

March 12 GRIP Program Application Webinar

MEREDITH BROSSMAN: Hello, and welcome to the Grid Resilience and Innovation Partnerships Program-- also known as the GRIP program-- full application phase updates webinar. I'm Meredith Brossman with ICF, and I will be your host today. First, we have a few housekeeping items for the webinar.

This Webex meeting is being recorded and may be used by the US Department of Energy. If you do not wish to have your voice recorded, please do not speak during the call. If you do not wish to have your image recorded, please turn off your camera or participate by phone. If you speak during the call or use a video connection, you are presumed to consent to recording and use of your voice or image.

All participants are in listen-only mode. If you have technical issues or questions, you may type them in the chat box and select to send to host. If you need to view the live captioning, please refer to the link that will appear in the chat now.

Now, a brief note for today's webinar. None of the information presented herein is legally binding. The content included in this presentation is intended for informational purposes only related to the funding opportunity announcement DE-FOA-0003195. Any content in this presentation that appears discrepant from the FOA language is superseded by the FOA language. All applicants are strongly encouraged to carefully read the guidelines and adhere to them.

Finally, a copy of today's slides will be available on the GRIP program application webinar web page by Friday, and the recording will be available on the same page in about two weeks. We will send you an email when it is available, and you can find the link in the chat now.

So with those announcements out of the way, let's get started. I'd like to welcome members of GDO's GRIP program for the presentation today. We'll hear from Colin Meehan, project manager of the GRIP Program, Anne Egger, project manager for Grid Resilience, Kristen Frick, project manager for Grid Innovation, and Isabel Sepulveda, project manager for Smart Grid Grants. Colin, I will turn it over to you to get us started today.

COLIN MEEHAN: Thank you very much Meredith I'm Colin Meehan I'm the program manager for the GRIP program. And happy to be here today. And thank you all for taking the time.

We wanted to take this opportunity to provide you all with some updates on the program in this funding cycle and some lessons learned based on the concept paper submissions that were recently due and the encourage/discourage notifications that you should have received by now if you submitted a concept paper. So as you can see for our agenda, we're going to be talking a bit about the concept paper process and the next steps that any potential applicants are going to want to take. And then we will do a deep dive, and I'm going to turn it over to our topic area leads, our project managers that you've met before, to walk through the feedback by each topic area to provide a little bit of a deeper dive for what we're taking away from this current cycle so far.

And then, we're going to wrap up with some reminders and next steps as folks prepare for their applications. Those are coming up quickly, we know, and we wanted to provide you with as much information as we can at this point, as much guidance as we can as you get ready for the application. We recognize that it is a substantial undertaking. We have a lot of gratitude and appreciation for all of the effort that you all put into your applications. We certainly, in the first funding cycle, recognized that, and know that that's going to be the case in this funding cycle as well.

So with that being said, could we move to the next slide? So just as a reminder for everyone's background, the Grid Resilience and Innovation Partnerships Program has three separate topic areas. Topic Area 1 is focused on Grid Resilience Grants. Topic Area 2 is focused on Smart Grid Grants, and Topic Area 3 is the Grid Innovation Program.

For more information on each of those grants programs, you can either go to our website, which we'll provide, or you can also refer to the webinar that we hosted back in November when we first announced this funding opportunity announcement. I do want to take a moment to talk about the Department of Energy's goals for the GRIP program. These goals really underpin our objectives for each topic area. Number one, we are looking for transformational change with a variety of scales and applications. We want to see that impacting the electric grid at the transmission and distribution levels. We want to see proposals that focus on increasing resilience in the face of weather disruptions, extreme disruptions, and enabling a more advanced grid overall that spurs innovation at all stages of project execution.

Number two, we want projects that prioritize energy justice, and we want them to do so in a way that dramatically alters the current relationship between energy providers and their communities. So what that means, effectively, is we're looking for projects that extend beyond whatever the current business as usual is and create new opportunities to prioritize energy justice. And finally, we need projects that can show us how they will catalyze private sector and other non-federal investment. We need to ensure that this program has an impact that extends well beyond our program funding. As much funding as exists in this GRIP program, we know it's not sufficient to meet the needs of our electric system for investments in innovation and resilience.

Now, with that kind of background and those reminders, we're going to shift to talking about some of the key takeaways our program has derived from the concept paper submitted in this funding cycle. So now we get to start talking about the fun stuff and some of the takeaways that we've had. Can we move to the next slide, please?

So you can see the numbers right there. We have slightly fewer concept papers submitted in this cycle, but overall, we saw concept papers that were much more closely aligned with our program goals and objectives. We were encouraged to see, again, that wide geographic diversity in terms of interest and needs. Clearly, we see these needs for improved grid resilience and increased innovation on the electric grid across the country in the District of Columbia, as well as all of the territories.

And finally, we did encourage a slightly higher number, actually, of letters-- sorry, of concept papers. And that's just due to the fact that the concept papers were more closely aligned with our program goals and objectives. We generally just saw concept papers that better fit in with the program and that were more aligned with all of our criteria.

So the takeaway from this, for all of you considering applying, is that the selection process is going to be even more competitive than it was in the first cycle. In the first cycle, about a little bit less than 20% of the applications that were submitted were ultimately selected, and in this cycle, we're anticipating the same roughly the same number. So last cycle, we selected 58 projects. We're anticipating roughly in the same ballpark number of selections-- possibly a bit more, possibly a bit less-- but that ultimately just means that this selection process is going to be even more competitive.

We really need applicants to do everything they can to sharpen their pencils, put their best foot forward-- whatever analogy you want to use-- to make sure that their application is as strong as possible. And again, the discussion that we're having today is really focused on giving you all the information that we

can to help you in that process, because we know it takes a lot of work. . Can we move to the next slide, please?

So we set out response letters almost two weeks ago. Those response letters included two or three things. They all included an encourage or discourage notification based on your concept paper if you submitted one. I want to be very clear-- you can see it here on the slide-- regardless of whether you were encouraged or discouraged from applying, you are eligible to apply in this funding cycle.

We also provided criteria feedback. So based on the eight review criteria in the concept paper process, we provided each concept paper with feedback regarding whether they fell short in a particular criteria or not. The intent there, again, is to give you more information as you're considering applying to understand what elements of your concept need to be built out in more detail and resolved in more detail to address the reviewers' concerns. And finally, some applicants received feedback on their topic area and suggestion that potentially another topic area might be a better fit.

I'm going to talk about that more in the next slide, so I'll leave that to the side for now. But I just want to go back and emphasize again that, whether you received an encourage or discourage notification, you are eligible to submit a full application. And in particular, you can only submit one concept paper-- I'm sorry, if you're submitting a full application, you have to reference the concept paper you submitted, and that concept paper can only be used to support one full application.

If necessary, as you develop the project-- so we've found that some applicants want to change their prime applicant. That is possible. That may be changed. The important thing to check here-- and this is a theme that you're going to hear us talking about a lot today-- is to make sure that the prime applicant is eligible in the topic area that's being submitted, and that they are the only submitter using the unique Identifier that's included in the concept paper notification letter.

Finally-- and you're going to hear this a few times as well-- we did not make eligibility determinations in the concept paper process. We made that very clear in the FOA. This is critically important. As you review your concept paper feedback and consider which topic area is ultimately the best fit, we want to make sure that applicants are closely reviewing the eligibility criteria for each of the each of the topic areas that they're considering.

Can we move on to the next slide, please? I want to talk a little bit about this idea of topic area feedback, which is a new element of our review process that we heard from applicants in the last cycle would be greatly appreciated. So what we've done in this cycle is, as a part of our review process, if reviewers identified that one particular application might be better suited to a different topic area than the one under which they submitted, then reviewers ultimately made a recommendation on which topic area would be the best fit.

That also included concept papers that were submitted without a topic area. So there was there was an option in the concept paper form to select undecided. So we tried to provide those concept papers with topic area feedback as well.

One thing I want to be clear about. If you were provided with feedback on a topic area that might be more suitable, it is not mandatory. You do not need to follow that feedback. You can still apply under the current topic area. If you did receive that feedback, though, please look closely at your concept paper and the criteria-- the review criteria-- for insight into why you may have been encouraged to shift topic areas. We did receive a lot of concept papers that were, maybe, provided by an entity that was not eligible to apply in a certain topic area, or maybe that included elements or equipment or work that is not eligible as

a part of that particular topic area. So we really are strongly encouraging everyone to triple check that the prime applicant is an eligible entity under whatever topic area you're submitting.

We also are strongly encouraging you to confirm that all activities are eligible. You will hear this again, probably a couple of times, in this discussion today. I'm going to call out a particular example that you may hear again as well.

We received a number of concept papers that included new generation as a part of a submission or a concept that would be submitted under Topic area 1. It is clearly stated in the funding opportunity announcement that new electric generation facilities are not able to be a part of funding under Topic Area 1 within the GRIP program. So you really need to check and make sure that whatever activities that you're proposing are eligible within whatever topic area you're submitting.

Finally, we do encourage everyone to revisit the anticipated funding levels. It may be that certain topic areas have different-- well, it is the case that certain topic areas-- each topic area, I should say-- has slightly different funding level, anticipated minimums and anticipated maximums. We're going to revisit that through this discussion today, but really encourage you to check those anticipated funding levels and see how that aligns with your project. And that may give you some guidance as well into what topic area might be a best fit.

Lastly, as a reminder, you can see at the bottom, the concept paper reviews did not include an eligibility determination. If you were encouraged to apply or if you were discouraged to apply, neither of those mean that you were determined to be either eligible or ineligible. That determination is made after the full applications are submitted, and it is really the responsibility of the applicant to determine whether or not you are eligible. Next slide, please.

So before I hand it over to the rest of the team to talk about the specific topic areas, I want to focus on a couple of highlights and important takeaways from the concept papers. Overall, again, we saw stronger concept papers than in the first funding round. I think that's entirely understandable. We recognize that the program was stood up and the first funding round moved very quickly. And certainly, applicants have had a longer time to consider the program structure and the desired goals and objectives, as well as the projects that we selected in the first funding cycle.

It was very encouraging to see the projects were so responsive to the priority areas of interest-- or, I'm sorry, priority areas of investment and technical approaches of interest. That is exactly what our intent was in trying to restructure the FOA to make the language more clear, and in the November webinar to try and provide guidance on what those areas of interest are. Projects were very diverse in their technological approach.

So we saw a good variety of high-impact transmission and distribution approaches. It was encouraging to see focus on those areas of interest like interconnection queues, storage deployments, and distribution system constraints. So in general, we've been very encouraged by both the strength and the diversity of the concept paper pool.

And lastly, a lot of interest and improved concept papers from small utilities. We recognize that small utilities have more constraints than most when it comes to developing the bandwidth to create a federal funding application, and we're very encouraged to see those small utilities coming back and showing interest, and able to provide a stronger concept paper in this cycle.

And actually, with that, I'm going to hand it off to my colleague Anne Egger, who is our project manager for Topic Area 1, which is the Grid Resilience Program. And if we could go to the next slide? And please, take it away.

ANNE EGGER: Thank you, Colin. I appreciate it. For Topic Area 1, there was a total of 250 concept papers submitted. 118 of those were from small utilities. Of the 250, 163 concept papers were encouraged, with encourage rate being about 60%, 65% for this topic area.

Now, if you look at the table below, as you can see, the full applications for Topic Area 1 are due on the 17th of April. That's a really important date make. Sure you don't miss it.

We anticipate having anywhere from 10 to 20 awards, with \$918 million of funding. And also, note the anticipated minimum size of the award. This is not a requirement, but most projects of interest do fall into this dollar amount. Next slide, please.

Now, for some feedback of the concept papers for Topic Area 1, make sure that all projects address a hazard facing the community, not simply extreme weather-- for example, wildfires, hurricanes, et cetera. But it should also be beyond the normal business-as-usual maintenance and should have an innovative approach. The application should also address how learnings from the project will share best practices in replication throughout the industry.

If building a new line or reconductoring, please quantify the increase in capacity that the line will provide. And also, another reminder that generation cannot be funded in Topic Area 1. This includes solar. We saw a lot of this in the concept papers, and we just want to make sure that you're not applying for something that's ineligible. Next slide, please.

To wrap up for Topic Area 1, a further modification was issued on February 27 which includes a new required community benefits plan template. We also encourage you to review the program and topic area objectives and technical approaches of interest, as well as funding restrictions. And we also recommend that your project considers the estimated funding and anticipated award sizes.

And a reminder for Topic Area 1, requires a cost match, which is calculated as a percentage of the federal funds only rather than the total project cost. 100% match is required for large utilities, and small utilities requiring to match 1/3 of the grant. I will now hand it over to my colleague Isabel to go over a Topic Area 2.

ISABEL SEPULVEDA: Thank you. And hi, everybody. I'm Isabel Sepulveda, project manager for the Smart Grid Grants. For Smart Grid Grants-- oh, can we please move to the next slide? Thank you. For Smart Grid Grants, we received 225 concept papers. Of those, 160 were encouraged. So 71% encourage rate, which was quite high, but we saw a lot of very good concepts that we would love to learn more about in the full applications.

Please note, the application deadline for Topic Area 2 is later than the application deadline for Topic Areas 1 and 3. Applications for Topic Area 2 are due on May 22. Another thing that, I would like to point out, again, we've talked about funding ranges and the exceptions to those funding ranges. You'll see that we have a anticipated minimum award size of \$10 million for this topic area and \$50 million maximum award size, with two exceptions which I will talk about in more detail.

As has been stated, these are not requirements, and if you submit a project that is outside of these ranges, it will not necessarily be ineligible. However, these ranges are an indication of the scale of the projects that we're looking to fund, so please take them closely into consideration. Regarding the exceptions, note that the \$100 million exception is for projects that cover multiple utility service territories. The \$250 million exception is for projects that utilize advanced conductors specifically to significantly increase transmission line capacity. Again, if your project does not include either of those two exceptions, then we will take that into consideration as we're assessing your application.

Can we please go to the next slide? Thank you. So a couple more insights into concept paper feedback.

Regarding the first point on market-ready technologies, another reminder that the GRIP program-- and this is particularly relevant for Topic Area 2-- that we are looking to fund technologies that are market-ready, commercially available. We are not eligible to fund projects that are in an R&D or demonstration phase. On our second point, we are looking for you to explain in the full application what is the clear roadmap of Smart Grid applications that will be enabled by your project. This is particularly important for projects that focus on communications infrastructure, like fiber networks or AMI deployment. If your project includes those components, the Smart Grid components should ideally be part of the scope or directly tied to the infrastructure or AMI component.

Lastly, in terms of eligibility-- I know we're talking about eligibility a lot-- but there are two issues that I'd like to highlight, particularly relevant for projects that include generation, again. And for that, I'd like to turn to the next slide, please. Thank you.

So here you'll see some of the same information that Anne just described. But two things that, I would like to highlight specifically relevant for project Topic Area 2. So first of all, generation is eligible in Topic Area 2. However, generation is eligible only if it is directly related to enabling Smart Grid functions. If your project includes generation, make sure that the link is explicitly described.

Second, projects that receive group funding are not eligible to receive tax credits or deductions. This is particularly relevant for renewable energy generation. Projects that include renewable energy generation should consider which is most beneficial for your project's financial structure before deciding to apply. Other than that, information on this slide that I'd like to highlight is only a reminder that the cost share requirement for Topic Area 2 is 50% of the total project cost. So please make sure that is included within the budget information that you share with us. And with that, I'm going to turn it over to my colleague Kristen so she can discuss topic area three.

KRISTEN FRICK: Thanks, Isabel. Can we go to the next slide? Topic Area 3, similar format. We had a nice, round, even 100 concept papers. Half of those were encouraged, at 50%.

Topic Area 3 does have the same due date as Topic Area 1, which is April 17. We anticipate similar award range of 4 to 40 this year. Topic Area 3 does not have an anticipated minimum award size, but I want to emphasize that while we don't have an anticipated minimum, we still want to see projects that are high-impact and that are innovative. So make sure you're still incorporating that into your project scope. The anticipated maximum award size is the same as last year. The standard expectation is \$250 million. We do have an exception for \$1 billion for projects that solve inter-regional transmission issues. Like my two other colleagues said, these are only anticipated maximum award sizes. So if your project is outside these ranges, please, if you think it's a good fit for this topic area, submit it and tell us why.

[LAUGHS] And let me walk through that story.

We have the same approximate funding level for this FOA as we did for the last one, which is \$1.82 billion, with the total available funding of \$5 billion. Can we go to the next slide? Thank you.

Some feedback on concept papers. One thing-- I think that the most important thing to highlights-- is really Topic Area 3, it's looking at innovation, high impact, and a lot of collaboration. So making sure, if you have a partnership, or if you have something that might impact a partnership, that you really demonstrate a meaningful level of collaboration.

What that could look like is really showing both parties' voices or multiple parties' voices in that full application so we can see it's not just one person kind of leading the charge, but you're actually working together and growing together as a group. We like to see that collaboration. It's good for the grid. It's good for everyone. [LAUGHS]

To make sure you illustrate how the approach is innovative, this goes beyond just standard reliability and resilience. We did see quite a few concept papers that were addressing reliability or resilience, which is the bulk of what we're working on. But we want to see that the way that you're addressing it for this Topic Area is it's something innovative. Whether it's in the approach, through a regulatory or business structure, through the partnerships that we've mentioned, or whether it is a technical innovation, again, we're still looking at deployment-ready focus. But really, walk us through that story of how this is innovative for this region, for this consortium, for this partnership, or for this area.

Finally-- and importantly, to-- describe how the project is likely to de-risk or demonstrate this innovative approach, while still keeping in mind we want deployment-ready. We want to make sure that this is moving the needle forward on something that can be used in other similar projects with similar challenges, whether that's similar geography, similar hazards, or just similar grid composition. Just all three feedback together helps you tell us the story of your project and why it's a good fit for this program. Next slide?

Repetition is important. So I'm going to say again, please, check out the most updated if you have not. There is a required format for Community Benefits Plan, and make sure you're following that. I want to emphasize this for-- there are there are very few funding restrictions. There is eligibility restrictions for this topic area.

The funding is pretty broad, but I will say that we have to evaluate programs. And particularly, there were a few concept papers that the lead applicant, the prime applicant, was proposing to create a funding program using the GRIP funds. But there was just insufficient detail to really evaluate the impact, or even the project itself, at the concept paper stage. Now, that might just be a reflection of the concept paper, but I would like to draw everyone's attention to the FOA-- search bar is your friend here-- that there is two sections we've added. Well, there's one section we added, and one we updated.

So we added a section called Elements of a Responsive Application. This really walks you through how we look at the application and what we're looking for-- what makes up, really, a fully responsive application to all the multiple elements. And I know there's a lot more full application.

And also, review the criteria that we will use to review and evaluate the application. You can find that in the lower table of contents. I think it's around Section 5 of the actual FOA.

But this really spells out what we're looking for and how we look and talk about the projects whenever we're reading them. And this will kind of help you structure how you're talking about the projects to make sure you're in line with our vision. And there are some specific topic area sections in there.

So look at that. I know this is a lot. Trust me, I've read it too many times. But really, I think there's some great content in there. And like I've said to others before and I will keep saying, really, tell us the story of your project for all three topic areas, but particularly for the innovation one, because there is so much more nuance and so many more exciting things to do here.

Our cost share-- to go back to a more administrative tone-- cost share is 50% of the total project cost. That is it for Topic Area 3. So I think I'm handing it back to you, Colin, at this point.

COLIN MEEHAN: Thanks, Kristen. Now, can we go to the next slide? Thanks.

So just to wrap this up, as a reminder for everyone, applications for Topic Area 1 are due April 17. For Topic Area 2, they're due May 22. And for Topic Area 3, they're due April 17. In addition to this webinar, which will be posted online within a few weeks, we have provided a Community Benefits Plan training webinar that the recording is available at this link. We are also planning an additional webinar that will-- if you received an invitation to this webinar, you'll receive an invitation to that one. It's going to be focused

on compliance needs for the Davis-Bacon Act, and Build America, Buy America, as well as other issues related to the use of non-domestic equipment and group projects. And we really encourage anyone considering applying to attend that one as well.

I know that our hosts have already said this in the chat. If you do have any questions about the FOA, you need to direct them to the email address that is in the FOA, and that I know is in the chat as well. We are not able to answer questions directly. They have to go through that process. And we do want to encourage you to ask those questions. We're doing our best to work through them as quickly as possible. And again, we're grateful for everyone's time. I hope this has been an informative and helpful perspective on where the program is currently. And we're really excited to see the full applications coming up in April and May.

So thank you all for your time. And with that being said, I think we can move on to the next slide. I'll have one last reminder-- none of the information presented herein is legally binding. Nothing that we said in this presentation is intended to supersede the FOA. The content included here is really intended for informational purposes only, and the sole source of truth for your application is contained within the FOA. So any content in this presentation that appears discrepant from the FOA language is superseded by the FOA language. That is your source of truth as you consider your application. All applicants are strongly encouraged to carefully read the FOA guidelines.

Kristen already said it. We know that the FOA is large and complicated. We've all spent too much time for our for our own good health inside the FOA. But we really do encourage you to look through that closely and, as you're creating your application, focus on the elements of a successful application, as well as the review criteria and the other elements that we highlighted. So thank you again for your time, and we're really looking forward to seeing those applications. And I think this concludes the presentation.

MEREDITH BROSSMAN: Thank you, Colin, and thank you the rest of the GRIP team, and Kristen and Isabelle, for your presentations today. As a reminder, a copy of today's slides will be available on the GRIP Program Application Webinar web page by Friday, and the recording will be available on the same page in about two weeks. We will send you an email when it is available, and you can find the link in the chat now.

Thank you again to the GRIP Program Team for joining us today, and thank you to all of our attendees for participating. Take care, everyone. And we will see you next time.