

SUBCOMMITTEE RECOMMENDATION

Department of Energy Grid Resilience

| | |
|----------|--------------------------------|
| To: | Ways and Means Full Committee |
| From: | Natural Resources Subcommittee |
| Carrier: | Senator Dembrow |

On February 12th 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 of \$11 million for the third Grid Resilience grant program allocation.

The Department is anticipating a \$50 million allocation from the formula grant program, distributed over five annual allocations. 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 Department previously received legislative approval to apply for the first and second year of the grant and was subsequently awarded \$19.9 million. The grant is now open for applications for the third year of funding.

The grant program requires a 15% state match. In 2023, a \$2.8 million General Fund appropriation was approved to match the first and second year of the grant. If the third year of grant funding is awarded, the Department will need to request an additional \$1.6 million General Fund to meet the match requirement and an increase in Federal Funds expenditure limitation.

The Natural Resources Subcommittee recommends approval.