

SUBCOMMITTEE RECOMMENDATION

Item 47: Department of Energy Grid Resilience

To: Ways and Means Full Committee
From: Natural Resources Subcommittee
Carrier: Senator Frederick

The Natural Resources Subcommittee recommends that the Joint Interim Committee on Ways and Means recommend including an increase of \$4.7 million in Federal Funds expenditure limitation and authorizing the establishment of two permanent positions for the Department of Energy in a budget reconciliation bill during the 2024 legislative session to administer the Grid Resilience State and Tribal Formula grant.

The Department previously received legislative approval to apply for the federal Grid Resilience grant and was subsequently awarded \$19.9 million for the program's first two years. The funding will be sub-granted to eligible entities, such as electric utility providers, to prevent power outages and enhance the resilience of the electric grid.

The sub-granting process is planned for the spring of 2024 and each project has at least four years to complete the work and claim reimbursement. An estimated \$4.7 million in Federal Funds expenditure limitation is needed to pay sub-grantee claims in 2023-25. Two positions are also necessary for administration of the sub-grants. The funding to support the positions is from existing General Fund appropriated to satisfy the grant's 15% state match commitment. No new General Fund is required to establish the positions.

The Natural Resources Subcommittee recommends approval.