

State Energy Assurance

Overview

State Energy Assurance is a new program in FY 2017 aimed at improving the capacity of states, localities, and tribes to identify the potential for energy disruptions, quantify the impacts of those disruptions, and develop comprehensive plans responding to those disruptions and mitigating the threat of future disruptions. Building upon DOE's work across the states and U.S. territories, including the District of Columbia, on energy assurance planning, lessons learned include that energy assurance plans should be continually updated and exercised annually to reflect changing conditions and new threats and to maintain staff capacity to implement the plans. The new program will provide funds via competitive regional cooperative assistance awards that would support continual energy assurance plan improvement, exercise regional and state capabilities to characterize energy sector supply disruptions, communicate among the local, state, regional, Federal, and industry partners, and identify gaps for use in energy planning and emergency response training programs.

The goal of state and local energy assurance planning is to achieve a robust, secure, and reliable energy infrastructure that is also resilient—better able to withstand catastrophic events, able to restore services rapidly in the event of any disaster, and designed to diminish future vulnerabilities. Through support of state energy assurance planning improvement and regional resilience exercises, the Federal Government will partner with states and local governments—who are ultimately responsible for responding to disasters and disruptions—to build and maintain preparedness and assurance capabilities.

The funds will be used to support several activities relevant to short- and long-term energy assurance preparedness and planning:

- Conducting regional energy emergency exercises to evaluate the effectiveness of the Energy Assurance Plans and to demonstrate coordination and communication strategies across government and industry and energy and interdependent sectors.
- Creating and sustaining in-house expertise at the state and local level on energy assurance planning and resiliency, focusing on smart grid, critical infrastructure, interdependencies, cyber security, energy supply systems, energy data analysis, long-term risk and hazard identification and mitigation, and communications, through regional exercises.
- Developing new or refining existing Energy Assurance Plans to incorporate response actions to new energy portfolios, including smart grid technologies, infrastructure hardening, transportation fuel diversification, energy efficiency, distributed energy technologies, and other risk mitigation measures.
- Establishing energy emergency procedures that address multiple interdependencies across lifeline sectors (e.g., food, housing, and shelter).
- Ensuring lessons learned from regional exercises are incorporated in the Energy Assurance Plans. States, localities and tribes should append the Energy Assurance Plan to the state energy plan and state hazard mitigation plan, as appropriate.
- Developing or refining a process or mechanism for tracking the duration, response, restoration and recovery time of energy supply disruption events, to include, as examples: contingency plans to ameliorate shortages of delivered fuels (e.g., propane, heating fuel, wind, natural gas); and contingency plans to accommodate interdependencies with associated sectors (e.g., telecommunications, health, and transportation).
- Incorporating physical and cyber security measures and related guidance for critical energy and interdependent sectors
- Requiring annual updates to state, local and industry contacts lists.
- Leveraging other efforts such as fusion centers and regional planning and information-sharing groups to share information between state/Federal governments and the private sector to reduce risks.

Highlights of the FY 2017 Budget Request

The FY 2017 budget request proposes a \$15,000,000 competitive regional cooperative assistance program that would exercise regional and state capabilities to characterize energy sector supply disruptions, communicate among the local, state, regional, Federal, and industry partners, and identify gaps for use in energy planning and emergency response training programs.

Approximately 10 awards are planned, competitively allocated to teams of local, state, regional, tribal, and territorial entities on the basis of a combination of criteria including need (the likelihood of energy disruptions), size (to ensure a combination of large and small states), and desire (the extent of endorsement and support from participating Governors)

and participation by emergency management and state energy offices). The portfolio would also reflect a mix of energy producing and energy consuming states/regions.

Project objectives will include:

- Identifying and establishing a core set of requirements linked to measurable results (for example, developing metrics that would allow states and regions to assess the strength of their plans).
- Focusing on identifying critical gaps (for example, cybersecurity, liquid and delivered fuels).
- Focusing on integrating new and evolving system risks and threats (for example, advances in intelligent grid controls, increased distributed generation, and changes in petroleum product flows and rail constraints).
- Clarifying and highlighting regional interdependencies (for example, natural gas infrastructure expansion needs and opportunities).

With this program, DOE will in part meet its responsibilities as outlined in Presidential Policy Directives 21 and 8, and as recommended by the Quadrennial Energy Review and the National Petroleum Council, to address the present and future U.S. energy needs through the implementation of a strong national energy program consistent with overall national, economic, environmental and social goals. DOE will bring efficiencies of scale and scope to the assistance of the state, local, tribal, and territorial community, which otherwise would have neither the incentive nor, in many instances, the resources to participate as they should.

**State Energy Assurance
Funding (\$K)**

	FY 2015 Enacted	FY 2015 Current	FY 2016 Enacted	FY 2017 Request	FY 2017 vs FY 2016
State Energy Assurance	0	0	0	15,000	+15,000

**State Energy Assurance
Explanation of Major Changes (\$K)**

State Energy Assurance is a new activity in FY 2017.	FY 2017 vs FY 2016
	+15,000

State Energy Assurance

Activities and Explanation of Changes

FY 2016 Enacted	FY 2017 Request	Explanation of Changes FY 2017 vs FY 2016
State Energy Assurance \$0	\$15,000,000	+\$15,000,000

- Support regional and state activities to improve capabilities to characterize energy sector supply disruptions, communicate among the local, state, regional, Federal and industry partners, and identify gaps for use in energy planning and emergency response training programs.
- The expertise and capability developed by the national laboratories would also be available to the awardees as well as for use in real-world energy emergencies.
- This is a new activity in FY 2017.