





March 19, 2021

The Honorable Jennifer Granholm, Secretary U.S. Department of Energy 1000 Independence Ave, SW Washington, DC 20585

Dear Secretary Granholm,

On behalf of the members of the National Association of State Energy Officials, the National Emergency Management Association, and the Business Council for Sustainable Energy, we congratulate you on your confirmation as U.S. Secretary of Energy. As recent events in Texas and the Midwest have shown once again, one of the most urgent tasks in the energy sector – production, distribution, and end-use – is to increase its resilience in the face of climate-induced extreme weather events. We respectfully request your help in prioritizing coordination among the U.S. Department of Energy (DOE), the Federal Emergency Management Agency (FEMA), and our state and private-sector members across the nation on energy-sector resilience and security.

A tremendous near-term energy-sector resilience opportunity is the result of our organizations' work with Congress to pass of the bipartisan *Disaster Recovery and Reform Act* (DRRA) in 2018. The act directed FEMA to substantially strengthen its pre-disaster risk mitigation efforts through, among other important actions, the Building Resilient Infrastructure and Communities (BRIC) program (see attachment for background). Following each Congressional special disaster appropriation, up to six percent of the funds can be allocated by the Biden Administration to BRIC for use by all states in pre-disaster resilience projects in a range of areas, including energy. BRIC funding will likely vary between \$500 million and \$3 billion annually depending upon the number and severity of disasters each year.

Our organizations are assisting states and communities in the development of energy-related and other resilience projects suitable for BRIC funding. We are focusing on such approaches as microgrids, mission critical facility energy efficiency, building energy codes, grid hardening, and the utilization of on-site renewable power and storage. In addition, we are working with energy sector partners on other resilience elements called for by the DRRA. However, this type of assistance is an enormous task that would benefit from well-coordinated, federal-state energy resilience actions. We believe a public-private partnership spearheaded by DOE in coordination with FEMA and our members would accelerate states' energy-related actions to build more resilient communities. We request and encourage DOE's active participation with us in this work, and recommend the following for your consideration:

- Convene FEMA and other federal agencies to aid in coordinating energy-related resilience actions
 that would provide assistance to states in the implementation of the BRIC program and other DRRA
 energy sector directives.
- 2. Collaborate with our organizations to provide technical assistance to states as they develop applications or innovative public-private energy projects leveraging BRIC funds.

- 3. Establish a coordinated cross-cutting DOE role (e.g., within the Office of Policy) to ensure DOE solution "silos" are bridged and leveraged with state and private efforts. Expertise in different facets of energy system resilience resides across many DOE offices, whether interdependency and risk assessment capacities (DOE-CESER); modeling capabilities in electric grid and natural gas system infrastructure, including "hardening" options (DOE-OE, DOE-FE); applications and innovations in building energy efficiency, on-site renewable power and fuels, building energy codes, and transportation (DOE-EERE); and knowledge of energy justice and energy sector job creation strategies (DOE Senior Leadership). Working together, experts in these various DOE fields could be focused on partnering with states to deliver holistic energy solutions that accelerate resilience actions in the face of growing extreme weather and cyber events, while ensuring a just transition of the energy sector, workforce development, and high-quality job creation.
- 4. The DOE Office of Technology Transitions (OTT) should accelerate the transition of high-impact resilient energy technologies from DOE's R&D activities across DOE offices (e.g., DOE-OE, DOE-EERE, DOE-FE) in collaboration with the State Energy Offices. States Energy Offices may utilize their U.S. State Energy Program funding, along with other state and private resources to validate and deploy these technologies, and craft policies to open market pathways to adoption by regulated and unregulated energy providers.
- 5. Identify additional energy-focused resilience actions that DOE and the states could take as called for by DRRA, as well as those priorities set by the Biden-Harris Administration.

Collectively, our organizations represent the 56 State, Territory and District of Columbia Governor's Energy Directors and State Emergency Management Agencies, and clean energy businesses ranging from Fortune 100 companies to small businesses working in all 50 states. On a national basis, these industries support over 3 million U.S. jobs.

We would be pleased to meet with you or members of your staff to share our ideas and discuss potential DOE energy infrastructure, clean energy, and energy efficiency resilience actions.

Best regards,

Lisa Jacobson, President

Business Council for Sustainable Energy

David Terry, President and Executive Director National Association of State Energy Officials

Trina Sheets, Executive Director

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Attachment: Background on the Building Resilient Infrastructure and Communities Program

The <u>Building Resilient Infrastructure and Communities</u> (<u>BRIC</u>) <u>program</u> managed by the Federal Emergency Management Agency (FEMA) was established in the 115th Congress on a bipartisan basis to support states, local communities, tribes and territories as they undertake hazard mitigation projects, reducing the risks they face from disasters and natural hazards. The BRIC program replaces the existing Pre-Disaster Mitigation (PDM) program and is funded by up to a 6% set aside of the federal Disaster Relief Fund.

The BRIC program aims to shift the federal focus away from reactive disaster spending and toward proactive investment in community resilience to prepare communities before a disaster strikes. It is anticipated that BRIC funding projects will demonstrate innovative approaches and project design and may result in benefits to a community beyond just risk reduction. The first application period for funding from the new BRIC pre-disaster mitigation grant program using new guidance closed in January 2021. Applications were received by all 50 states and all U.S. territories, which demonstrates the significant level of demand for this type of federal partnership.

DOE Should coordinate with other federal agencies on the implementation of the BRIC program.

Reliable and secure energy systems power the U.S. economy and sustain other critical infrastructure systems. Transportation, water, waste, and the built environment overlap significantly with the energy sector. The Department of Energy (DOE) should work with FEMA to ensure that BRIC funding is used for energy projects at critical infrastructure sites.

Microgrids and community renewable grids, where applicable, should be developed to enhance resilience and access to energy when certain portions of the grid are disabled. In addition, state and federal agencies should coordinate to ensure that shared public infrastructure can be operational through on-site energy generation that does not require extended fuel delivery chains, or which have locally sourced feedstock. This could include relying more heavily on on-site renewable energy, municipal renewable infrastructure, and natural gas along with energy storage.

In addition, modern building codes help to avoid casualties, property damage, business interruptions, and insurance costs in times of extreme weather events. A broad portfolio of alternative-fueled vehicles, including plug-in electric, fuel cell electric, natural gas, and propane vehicles can be used for emergency and disaster recovery fleets along with the appropriate charging or refueling infrastructure. A number of states and cities are already taking steps to diversify critical vehicle fleets to ensure capabilities during petroleum disruptions or utilizing microgrids for mass transit applications that may need to function for evacuations during emergencies.

The full statutorily authorized 6% of the federal Disaster Relief Fund should be set-aside in the BRIC program.

The Disaster Recovery Reform Act of 2018 (DRRA, Division D of P.L. 115-254), which established the BRIC program, authorizes up to a 6% set-aside of the Disaster Relief Fund for the BRIC program. This amount

will vary from year to year depending on the number of disaster events in a given year. While it has been anticipated that the full 6% would be set aside, the previous administration placed a \$500 million cap on the BRIC program. As a community, we will continue urging FEMA and OMB to set aside the full 6 percent of eligible disaster costs for the BRIC program.

<u>Provide technical assistance to the states and state and community program offices as they develop applications for innovative projects.</u>

Given the significant interest in funding as evidenced from this most recent funding opportunity, we believe that if the federal government can provide states and communities appropriate technical assistance, the full 6% set-aside is justified. We encourage your efforts to provide the technical assistance needed to ensure development of projects that will help communities across the U.S. get ahead of the curve and be better prepared for catastrophic events.