

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

Delaware
2/27/2023

Program Narrative

1. Objectives and Metrics:

List 3-5 objectives that the applicant intends to apply for guiding their resilience investment decisions. The intent of this section of the Program Narrative is to ultimately develop a planning framework for resilience to address all-hazards including future climate implications. The first year, DOE is seeking input on criteria for determining investment decisions. At a minimum, the objectives and metrics should address:

- a. resilience and energy justice concerns, including reducing the frequency and duration of outages in disadvantaged communities,
- b. how the project will use strong labor standards and protections (including for direct employees, contractors, and sub-contractors), such as through the use of project labor agreements, local hire agreements, and outline of a plan to attract, train, and retain an appropriately skilled workforce (i.e., through registered apprenticeships and other joint labor-management training programs that serve all workers, particularly those underrepresented or historically excluded); 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).

Provide the metrics that will accompany the objectives to measure outcomes associated with improving resilience, creating good-paying jobs with the free and fair choice to join a union, and advancing energy justice.

Indicate whether the objectives and metrics are provisional pending further discussion and consideration by the State or Indian Tribe with its stakeholders. DOE expects that recipients will establish a formal set of objectives and metrics in order to receive Year 2 formula funding. Examples of objectives and metrics, in addition to reporting on any DOE required metrics, and approaches for establishing them are available at: [Section 40101\(d\) Formula Grants to States & Indian Tribes | netl.doe.gov](https://www.netl.doe.gov/section-40101(d)-formula-grants-to-states-and-indian-tribes)

DNREC will employ a provisional approach to this program for the first year of operation. To inform future years of the program, DNREC is forming an advisory committee during the first year to provide recommendations on the objectives and metrics that support prioritization of resilience projects that are:

1. Identified by and located within disadvantaged and/or Tribal communities in alignment with the Justice40 initiative;
2. Designed to address grid disruptions associated with multiple natural hazards; and
3. Aligned with mitigation strategies identified in the Climate Action Plan.

In order to accomplish future objectives and metrics, DNREC will seek feedback on whether to consider additional measures or a broader base of potential applicants.

DNREC will use the following provisional objectives and metrics to guide projects during its first year of the program:

Objective 1: Resiliency & Energy Justice

To reduce the likelihood (frequency) of disruptions and reduce the consequences (duration) of disruptions in disadvantaged communities.

- Metric 1: Number of customers benefiting within a disadvantaged community (DAC)
- Metric 2: Number of disruptions to be reduced
- Metric 3: Percent of disruption time to be reduced

Objective 2: Workforce Development

To leverage existing or new inclusive workforce development/training opportunities, such as Delaware-based vocational or apprenticeship programs.

- Metric 1: Number of hours in trainings/ operational experience provided for new employees
- Metric 2: Number of local (Delaware-based) full-time equivalent hires for projects, including job type

Objective 3: Equitable Approach

To engage with and involve disadvantaged communities and Tribal communities to identify interest and technical assistance needs.

- Metric 1: Number of engagements with communities for assessment, planning, and implementation of projects
- Metric 2: Number of types of benefits (including non-energy benefits) to DACs identified for projects

Objective 4: Climate Concerns

To invest in the innovation and longevity of efficient and clean energy in order to attain the goals set forth in Delaware's Climate Action Plan.

- Metric 1: Number of renewable kWh supported in any given project
- Metric 2: Amount of reduced greenhouse gas emissions supported in any given project
- Metric 3: Number of new technology demonstration projects for grid resiliency, such as micro-grids and battery storage subcomponents

Objective 5: Natural Hazards

To support resilience investments in locations either impacted by severe storm and flooding or at-risk of severe storm and flooding as expeditiously as possible.

- Metric 1: Number of projects located in areas impacted by or at risk of severe storm and/or flooding
- Metric 2: Number of measures implemented by projects to promote resiliency against flooding or severe storm
- Metric 3: Time taken from the start of construction to completion

2. Criteria:

Describe the criteria used for selecting and determining the awards to eligible entities. At a minimum, the criteria should address specific requirements set forth in Section 40101(d), which include that:

- a. 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,*
- b. 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 or Indian Tribe that are served by those eligible entities, and*
- c. Awards should be provided to eligible entities for projects within the State or on the land of the Indian Tribe.*

In the first year, DNREC will employ provisional criteria as more formal criteria are developed for years 2-5 through additional public engagement. The provisional criteria are as follows:

As a first tier of prioritization, DNREC will seek to invest in projects providing the greatest community benefits, particularly in disadvantaged communities, in reducing the likelihood and consequences of disruptive events.

The percentage of the grant award made available to eligible entities that sell not more than 4 million megawatt hours of electricity per will not be less than the percentage of all customers in Delaware that are served by those entities.

The awards will be provided to eligible entities for projects in Delaware, using eligible measures as defined by DOE.

Applicants must identify the measures they propose to undertake, including any combination of measures as part of their application.

3. Methods:

Provide a description of the methods the applicant anticipates using for soliciting, awarding, and distributing funds. These might include several options, including the use of competitive solicitations, direct awards, and the use of financial instruments, such as Green Banks, to leverage the funds through 40101(d).

Provide also a description of the methods the applicant anticipates using to track and make public the metrics achieved by awardee uses of program funds to improve resilience by reducing the likelihood and consequences of disruptive events, to generate quality jobs, and to improve equity and community benefits.

DNREC has determined the best course of action to be the utilization of direct awards. Upon establishing the objectives, metrics, and criteria used in guiding potential projects, eligible entities will submit project proposals to DNREC in the form of concept papers. The concept papers will describe the intended project, along with the ways in which this project meets any number of our objectives per our metrics and any other measures the entity may provide. Once all concept papers have been received by DNREC and the 40101(d) Committee, a review process will be conducted by both parties. Should more detailed information be required from the applying entities by the Committee, DNREC will organize another round of submissions containing more details from those qualifying entities. Using the criteria described in the Program Narrative, the Committee will evaluate and prioritize the proposed projects. As a result, the Committee will provide their assessment to DNREC for a final recommendation as to which projects should receive awards. DNREC reserves the final approval to grant awardees based on the Committee's recommendations. The chosen proposed project(s) entities will receive the agreed upon amount through direct awards.

DNREC will utilize a consultant, funded by 40101(d) administrative budget, to evaluate, monitor, and verify the metrics of projects with awardees. Their reports will be sent through DNREC to DOE for reporting purposes. The results will be published on the DNREC webpage generated for the 40101(d) grant, once it is created.

4. Funding Distribution:

Provide a description of the proposed funding distributions and categories of recipients of the subgrants to be provided to eligible entities. Also, indicate preferences for eligible entities if they do not explicitly appear on the list of eligible entities provided in Section 40101.

DNREC will abide by DOE's list of eligible entities provided in Section 40101.

Categories of subgrant recipients provided to eligible entities will include, but is not limited to, entities that sell no more than 4 million MWH and entities that sell 4 million MWH or more annually.

The distribution of grant awards will be the result of the combination of the strongest applications when considered against funding availability.

The funding distribution will be the result of DNREC applying the committee's advisement to their awardee selection. The selection will be based on the assigned criteria, committee advisement, and a final determination by DNREC that utilizes the entire grant allotment for that program year.

5. Equity Approach:

To achieve the greatest impact for all Americans with this once-in-a-generation investment in infrastructure, it is critical that the BIL-funded projects not only contribute to the country's energy technology and climate goals, but also (1) support the BIL objectives to invest in America's workforce by including specific elements to accelerate job growth and job quality, including approaches to give workers a free and fair choice to join or form a union; and (2) advance DOE's equity, environmental and energy justice priorities, including DOE's commitment to the Justice40 Initiative. Accordingly, the Program Narrative must describe how the State or Indian Tribe will ensure their proposed project will incorporate:

- a. Quality Jobs: Strengthening prosperity by expanding good-paying, safe jobs accessible to all workers and supporting job growth through investments in domestic supply chains is a key goal set by President Biden, discussed in depth in his Executive Orders on Ensuring the Future Is Made in All of America by All of America's Workers (EO 14005), Tackling the Climate Crisis at Home and Abroad (EO 14008), Worker Organizing and Empowerment (EO 14025), Boosting Quality of Federal Construction Contracts (EO 14063), Promoting Competition in the American Economy (EO 14036), and Implementing the Infrastructure Investment and Jobs Act (EO 14052). Accordingly, this section of the Program Narrative should address efforts to achieve these goals, including
 - i. efforts to attract, train, and retain a skilled workforce and*
 - ii. workforce opportunities in communities that have lost jobs due to the displacements of fossil energy jobs; and**
- b. Community Benefits: Section 40101(d)(5) requires a State or Indian Tribe to give priority to projects that would generate the greatest community benefit (whether rural or urban) in reducing the likelihood and consequences of disruptive events. The Program Narrative should include an explanation of how the State or Indian Tribe will make such a determination for the projects that will be receiving funding and should include information on how the projects go beyond measures that are already being undertaken through current resilience planning by the State or Indian Tribe.*
- c. Diversity, Equity, Inclusion and Accessibility: DOE strongly encourages efforts to reach historically underserved populations, racial minorities, and women. These strategies should create the connectivity and conditions for growth where they may not exist, such as in rural and underserved communities. The Program Narrative should articulate the strategy the State or Indian Tribe will use for sharing and maximizing the project's benefits across disadvantaged communities and include a discussion of how resident, worker, and community leadership will be engaged throughout the project's duration.*

Provide an explanation of how the State or Indian Tribe will make such a determination for the projects that will be receiving funding and should include information on how the projects go beyond measures that are already being undertaken through current resilience planning by the State or Indian Tribe.

It is important to Delaware that all communities have equal access to affordable and reliable electricity service. It is also important to Delaware 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, Delaware will ensure that all projects are planned and implemented in a manner that promotes fairness to all disadvantaged communities and neighboring areas. The listed objectives address workforce development, community benefits, and equity individually. See answer 1. under “Objectives and Metrics”.

Additionally, the advisory committee will consist of members representing relevant fields: Office of the Public Advocate, a member of the Public Service Commission, the Renewable Energy Industry, Community, Industry, and DNREC itself. Working jointly with the utilities of Delaware, the committee represents the state and its collective communities. Three public meetings with the committee were held before submission of this application, which garnered a multitude of feedback in the public’s interest, in addition to the public hearing, which was the baseline requirement.

Delaware 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, training for project workers will be incorporated into these programs to obtain education and certification(s), thereby supporting the Delaware’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.

5. Technical Assistance and Administration:

Provide a description of how the State or Indian Tribe intends to utilize up to 5 percent of Federal grant funds for project administration and technical assistance.

DNREC will have \$73,373 in the first year to spend on technical assistance and administration. We believe the best use of these funds will be spent on a consultant to evaluate, monitor, and verify the metrics for awardees reaching Delaware's objectives. They will assist DNREC with reporting to DOE and making those metrics available to the public on our website.

If needed, we will utilize any amount of our 15% cost-share as an in-kind contribution towards the consultant budget.

Any remaining funds may be used to recruit interns from the University of Delaware who are enrolled in the Community Engagement Scholars program to gain experience and help with the community engagement aspects of implementing this grant.

6. Public Notice and Hearing:

Public Notice and Hearing: Section 40101(d)(2)(B)(ii) requires that eligible applicants give notice and undertake a public hearing to review the criteria and methods they anticipate using to grant awards to eligible entities and the proposed funding distributions and recipients of the grant awards to eligible entities. The applicant should use the public hearing to share the approach envisioned for setting objectives and metrics and the proposed funding distributions and recipients of the grant awards to eligible entities. Provide a brief description of the notice and public hearing process, including the number and types of organizations that attended. Also, report on the outcome of the public hearing such as approaches for engaging stakeholders for establishing formal objectives and metrics and for implementing strategic planning processes. Provide a copy of the notice as an attachment to the Program Narrative.

Note: DOE anticipates that the Program Narrative will be between 5 and 15 pages, depending upon the grant amount and complexity of resilience activities. DOE may reject applications and require revisions, if it determines that the program narrative lacks sufficient detail or does not comply with stated requirements. Save the information in a single file named (APPLICANT NAME PROGRAM NARRATIVE.pdf).

The public hearing will be held on March 7th at 6:00pm EST. One more advisory committee meeting will be held once public comment has closed, before our application submission date to DOE. At this meeting, we will consolidate all public comments and incorporate them into the program narrative as needed. A description of the process will be provided upon its conclusion.