

Energy Assurance Project Management Plan Conference Call Summary

Sponsored NASEO and the U.S. Department of Energy

September 22, 2009, 10:30 AM- 11:30 AM ET

September 24, 2009, 3:30 PM – 4:30 PM ET

September 25, 2009, 1:00 PM – 2:00 PM ET

Participants:

State Energy Offices and Public Utility Commissions participated on the calls from the following states:

- | | | |
|--------|--------|--------|
| 1) AL | 15) KY | 29) OH |
| 2) AR | 16) LA | 30) OK |
| 3) AZ | 17) MA | 31) OR |
| 4) CA | 18) MD | 32) PA |
| 5) CO | 19) ME | 33) PR |
| 6) CT | 20) MI | 34) TN |
| 7) DC | 21) MO | 35) TX |
| 8) DE | 22) MT | 36) UT |
| 9) FL | 23) NC | 37) VA |
| 10) GA | 24) ND | 38) WA |
| 11) IA | 25) NE | 39) WV |
| 12) ID | 26) NH | 40) WY |
| 13) IL | 27) NM | |
| 14) IN | 28) NY | |

Alice Lippert, Senior Technical Advisor, Office of Electricity Delivery and Energy Reliability, U.S. Department of Energy

Jay Hanna, Project Officer DOE National Energy Technology Laboratory

Jeff Pillon, Chair, NASEO Energy Data and Security Committee
NASEO Staff

Introduction

Jeff Pillon opened the call and provided an overview of the purpose of the call. He passed the call to Alice Lippert, DOE. Ms. Lippert offered the three areas where she would like states to focus their efforts:

- 1) Incorporating renewable energy (and other nontraditional energy sources) into existing energy assurance plans;
- 2) Building in-house expertise within state agencies to ensure better response capabilities, including a recognition of the Administration's focus on creating and/or saving jobs; and
- 3) Investing in information technology, such as databases, etc., to better support energy assurance planning and response activities.

Mr. Pillon added that states should take a comprehensive look at their planning and response efforts using this funding. Mr. Pillon passed the call to Jay Hanna, the National Energy Technology Laboratory's Project Officer on each of the state agreements. Mr. Hanna explained that all of the states should have already downloaded the assistance agreement (2 pages), and terms and conditions (15 pages) from FedConnect. He further explained that it was his understanding that some states did not pull down the entire agreement from FedConnect, so it is important to ensure that states have downloaded the whole agreement. Within the agreement are three attachments. Specifically, Mr. Hanna called the states'

attention to Attachment 3, which outlines the reporting requirements and includes a checklist and instructions for reporting.

Reporting

Refer to Attachment 3 of the Terms and Conditions of the Assistance Agreement. There are two portals through which reporting is required. Quarterly progress and financial reports are submitted through the U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy (EERE) Project Management Center (PMC). The reports are based on the quarterly federal fiscal year October 1-September 30 and are due 30 days following the end of the quarter. By October 30, the states will need to submit their first quarterly reports through the EERE PMC website. The standard American Recovery and Reinvestment Act (ARRA) reporting is also required under FederalReporting.gov. On October 10, there is a first quarter report due under those requirements and regular quarterly reporting requirements follow. Mr. Hanna again referred the States to Attachment 3 to for the reporting checklist and instructions.

Project Management Plan and Workforce Development Plan

The Project Management Plan (PMP) is due 60 days after the agreement is signed (most were signed around August 15). Mr. Hanna reviewed the sections required in the PMP. The project management plan (PMP) has a template that was included in the Funding Opportunity Announcement (FOA). Budget detail will be submitted in the PMP. The PMP is intended to outline each project and notify DOE of the state's tasks.

The workforce development plan (WDP) is due 90 days following the award date. The award date is in the lower right hand corner of the assistance agreement. Mr. Hanna also mentioned that there are no templates available to assist states in completing the workforce development plans. He suggested that applicants explain to the best of their ability and provide as much in-depth detail as possible when formulating the plans.

Frequently Asked Questions (FAQs)

Q: How detailed does the PMP need to be?

A: The PMP should be useful to the state and the DOE. Include as much detail as would be useful for the state to manage the project. (See the [State Energy Assurance Guidelines](#), which outline specific energy assurance topical areas that the state may want to consider including in the planning portion of the project. There is a fair amount of flexibility in terms of where the states are in their energy assurance planning, so more or less of the allocated resources may be spent on planning, depending on the state.)

Q: How detailed does the Funding Cost Profile need to be?

A: The Project Funding Cost Profile in the PMP template has the same budget categories as an SF424A. This detail did not need to be provided initially, but is due now. It would help to detail the significant expenses in a narrative below the table or in an attachment to the PMP. There is no set way of doing this, but the more budget information the better. The state should look at how resources are being allocated among the program deliverables. Budget revisions are allowed throughout the project period, however, as a general rule, if 10 percent of the total budget or more is being moved between categories it will necessitate the submittal of a revised project management plan and overall project budget.

Q: If the state does not have an energy assurance plan and instead has an energy emergency response plan, can you provide some clarification?

A: There may not be an existing "Energy Assurance" plan in every state. Develop and/or update the plan(s) that involve emergency response, planning, and assurance.

Q: What if the State Energy Office is subawarding the entire amount of their funding?

A: Subgrants can be provided to other agencies or contractors within the state. Include a statement to that effect in the Executive Summary and the Funding Profile in the PMP.

Q: What needs to be submitted for subgrantees?

A: If the grant recipient identifies subgrantees that are expected to receive over \$100,000, a separate item budget for each subgrantee receiving over \$100,000 is required. Subgrantees will also be required to submit reports through the prime recipient on the EERE PMC, which DOE is using to maintain reporting under this grant.

Q: What should be included in the Executive Summary of the PMP?

A: In the executive summary of the PMP, you may use the project narrative you provided with your application. Additional detail regarding project tasks can be provided following the Statement of Project Objectives (SOPO) in section 7 of the PMP.

Q: Regarding the workforce development plan, the grant agreements are set to end August 2012. The state will be hiring new staff within that time; however, will the salaries for the new staff need to be spent by that date?

A: Yes. All project funds should be expended by the end of the performance period (August 2012). If there are project delays and the funds cannot be expended, or tasks cannot be completed, by the end of the performance period, the state may request a no-cost project extension. However, the project should be structured from the onset to complete all tasks and expend all project funds by the end of the performance period currently stated in the Assistance Agreement (August 2012).

Q: There are some success criteria/objectives listed in the funding announcement – are those the only success criteria required?

A: No, but they should be included. They provide clear criteria related to what DOE is looking for. However, states can add additional success criteria if they'd like.

Q: When are the first reports due in accordance with the Grant reporting requirements?

A: Please refer to Attachment 3 "Federal Assistance Reporting Checklist and Instructions" of the Terms and Conditions of the Assistance Agreement for your state. The reporting schedule is based on the Federal Fiscal Year (Oct 1 - Sep 30). Under the State EA grants, the first quarterly progress and financial reports (for the period of July 1 to Sep 30) are due 30 days following the reporting period. Because these awards were not made until August, the first reports will cover the period from the date of award to September 30 and must be submitted through the EERE PMC website by October 30. Subsequent quarterly progress and financial reports are due 30 days following the end of the quarters.

Block F of the Federal Assistance Reporting Checklist lists the special ARRA reporting requirements.

The first quarterly reports, for the quarter ending September 30, must be entered into the www.federalreporting.gov website by October 10. The first report will cover the period from the date of the award to September 30. Please refer to instructions contained in that website for specific reporting instructions.

Q: Is a step-by-step set of instructions on submitting reports available?

A: Refer to Attachment 3 of the Assistance Agreement. With the exception of the ARRA quarterly reports submitted through www.federalreporting.gov <<http://www.federalreporting.gov>>, all project deliverables and reports should be submitted through the EERE Project Management Center Website: <https://www.eere-pmc.energy.gov/Default.aspx>.

1. From the EERE PMC home page, click on "Recipient Resources"

2. Then, click on "Submit Reporting Requirements"
3. Enter the award number and contact info, and then follow instruction on website.

Q: Regarding risk management, the states have been asked to identify methodology. Are you asking for specific risks that may have been identified already?

A: Identify any major unknowns that could keep the state from performing the tasks. If there are any concerns in completing the project, identify them and briefly describe the steps being taken to mitigate these potential hurdles.

Q: Do we need to know ahead of time if we're going to have a workforce expenditure in the future, but aren't yet sure of the exact cost, can we change workforce spending later?

A: The PMP is a dynamic document and can be changed later based on state conditions. Funding can be shifted from one budget category to another. If more than 10 percent of funding needs to be shifted, an updated PMP will be required with a narrative explaining why the funds were shifted.

Q: Can the state put together a preliminary RFP or do we need to wait until approved?

A: You cannot spend more than 20 percent of the funding before the Project Management Plan and Workforce Development Plan have been submitted and approved by the Federal Project Officer.

Q: If the utility were to site a specific amount of solar PV at critical feeder stations, is it plausible to use that in a controlled way and have that as reserve generation. Can this be incorporated into the plan?

A: If the technology or equipment impacts the reliability of distribution, generation or the grid, then yes, the state should account for this new technology and address it in the energy assurance plan.

Q: Can you distinguish between success criteria and metrics? A metric might be the number of training sessions conducted; what's the difference between this and success criteria?

A: There are four specific performance metrics in FOA – jobs created or retained, training sessions held, people trained and the creation or revision of state energy assurance plans. The success criteria correlate to the metrics, but pertain to *desirable outcomes*, results and observations from the experimental efforts. Success criteria are how you measure the outcomes that successfully carry out the metrics and are tactical in nature. The criteria should not be based on interpretations, however. The metrics in the plan will be easy ones to use and must be included as they're easy to determine, but the state can add more if they'd like.

Q: How do we identify the state's agreement number?

A: Between the time the announcement went out and the approvals, there was a change made to the numbering system. Use the award number on Block 1 on the first page of your assistance agreement. It follows this format: DE-OE (7 digits).

Q: Most of our state's proposal was to work on critical infrastructure protection analysis to understand disruptions and the state has a lot of data to do this, but additional data may be required. Is data available at NETL and how do we access it?

A: The Energy Information Administration would be a useful tool. Send an email to Jay Hanna (joseph.hanna@netl.doe.gov) for further requests. Jeff Pillon (energyassurance@naseo.org) NASEO's Energy Data and Security Committee Chair, should be copied on this message.

Q: How detailed should the Workforce Development Plan be?

A: This will be different for each state. Two to three pages will suffice. This should outline the state's plan for hiring and managing staff for this project. The intent is to document if you're hiring or redirecting staff, the state's approach to completing the project. The DOE will use the workforce

development plan to assess how many jobs are created and the in-house expertise created. The plan will also demonstrate that the State has a plan to hire, retain and train personnel in energy assurance.

Q: Under the funding and costing profile, do we use the SF424A or just the excel spreadsheet provided?

A: A spreadsheet will suffice.

Q: Can the SOPO provided in the application be the same?

A: Yes. Section 7 of the Project Management Plan should be the SOPO from the Assistance Agreement. Additional detail for state-specific activities may be provided in addition to the SOPO.

Q: How do we capture fringe benefits, which change year to year, especially if they change more than 10 percent?

A: A change in fringe benefits representing more than 10 percent of the total project cost would be surprising, but if it occurs, an updated PMP will be required. An estimate for years 2 and 3 will suffice with a note that there are estimated increases expected.

Q: Regarding transfer of funds, when will that process occur?

A: The funds have been set up in the ASAP accounts. There's a drawdown account in place and states can begin spending down. You cannot spend more than 20 percent of the funding until the PMP and workforce development plans have been submitted and approved by the project officer.

Q: If budget projections were short or high, but do not change the scope of the project, when we amend the plan, will we need to provide additional explanation?

A: The PMP should be revised if more than 10 percent of a budget line item changes. It would be appropriate to provide an explanation for the change in the budget in the revised PMP.

Q: Under subtask 5.1, what is the DOE's perspective on regional exercises? How can states successfully prepare a project to meet this requirement without overspending by multiple states that would be participating in the event?

A: DOE and NASEO will be heading up the interstate and regional exercise and tabletop activities. In the interest of funding, states may want to send individuals to these workshops rather than planning and hosting an interstate workshop. States should share ideas and consider hosting regional workshops or consider hosting intra-state workshops with local partners who qualify for the LEAP funding opportunity.

Q: Is there a way to set up a central database of State projects?

A: Originally, DOE had planned to share State plans, but because of sensitive budget information being made quasi-public, states are encouraged to share their project narratives with one another and host regional seminars.

Q: Regarding the workforce development plan, could a DOE representative come to the state to do the training?

A: DOE is receiving funding for technical support. A workplan soon will be developed to establish training through exercises. Interdependencies, cyber security, and other workshops will be provided to assist with training.

Q: There seems to be a movement towards working with consultants to expend these funds. Are there any suggestions to help the states help protect the integrity of these funds when using contracting organizations?

A: Each state has different procurement regulations. There may be areas where states have gaps and need assistance from an outside party. States need to be cautious in selecting appropriate contractors. If a

state is contracting with a company, DOE would prefer that the state be the main contact. Consider hiring based on qualifications versus price – contact state procurement officer for more information.

Q: What is the penalty for missing a deadline?

A: If the PMP or the workforce development plan is not submitted on time, the DOE reserves the right to freeze the state's ASAP account.

Q: For ARRA reporting, what CFDA code and Agency Numbers should we choose when submitting through www.federalreporting.gov?

A: Use the following codes when submitting reports:

CFDA Code - 81.122

Funding Agency Number – 8900

Awarding Agency Number – 8900

Program Source (TAS) number - 89-0328

Sub-account for TAS - there is no sub-account