

SUBCOMMITTEE RECOMMENDATION

Department of Energy Grid Resilience Year 2

To: Ways and Means Full Committee
From: Natural Resources Subcommittee
Carrier: Representative Holvey

On February 21st, the Natural Resources Subcommittee recommended approval of the submission of a federal grant application from the Oregon Department of Energy to the U.S. Department of Energy in the amount of \$9,945,032 for the second year of a five-year program to prevent outages and enhance the resilience of the electric grid.

This opportunity is funded through the Infrastructure Investment and Jobs Act and requires an annual application for formula allocations. The Department received approval to apply for the first year of funding from the September 2022 Emergency Board. The USDOE has moved the Year 1 deadline out. Now, both the first- and second-year grant applications are due by March 31st. The grant includes a 15% state match requirement, most of which would need to be paid from the General Fund. If the Department's federal application is approved, the match requirement will be considered during the Department's 2023-25 budget development process.

Most of the federal award will support energy grid resilience activities by energy suppliers, including reducing the risk of power lines causing wildfire, and maintaining grid resilience during natural disasters. The total federal funding anticipated over the five-year period will be approximately \$50 million.

The Natural Resources Subcommittee recommends approval.