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April 2, 2008

Delivered via email

Dear State and Territory Energy Directors:

Enclosed please find a "Request for Proposal" (RFP) currently being offered to all State and Territory Energy Offices by NASEO through the U.S. Department of Energy's (DOE) Office of Electricity Delivery and Energy Reliability. The RFP is intended to provide a third round of limited funding for energy assurance planning and organizational coordination through two proposed "areas of interest":

- A. Assisting States in updating and revising their energy emergency plans based on the NASEO State Energy Assurance Guidelines, the integration of resiliency in the planning, and incorporating the National Infrastructure Protection Plan-Energy Sector Specific Plan; and
- B. Assisting States in addressing inter-organizational planning and coordination in order to address energy assurance and building resiliency.

NASEO anticipates that \$100,000 will be available for this third round of state-based energy assurance grants. Grants will be available on a competitive basis and applicants are encouraged to commit additional resources in support of this effort as they may be available. In addition, for those State or Territory Energy Offices interested in applying for the grant DOE will be hosting a workshop in Denver, Colorado entitled, "Building Resiliency into Energy Assurance Planning" which could provide great insight when formulating RFPs for submission and we would encourage you to attend. The workshop will be held immediately following the Summer Fuels Outlook Conference on April 22-23, 2008, at the Brown Palace Hotel. Please note the cut-off date for hotel reservations is Friday, April 4, 2008. If you have any logistical questions regarding the workshop, please contact Shemika Spencer at: 703.299.8800 x15.

Proposals are due to NASEO on or before 5:00 pm EST, Friday, May 2, 2008 and must be submitted electronically in MS Word or PDF via email at: EAProposals@naseo.org.

Best Regards,

Michelle New
Acting Executive Director

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**National Association of State Energy Officials
Request for State Energy Assurance
Planning and Preparedness Proposals**

April 2, 2008

With support from the U.S. Department of Energy's Office of Electricity Delivery and Energy Reliability, NASEO is initiating a third round of technical assistance grants to provide limited funding to State and Territory Energy Offices for energy assurance resiliency planning and organizational coordination. This effort is being conducted in coordination with work being undertaken by the National Association of Regulatory Utility Commissioners (NARUC). The funds will be provided on a competitive basis through this Request for Proposal (RFP).

Eligible Applicants

Only State and Territory Energy Offices who have not received technical assistance grants from NASEO related to energy assurance planning in the past two years may apply.

Proposal "Areas of Interest"

The funds are available for use in two areas:

- A. Assisting States in updating and revising their energy emergency plans based on the *NASEO State Energy Assurance Guidelines* and incorporating state elements of the *National Infrastructure Protection Plan-Energy Sector Specific Plan*. (Note: Federal law requires that States file, in conjunction with the State Energy Program (SEP) State Plan, an energy emergency plan detailing implementation strategies for dealing with energy emergencies. This is both a mandatory and eligible activity under SEP, 10 CFR 420.13.b.9); *and*
- B. Assisting States in focusing on inter-organizational planning and coordination in order to improve energy emergency response and preparedness and/or protect critical energy infrastructure through enhanced resiliency.

The areas of interest are detailed below. **States may apply under only or both of the two program areas ("A" or "B"). Applying under both will not increase the level of funding that may be awarded.**

Applications for funding submitted by State and Territory Energy Offices will be in the form of a two page (maximum) narrative proposal addressing the need that will be met, what will be accomplished and the timeframe for the work in the areas outlined below; **plus** a letter from the State/Territory Energy Office Director indicating approval of the proposal submission; the name of the project manager; and a detailed one-page, line-item budget. If a Public Utility Commission (PUC) is identified as a project partner, supporting material (such as a letter identifying the point-of-contact for this work at the PUC and noting areas of common activity) should also be submitted. All proposals must include the name and contact information of an individual at the submitting State and Territory Energy Office that can respond to clarification questions.

Area of Interest "A": Energy Assurance Plan Development Support

This area addresses development, revision and/or updates to state energy emergency plans to create an energy assurance plan in accordance with the *State Energy Assurance Guidelines* developed by NASEO and NARUC and supported by DOE's Office of Electricity Delivery and Energy Reliability.

At the State's discretion, a portion of the funding may be used to contract for technical expertise or offset staff labor in developing plans. These funds could only be utilized for technical assistance and planning (not for logistics or meetings related activities). States may request information on potential contractors to assist with their efforts from NASEO. If a contractor is expected to be employed this should be included as part of the budget proposal.

The proposals should include a description of how the following activities would be accomplished and over what time period:

- A commitment to involve representatives of the PUC, State homeland security officials and/or emergency management officials;
- An account of how the planning process would be coordinated with other States within the region;
- A commitment to providing documentation of efforts (e.g., evidence of an updated energy assurance plan) to NASEO;
- A willingness to use the *State Energy Assurance Guidelines* in coordination and planning efforts and offer suggestions for improvement of the guidelines;
- A willingness to host an energy emergency table top exercise and utilize a "Do-It-Yourself" Exercise Kit developed by NASEO and NARUC and provide feedback on the usability of the kit; and
- A commitment to incorporate the elements of the *National Infrastructure Protection Plan-Energy Sector Specific Plan* into the state energy assurance plan.

Area of Interest "B": Interagency/Organizational Coordination Workshops, Exercises and Training

In conjunction with energy assurance planning efforts, States need to address the issue of inter-organizational interdependencies in energy assurance and resiliency planning. Many aspects of critical infrastructure protection and energy assurance require cooperation across SEOs, critical infrastructure companies, emergency management and State homeland security agencies, PUCs, Governors' offices, and others. Providing incentives for States to address this issue is an important means of meeting a range of energy assurance challenges.

Assistance under this area of interest would be for State and Territory Energy Offices to conduct planning workshops, exercises, training, or other approaches that would aid in clarifying roles and responsibilities and inform energy assurance plan development and refinement. Other approaches, for example, could include:

- innovative activities to support development of cooperative inter-organizational (public-private sector) mechanisms, processes, and protocols required for energy assurance and resiliency planning, coordination, and communication;

- defining the relationship among key interdependent agencies, companies, and stakeholders; *and*
- establishing public-private sector energy assurance working groups or committees, along with implementation procedures and protocols, and integration of that structure into energy assurance plans which address preparedness, response and critical infrastructure protection.

As noted above, this project is being coordinated with parallel efforts being undertaken by the NARUC which focuses on enabling States with more resources and technical expertise (relating to critical infrastructure protection) to assist States with fewer resources or less technical experts. Technical assistance efforts will focus on State procedures related to more efficient interstate and intrastate communications between officials responsible for critical infrastructure protection, confidential information sharing, inter-sector interdependencies, and State cost recovery policies and procedures.

The proposals should include a description of how the following activities would be accomplished and over what time period:

- A commitment to involving representatives of the PUC, State homeland security officials, and/or emergency management officials, and other entities within State government that may have a defined role (e.g., legislative representatives, Governor’s advisors);
- A commitment to providing documentation of the event(s) to NASEO, including a summary of conclusions, relevant issues, and any action steps;
- An account of how the planning process would be coordinated with States within your region;
- A commitment to including a representative of DOE’s Office of Electricity Delivery and Energy Reliability and/or designated representative identified in concert with NASEO;
- A willingness to host an energy emergency table top exercise and utilize a “*Do-It-Yourself*” Exercise Kit developed by NASEO and NARUC and provide feedback on the usability of the kit; *and*
- Distribution of the *State Energy Assurance Guidelines* to appropriate officials participating in the event(s).

Contract Term & Deliverables

NASEO will enter into initial contracts with states to complete this work within a period of twelve to eighteen months. Within thirty (30) days of completion of the proposed activity, a final written report will be due to NASEO for distribution to interested States and DOE along with a copy of any planning documents that resulted from the effort to the extent that it contains information that can be publically shared. A one page quarterly progress report will also be required, and will be due to NASEO fifteen (15) calendar days following the end of each calendar quarter.

Additional Resource Commitments

State-based energy assurance grants will be available on a competitive basis. State and Territory Energy Offices are strongly encouraged to commit additional supplemental resources in support of this effort beyond those required to administer the grant, however, there is no matching funds requirement. When available, these additional resources can come from funds dedicated directly in support of the activity and/or in-kind contributions, including staff time. Federal and state funding may only be used to supplement, and not supplant, funding awarded under this

technical assistance grant. States committing additional resources and the level of commitment will not be considered in the selection criteria.

Available Funding

It is anticipated that up to a total of \$100,000 could be made available for this third round of state-based energy assurance grants depending on the number and quality of proposals received. Considering grants under either or both category "A" or "B", NASEO anticipates that roughly between 6-8 states will be selected for awards that could range from \$10,000-\$15,000 each.

Selection Criteria

In addition to the activities described under the relevant program areas of interest above, proposals will be evaluated on the following criteria. Please note that state need not meet the entire criterion listed below in order to apply:

- The ability of the State to identify and engage partners from other state agencies, such as PUCs or emergency management agencies;
- The State's ability to leverage funds, other resources, and assistance from other State agencies and other sources to maximize the State's cost share;
- Capability of the State Energy Office to maintain and periodically update the state's energy assurance plan;
- The date of the last update to the State's energy assurance plan;
- Technical quality and completeness of the proposal;
- Special circumstances and needs such as recent energy emergencies;
- Diversity of organizational structures (i.e., comprehensive integration of relevant agencies/companies necessary for effective energy assurance); *and*
- Geographic diversity.

Proposals will be reviewed, evaluated, and selected by a panel consisting of two NASEO Energy Data and Security Committee representatives, one NASEO staff member, and an independent member.

Due Date

Proposals are due to NASEO **on or before 5:00 pm EDT, Friday, May 2, 2008**. Proposals must be submitted in electronic form, MS Word or PDF, *via email* at: EAProposals@naseo.org.

Awards are expected on or about May 26, 2008.

Questions

Questions concerning this solicitation should be submitted via e-mail only to EAQuestions@naseo.org. The deadline for receipt of questions is Monday, April 7, 2008. Summaries of questions and answers will be posted on the *Energy, Data and Security* portion of the NASEO website at <https://www.naseo.org/committees/energysecurity/default.htm> on or about Friday, April 11, 2008.

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