



## NASEO Electricity Program Quarterly Newsletter October 2023

### Upcoming Events

#### Virtual:

[Informational Session on the Transmission Siting and Economic Development \(TSED\) Grant Program \(State and Territory Energy Offices Only\)](#)

Friday, October 13, 2023, from 2:00-3:00pm ET

NASEO will host an information session for State and Territory Energy Offices on the U.S. Department of Energy (DOE) Transmission Siting and Economic Development (TSED) Grant Program. TSED is a new initiative designed to overcome state and local challenges to expanding transmission capacity while also supporting communities along major new and upgraded lines. This program will make available up to \$300 million in grants for states, tribes, and local governments to accelerate and strengthen electric transmission siting and permitting processes. Concept papers are due October 31, 2023. On the call, representatives from the Grid Deployment Office will provide an overview of the program and be available to answer questions. **Please [register here](#).** Contact Catherine Reed at [creed@naseo.org](mailto:creed@naseo.org) with any questions.

#### In-person:

*We are looking forward to seeing many of you at [NASEO's Annual Meeting](#) in Portland, Oregon taking place October 16-19, 2023.*

[NASEO, NARUC, and LBNL Distribution System Planning and Resilience Training, November 29-30, 2023, Washington, DC \(States-Only\)](#). NASEO, the National Association of Regulatory Utility Commissioners (NARUC), and Lawrence Berkeley National Laboratory (LBNL) invite State Energy Offices to participate in the first of three regional trainings on distribution system planning and resilience. States and Territories are welcome to register [here](#) for the training.

### Announcements

Below is a selection of recent announcements. For a more comprehensive listing of funding opportunities, notices of intent, and requests for information, check out [NASEO's Infrastructure Act Resource Hub](#).

#### [U.S. DOE Announces Funding for Transmission Siting and Economic Development Grant Program](#)

The U.S. Department of Energy (DOE)'s Grid Deployment Office announced a funding opportunity of up to \$300 million in grants for states, tribes, and local governments to accelerate and strengthen electric transmission siting and permitting processes. The program is supported by the Inflation Reduction Act (IRA) and is designed to help overcome state and local challenges to expanding transmission capacity while also supporting communities along major new and upgraded lines. **Concept papers are due October 31, 2023, with full applications due April 5, 2024.**

#### [U.S. DOE Announces New Program to Support State Participation in Wholesale Electricity Markets](#)

On September 29, 2023, the U.S. Department of Energy (DOE) released the funding opportunity announcement for the [Wholesale Electricity Market Studies and Engagement Program \(WEMSE\)](#). This funding is intended to provide states and regions with technical and financial assistance related to developing, expanding, and improving wholesale electricity markets. This program is designed to enable states and other eligible entities to perform analytical studies on critical market issues, convene stakeholders, or increase a state or region's capacity to engage in market design reform efforts and stakeholder planning processes at a regional level. DOE anticipates making approximately \$9 million of federal funding available through the WEMSE program, which will include three rounds of funding. **The concept paper for the first round of funding will be due on November 3, 2023; subsequent rounds of funding will open in 2024.** The multiple rounds of funding are intended to afford states, market operators, and other wholesale market stakeholders the time to develop coalitions and coordinate joint applications.

### **U.S. DOE Issues \$50 million Funding Opportunity for Distributed Energy Systems Demonstration**

The U.S. Department of Energy, Office of Clean Energy Demonstrations (OCED) issued a new **\$50 million funding opportunity** to demonstrate distributed energy systems that not only include distributed renewable generation but also flexible energy management by buildings, EV charging, heat pumps, energy storage, and other equipment. Distributed energy systems can enhance energy reliability and resilience, reduce electric losses and stresses on the grid, and support decarbonization and environmental objectives. OCED will provide up to 50 percent of the cost share for 2-4 utility and/or private sector led projects to demonstrate the reliable operation and financial value of connected energy systems with high levels of renewable generation and a variety of connected energy assets. **Concept papers are due by November 16, 2023, at 5:00 p.m., ET.** Learn more and apply [here](#).

### **DOE Announces \$18 Million in Technical Assistance for LEAP**

The U.S. Department of Energy [announced](#) more than \$18 million in technical assistance services for the second round of Communities Local Energy Action Program (LEAP) to support 24-32 low-income, energy burdened communities in their clean energy transitions. Selected communities will be matched with DOE's network of technical assistance providers who will assist them with developing local energy action plans that focus on areas such as advanced nuclear technology, clean energy planning and development, carbon capture and storage, clean transportation planning and investment, community resilience microgrids, and more.

Eligible applicants are low-income, energy burdened communities that are also either disadvantaged or experiencing direct economic impacts from the shift away from fossil fuels. Applicant teams must include at least one community-based organization and one local government or Tribal entity. Applications must be submitted no later than December 14, 2023, by 5 p.m. ET. More information about Communities LEAP and how to apply can be found at [Communities LEAP | Department of Energy](#)

### **U.S. DOE and U.S. DOI Release Offshore Wind Action Plan**

The U.S. Department of Energy (DOE) and the U.S. Department of the Interior (DOI) released [An Action Plan for Offshore Wind Transmission Development in the U.S. Atlantic Region](#). This is a set of actions for federal, state, and local governments; industry; and other stakeholders to catalyze offshore wind energy, strengthen the domestic supply chain, and create jobs. The plan outlines immediate actions needed to connect the first generation of Atlantic offshore wind projects onto the electric grid, and longer-term efforts to support needed transmission over the next several decades. The final plan can be found [here](#).

### [U.S. Department of Energy \(DOE\) Announces Funding for First Commercial Direct Air Capture Demonstrations in the United States](#)

On August 11, 2023, **DOE announced up to \$1.2 billion** to advance the development of two commercial-scale direct air capture (DAC) facilities in Texas and Louisiana. These projects are funded through the Infrastructure Investment and Jobs Act (IIJA) **Regional DAC Hubs program**. The projects are expected to remove more than 2 million metric tons of carbon dioxide emissions each year from the atmosphere and create close to 5,000 jobs in Texas and Louisiana. In addition to these two commercially ready projects, DOE announced an **additional 19 projects** that will focus on feasibility assessments and front-end engineering and design studies.

### [U.S. DOE and U.S. EPA issue Notice of Intent to Fund Methane Reductions from the Oil and Gas Sector](#)

The U.S. Department of Energy (DOE), in collaboration with the U.S. Environmental Protection Agency (EPA), issued a **Notice of intent** announcing the first in a series of funding opportunities. Up to \$350 million in formula funding is planned for eligible states to help industry voluntarily identify and permanently reduce methane emissions from low-producing (marginal) conventional wells. States will be able to use a portion of their award for environmental restoration and to enhance monitoring capacity for low-producing conventional wells, which will improve their ability to identify and prioritize methane emissions for mitigation. DOE's National Energy Technology Laboratory (NETL) plans to issue the Funding Opportunity Announcement later this summer. Following this non-competitive solicitation, EPA and DOE intend to offer one or more additional competitive solicitations to monitor and mitigate methane emissions from the oil and gas sector, which will be available to a broad range of applicants.

### [In Case You Missed It](#)

#### **NASEO Rural Energy Working Group Webinar: Carbon Sequestration in the Agricultural Sector: Challenges and Opportunities**

On August 15, 2023, NASEO hosted a webinar through the Rural State Working Group. Farmers and ranchers have an opportunity to reduce sector-wide and nationwide greenhouse gas emissions through new land management practices that help maximize the sequestration of carbon in soil. States, the federal government, and the private sector are advancing soil carbon sequestration through incentives, technical assistance, and data collection, which presents an economic development opportunity for rural areas and agricultural stakeholders. This webinar provided states with an opportunity to hear about the process for carbon sequestration in soil along with some of the co-benefits and challenges. The [recording](#) and [slides](#) are available. Please also visit the NASEO Rural Energy webpage for up-to-date information on future events and links to relevant resources: [Rural Energy | NASEO](#)

#### **NASEO-NARUC Webinar: Facilitating Equitable Community Engagement to Support the Deployment of Advanced Nuclear**

On August 17, 2023, NASEO and NARUC hosted a webinar as part of their Advanced Nuclear State Collaborative. State Energy Offices and state utility regulators are exploring ways to support advanced nuclear through programs, policies, plans, and regulations in order to harness the different benefits this innovative technology can provide including decarbonization, resilience, and economic development and workforce opportunities. Key to ensuring advanced nuclear projects are deployed in a just and equitable way is to better understand who states should be engaging with and when, what community concerns may be, and what a community-driven planning process would look like. This webinar provided an opportunity for states to hear from speakers from the government and non-profit sectors and to discuss some of the questions and challenges they have around community engagement and advanced nuclear. The [slides](#) and [recording](#) are available.

### **NASEO Virtual Workshop on Building the Clean Hydrogen Workforce**

On August 29, 2023, NASEO hosted a virtual workshop on clean hydrogen workforce opportunities and challenges. The growing clean hydrogen economy offers states an opportunity to bring good-paying jobs and economic development benefits to their communities. Whether supporting workers transitioning from other sectors or training new workers, states will play an important role in preparing the emerging clean hydrogen workforce. Through a mix of presentations, panels, and open discussion, this workshop explored topics such as identifying clean hydrogen jobs and required skills, providing career pathways for displaced fossil fuel workers, and ensuring equitable access to good quality jobs in the clean hydrogen sector. The workshop highlighted successful workforce development models and training partnerships and provided space for State Energy Offices to share best practices and brainstorm solutions to workforce challenges. The [slides](#) and [recording](#) are available.

### **NASEO Webinar: Grid Resilience, Supply Chain, and BABA – Challenges and Strategies**

On September 8, 2023, NASEO hosted a webinar that explored the challenges that states are increasingly facing in modernizing the grid and implementing grid resilience measures. Speakers from the GridWise Alliance, the National Rural Electric Cooperatives Association (NRECA), and the National Electrical Manufacturers Association (NEMA) discussed the challenges posed by supply chain constraints as well as Buy America Build America requirements and identified possible strategies and solutions. The recording is available [here](#).

## **Reports, Information, and Tools**

### **[NASEO and NARUC Release State Microgrid Framework](#)**

On August 21, 2023, NASEO and the National Association of Regulatory Utility Commissioners (NARUC) released a report, *State Microgrid Policy, Programmatic, and Regulatory Framework*, that is a resource for State Energy Offices and public utility commissions (PUC) as they develop policies, regulations and programs to support microgrids. The goals of the framework are to foster productive collaboration among state entities and help them anticipate questions they may encounter as they plan and implement microgrid policies, programs, and regulations. To help achieve these goals, the report provides relevant microgrid background information for State Energy Offices and PUC consideration, regardless of their state's microgrid landscape, through examples from peers as states across the country have implemented varying strategies to enable microgrids. The full report can be viewed [here](#), as well as an interactive online version [here](#).

### **[NASEO and NARUC Release State Solar Cybersecurity Toolkit](#)**

On September 29, 2023, NASEO and NARUC, with support from the U.S Department of Energy Solar Energy Technologies Office (SETO), announced their release of the [Cybersecurity Advisory Team for State Solar \(CATSS\) Toolkit](#). The CATSS Toolkit provides State Energy Offices and Public Utility Commissions with actionable information on cybersecurity for solar power and supports state cybersecurity enhancements for solar and other Distributed Energy Resources (DER). The CATSS tools are foundational resources for State Energy Offices and Public Utility Commissions seeking to mitigate cybersecurity risks.

### **NASEO Comments on DOE and DOI Proposed Rules and Regulations**

NASEO commented on the U.S. Department of Energy Request for Information on the Designation of National Interest Electric Transmission Corridors. The comments can be found [here](#).

NASEO commented on the U.S. Department of the Interior Proposed Rule to Bolster Solar and Wind Development on Federal Lands. The comments can be found [here](#).

*NASEO wants to highlight your success stories! Please share upcoming events, announcements, publications, and relevant news stories, in the next NASEO's Electricity Committee Quarterly Newsletter. You may direct any submissions or feedback to Catherine Reed ([creed@naseo.org](mailto:creed@naseo.org)).*