communities and members. They rely on services provided at these facilities for health care, emergency shelter, elderly care, and other essential services. When these facilities are inoperable due to disruptions to electricity service, essential services are either not available or require excessive travel and cost to obtain. These facilities also provide life-saving services, which when disrupted, could have life-threatening consequences. GEFA will prioritize projects that provide the greatest impact to the most people relying on those services.

B. Quality Jobs:

GEFA will partner with the Georgia Department of Economic Development and the Technical College System of Georgia and will utilize this funding to encourage the promotion and development of high-quality jobs performed by a highly qualified workforce, consistent with federal and state laws and guidance.

Priority will be given to:

- Projects that use a diverse, local, well-trained, and well-paid workforce; or
- Projects that outline a plan to attract, train, and retain a highly skilled workforce, including opportunities for underrepresented or historically excluded workers and those displaced by the energy transition.

GEFA will adhere to all terms and conditions of the grant agreement, including those that pertain to wages, American-made products, and a free and fair choice to join or form a union. Additionally, the GEFA will incorporate into the projects, where applicable, training for Georgians to obtain education and certification(s) needed to operate and maintain the investments, thereby supporting Georgia's economy through promoting a well-trained workforce. This well-trained workforce will ensure the viability of the electric grid infrastructure and its components moving forward.

C. Diversity, Equity, Inclusion, and Accessibility:

GEFA strives to make diversity, equity, inclusion, and accessibility a part of Georgia's implementation of the Grid Resilience Grants under Section 40101(d). To ensure communities, including historically underserved communities, are included in the process, GEFA will require information from applicants to ascertain their engagement with disadvantaged and underserved communities, and the extent to which these types of communities were considered as part of their decision-making process. A detailed description of the area in which the project(s) will be located, including a summary of the community, population and demographic

characteristics, total number of customer meters, and total number of customers broken down by general customer class (e.g., residential, commercial, and/or industrial) the project(s) are anticipated to directly affect. Subrecipients shall identify whether the community or area is classified as a disadvantaged community and a description of how they included consideration of disadvantaged communities in their decision-making process.

GEFA will include resident, worker, and community leadership stakeholders in informing our goals, metrics, criteria, equity, and funding distribution throughout the project's duration.

6. Technical Assistance and Administration

To develop the processes and distribute funding to subrecipients, GEFA staff and/or contractors may be necessary for program administration and technical assistance. GEFA reserves the right to budget 5 percent for administration and technical assistance. GEFA will track and monitor these administrative expenses and will allocate any of the 5 percent unused budget towards the following year.

7. Public Notice and Hearing:

Notice of a public hearing was released on February 27, 2023 via GEFA's social media platforms, email listserv, and was placed in the Fulton Daily. Personal messages were sent to key stakeholders with a request to share the Notice with all relevant contacts. The Notice of Public Hearing is provided as Exhibit A to this Program Narrative.

The Public Hearing was held on March 15, 2023 at 10:00 a.m. via Zoom to allow best access for those wanting to participate. The hearing was attended by ## individuals:

- List of represented state agencies, Georgia Power, EMCs, etc.
- ## Representative from the Rural Electric Cooperative
- ## Representative from Governor's Office
- ## Representatives from environmental justice organizations
- ## Representatives from eligible entities

GEFA shared the provisional objectives and associated metrics with the attendees. The draft criteria listed above were shared and discussed with attendees. GEFA also shared the desired outcomes and estimated cost for the project. GEFA agreed to conduct another public notice and hearing once the grant is awarded and specific projects are considered in accordance with the stated objectives of this Program Narrative.

Based on the template program narrative provided by DOE: <https://netl.doe.gov/bilhub/grid-resilience/formula-grants/forms-templates>, GEFA understands that DOE may reject applications and require revisions if it determines that the program narrative lacks sufficient detail or does not comply with stated requirements. GEFA is prepared to respond to any requests for revisions or additional information in a timely manner.

Exhibit A

Notice of Public Hearing

Georgia's Application for Federal Funding to Enhance Grid Resilience

The Georgia Environmental Finance Authority (GEFA) will conduct a public hearing regarding the submittal of its application to the U.S. Department of Energy (DOE) for the Preventing Outages and Enhancing the Resilience of the Electric Grid program created under the Bipartisan Infrastructure Law (BIL). Information about the federal opportunity can be found at: [Section 40101\(d\) Formula Grants to States & Indian Tribes | netl.doe.gov](#).

GEFA intends to issue subawards to improve the resilience of the electric grid based on the criteria included in the state application. A draft program narrative is now available for public review and comment. The purpose of the hearing is to accept public comments on the proposed approach for setting the criteria and methods GEFA anticipates using to make awards to eligible entities, and the proposed funding distributions and recipients of the subawards.

The hearing will be held virtually on March 15, 2023, at 10:00 a.m.

Join Zoom Meeting:

<https://us02web.zoom.us/j/87349613464?pwd=TnNKa2NMV29qWmxnNG52ZTAUllxdz09>

Meeting ID: 873 4961 3464

Passcode: 612488

One tap mobile

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Written comments should be mailed to GEFA, Energy Resources Division, 47 Trinity Ave SW, Fifth Floor Atlanta, GA 30334.

Electronic comments can be emailed to energyresources@gefa.ga.gov. All comments will be received until March 17, 2023, at 4:00 p.m.

A copy of the draft program narrative is available on the website gefa.georgia.gov.

Please call 404-584-1000 for additional information.