

TESTIMONY OF DAVID TERRY, PRESIDENT, NATIONAL ASSOCIATION OF STATE
ENERGY OFFICIALS, BEFORE THE SUBCOMMITTEE ON HOMELAND SECURITY,
SENATE COMMITTEE ON APPROPRIATIONS, REGARDING FY'26 APPROPRIATIONS
FOR THE FEDERAL EMERGENCY MANAGEMENT AGENCY

May 30, 2025

Chair Britt, Ranking Member Murphy, and members of the Subcommittee, I am David Terry, the President of the National Association of State Energy Officials (“NASEO”). NASEO represents the Governor-designated energy directors and their offices in the 56 states, District of Columbia and U.S. territories. One of the key functions of the State Energy Offices is Emergency Support Function 12 (“ESF-12”) related energy planning, mitigation, and response actions at the state level, as well as coordination with local governments and the energy industry – petroleum, natural gas, electricity. NASEO supports robust funding of the Federal Emergency Management Agency (FEMA) Building Resilient Infrastructure in Communities (BRIC).

DHS as a whole, FEMA specifically, the U.S. Department of Energy (DOE), and the states must all work together in a coordinated manner with attention to each organization’s expertise and authority to get the job done for the nation and our states. As was evidenced by the cyber attacks from China, and other adversaries, the Colonial Pipeline attack several years ago, and the ongoing cyber attacks associated with the Russian invasion of Ukraine, we must put in place far more robust cyber defenses into our energy systems – petroleum, natural gas, electricity – as well as the rest of the economy. Moreover, the criminal attacks on power substations, and the threatened electric infrastructure attack in Maryland point to the critical nature of state-federal-local-industry coordination and response.

The Congress should support states in responding to hurricanes, floods, wildfires, earthquakes, and other hazards. More energy system resilient facilities with access to longer term back-up power, efficient HVAC, lighting, and hot water systems offer far greater reliability and durability of service for communities.

In addition, the Disaster Recovery and Reform Act (“DRRA”) Section 1206(a) permits FEMA to assist communities in adopting or updating building codes post disaster, in training code officials and builders on updated or existing building codes, and in boosting efforts to ensure rebuilding work community-wide is done to code. We believe FEMA should act now to implement that Section, which is consistent with the Agency’s programmatic work, mitigation research, the DRRA, and congressional intent. Where a community has not adopted disaster resistant codes pre-disaster, post-disaster is the ideal time for that adoption or update. Post-disaster is also when permitting loads and training needs are at their greatest. Addressing these challenges through Section 1206 would allow FEMA to provide support to jurisdictions seeking to ensure that rebuilding is done to modern standards, which in turn can help impacted communities be better positioned to withstand the next storm. Providing federal reimbursement for administering and enforcing older and less resilient codes risks perpetuating an unending cycle of damage and repair if those older codes are never updated. Greater Federal Government coordination on disaster preparedness and response and critical infrastructure (especially energy infrastructure) is necessary, and greater coordination with state and local governments is also necessary, as is expanded private sector coordination. Legislation introduced on March 22, 2023, by Senator

Risch (“Energy Threat Analysis Center Establishment Act of 2023,” S.914) will support this work in the cybersecurity arena. In addition, the SECURE Grid Act, introduced by Representative Latta and Representative Matsui, could help enhance both cybersecurity and physical security.

Examples of state energy office emergency response activity is set forth below:

- **Virginia State Energy Office Response to Hurricane Helene:** In the aftermath of Hurricane Helene, the Virginia Department of Energy (“VDOE”) led the acquisition and deployment of drones to conduct aerial damage assessments of electric utility infrastructure, to expedite recovery and power restoration. VDOE established an energy task force in response to Helene, requiring proactive engagement of key energy sector partners in the state to help inform situational reports, address unmet needs, and coordinate with the federal government and others.
- **Tennessee, Georgia, and other Southeast State Energy Offices Planning for and Response to the Colonial Pipeline Cybersecurity Incident:** On May 7, 2021, the Colonial Pipeline Company proactively shut down its pipeline system in response to a ransomware attack. This caused a major disruption in fuel deliveries to states in the Southeast and Mid-Atlantic regions. In response, State Energy Offices coordinated across the region in implementing petroleum shortage response plans (previously created), unified messaging and public communications, and mitigating the impacts of the unplanned fuel disruption. The region was days away from a serious gasoline and other petroleum product shortage. The State Energy Offices’ planning and response helped reduce panic buying, and ensured industry was able to fulfill priority fuel deliveries to mission critical services and facilities.
- **Massachusetts, New Hampshire, New York and Other Northeast State Energy Office Leadership in Regional Winter Fuels Disruption Response:** During the polar vortex of 2018, northeast State Energy Offices (*e.g.*, New Hampshire, Maine) with the assistance from the Massachusetts Department of Energy Resources (State Energy Office) and NASEO worked together with industry leaders across the northeast to prioritize marine petroleum deliveries, coordinate on movement of fuels to power generators, and facilitated hours of service waivers for truck drivers’ delivery of petroleum products. In 2023, State Energy Offices in the northeast led coordination with the energy industry, NASEO, and the federal government, during the most severe winter fuels shortage in decades to issue coordinated regional fuel waivers and launch contingency plans. Ongoing regional coordination among the State Energy Offices, NASEO, the federal government, and key private-sector partners, enables state analysis and sharing of energy data, mitigation of evolving energy supply risks, and preparation for future energy emergency events.
- **Idaho State Energy Security Planning and Response:** The Idaho Governor’s Office of Energy and Mineral Resources developed the 2024 Idaho State Energy Security Plan, which builds Idaho’s capacity to protect its energy system and provide Idahoans with reliable and affordable energy even when confronted with natural disasters. The State Energy Office gained input from 3 the Idaho Strategic Energy

Alliance (“ISEA”) Reliability and Resiliency Task Force to gather critical industry input, buy-in, and partnership. The ISEA was established by then-Governor Little through Executive Order.

- **Utah Office of Energy Development Supports the Development of the Wildfire Fund:** The Utah Office of Energy Development conducted research and outreach to inform the development of Utah Senate Bill 224, which allows large-scale electric utilities to establish a fire fund to provide supplemental coverage for fire damage payments. The legislation caps claims and incentivizes utilities to purchase and maintain dispatchable generation capacity through cost recovery. The actions of Utah have set an exceptional example for other states and the federal government to consider.
- **Georgia Energy Office, Energy Assurance Exercise:** In 2023, the Georgia Environmental Finance Authority (State Energy Office), the lead on energy emergency (ESF12) issues for the state, conducted an energy assurance (or emergency) exercise, which convened key energy stakeholders to discuss statewide energy emergency preparedness and response and coordination efforts. The exercise informed the State Energy Office’s Energy Security Plan update and strengthened public-private partnerships to prepare for and respond to energy emergencies in the region.
- **Wisconsin Refueling Readiness Grant Program:** The Wisconsin State Energy Office administers a program to support fueling of emergency vehicles during major power outages by expanding the network of designated disaster fueling facilities throughout the state and ensuring emergency generator provided power is available for fueling operations. Grants are provided to fueling stations and bulk petroleum storage facilities to install wiring for generators (portable or permanent) to power fueling until electric service is fully restored.
- **New Mexico Energy Office Energy Security Tabletop Exercise:** The New Mexico Energy, Minerals, and Natural Resource Department (State Energy Office) conducted an energy emergency exercise with key stakeholders to enhance coordination and response to future cyber and physical attacks on New Mexico’s natural gas and electrical systems. The exercise improved the understanding of interdependencies among key public and private-sector stakeholders and informed development of the New Mexico State Energy Security Plan.

If the Subcommittee has any questions regarding this testimony, please contact David Terry (NASEO President) (dterry@naseo.org) or Jeff Genzer (NASEO Counsel) (jcg@dwgp.com).