

National Association of State Energy Officials

July 15, 2019

Peter T. Gaynor Acting Administrator Federal Emergency Management Agency 500 C Street, SW Washington, DC 20024

RE: Mitigation Projects through the Building Resilient Infrastructure and Communities Program

Dear Acting Administrator Gaynor:

On behalf of the National Association of State Energy Officials (NASEO) and our 56 state and territory governor-designated members, we appreciate the leadership that the Federal Emergency Management Agency (FEMA) has taken in moving the rulemaking and implementation of the Building Resilient Infrastructure and Communities (BRIC) Program under the Disaster Recovery and Reform Act (DRRA) forward. Our members lead state energy emergency preparedness and response, and we believe that FEMA's actions and those of our colleagues at state emergency management agencies have had a significant and positive impact on lessening the threat to public health and safety resulting from natural disasters. NASEO strongly supports pre-disaster mitigation funds being applied in a holistic manner that recognizes the critical infrastructure interdependencies of our energy system and FEMA's defined Community Lifelines as outlined in the *National Response Framework* (Fourth Edition).

NASEO and our members are focused on ensuring that: 1) critical lifelines of both electricity and fuels are available to support communities; and 2) proven energy-sector mitigation and resilience actions are utilized to a far greater extent than they are today. This means taking steps to "harden" energy infrastructure such as the electric, natural gas, and petroleum distribution systems, and at the same time taking practical actions to improve the resilience of mission critical facilities (e.g., water treatment, police, hospitals, schools that serve as shelters, etc.), transportation systems, and homes. This holistic approach reduces costs and is the best means to mitigate devastating energy-related impacts on rural and urban communities resulting from natural disasters.

The governors have tasked the State Energy Directors with responsibility for energy emergency preparedness and response, and they work with state emergency 1300 North 17th Street Suite 1275 Arlington, Virginia 22209 Telephone: 703.299.8800

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General Counsel JEFFREY C. GENZER managers, public utility commissions, utilities, fuel providers, the U.S. Department of Energy, and adjoining states in planning for and responding to emergencies. Specific responsibilities typically include leading or supporting state-level Emergency Support Function #12-Energy, developing and exercising the state Energy Assurance/Emergency Plan, and supporting state resilience guidance as it pertains to energy infrastructure and energy elements of mission critical facilities and places of shelter.

NASEO stands ready to assist FEMA and state emergency management agencies in developing energy elements of pre-disaster mitigation programs, educating the public and decision makers about these important efforts, and improving energy sector coordination with the emergency management community.

As described in <u>\$201.4 Standard State Mitigation Plans</u> of the Code of Federal Regulations, "the mitigation plan is the demonstration of the state's commitment to reduce risks from natural hazards and serves as a guide for state decision makers as they commit resources to reducing the effects of natural hazards." NASEO believes that energy resiliency projects directly reduce state and community risks to natural hazards and that FEMA should encourage states to consider including, expanding, and prioritizing energy in State Hazard Mitigation Plans (SHMPs), thereby making such measures eligible for BRIC funding in future allocations. With the input of our members and private sector partners, we have assembled an array of examples of energy-specific mitigation projects which demonstrate they are practical, cost-effective, environmentally-sound, hazard-specific, and often include public-private partnership investments to stretch taxpayer funds. NASEO recommends three overarching project areas under BRIC, including:

- Prioritization and Modernization of Mission Critical Facilities Mission critical facilities such as water treatment plants, schools used as shelters, hospitals, police stations, fire stations, and gasoline stations along evacuation routes all require enhanced energy system resilience to allow them to operate through both electricity and fuel supply disruptions. Implementing projects at these facilities to add backup power, blackstart capable combined heat and power, microgrids, and enhanced efficiency will reduce overall costs and deliver proven resilience solutions. Moreover, emerging support for the facilitation of public-private investment partnerships at these facilities will magnify the impact of federal pre-disaster mitigation resources.
- Support for State and Local Government Building Code Implementation and Enforcement Up-to-date state and/or locally-adopted disaster-resistant codes and standards for buildings, which include critical energy elements, are essential to strengthening community resilience. For example, the residential and commercial codes published by the International Code Council include wind and wildfire resistance provisions, energy efficiency, indoor air quality, and other proven cost-effective resilience measures that some states have led the way in advancing. However, most state and local governments require financial assistance to support the staffing requirements necessary for implementation and enforcement before disasters happen, thereby avoiding reconstruction costs post disaster.
- *Explicit Inclusion of Physical Energy System Mitigation and Protection Actions* Providing clear guidance and encouragement to states about the value of investing in practical energy industry resilience measures such as elevating and enhancing electric substations, electric distribution pole hardening, electric distribution and transmission line upgrades, natural gas infrastructure protective measures, and critical backup fuel storage is needed. FEMA should prioritize working with State Energy Offices, the U.S. Department of Energy, and eligible

entities (i.e., municipal and publicly-owned utilities) to identify best practices and reach greater consensus on best practices guidance for states to utilize in their decision making.

There is a successful precedent for holistic energy-sector projects covering each of the above three areas. <u>New Jersey's Energy Allocation' Initiative</u>, which was funded through FEMA's Hazard Mitigation Grant Program, thoroughly and objectively identified, evaluated, and ranked energy resilience projects for federal funding allocations based on benefit-cost analyses and compliance with FEMA requirements. Approved projects include single and multi-fuel backup generators, solar generators, off-grid inverters and backup battery storage, distributed energy studies, combined heat and power system installations, and microgrid connections, with a standing offer to fund other innovative uses that support energy resilience.¹

There is a need for greater inclusion of energy resilience projects in SHMPs. As subject matter experts across all energy sectors (regulated and unregulated), most State Energy Offices are ideally situated to aid and support decision makers responsible for prioritizing and approving energy-related hazard mitigation and resilience projects. In support of state and FEMA resilience efforts, NASEO is working to identify energy-focused pre- and post-disaster hazard mitigation projects nationwide which have been adopted by states and/or approved by FEMA; convey the financial, community, and system resilience benefits of those projects; and develop strategies to implement similar projects respective to local threats and hazards nationwide.

NASEO has engaged 20 State Energy Offices through NASEO's *Energy Sector Resilience State Working Group*, which also includes private sector partner organizations such as the Business Council for Sustainable Energy (BCSE), U.S. Green Buildings Coalition, federal officials and others.² In addition to the important issues described in this letter, we have attached NASEO's official set of comments on the BRIC program which will be submitted through FEMA's online comment process.

Thank you for your consideration of these issues, and FEMA's tireless work to assist our nation's states and communities in preparing for and responding to disasters. We look forward to engaging and assisting FEMA on this important effort.

Best regards,

David Terry, Executive Director National Association of State Energy Officials

cc: Katherine Fox, FEMA; Patricia Hoffman, DOE

¹ State of New Jersey. Permissible Uses of Energy Allocation Initiative Funding. 2014. <u>http://ready.nj.gov/programs/pdf/hmgp/062414_hmgp_permlist.pdf</u>, Accessed June 6, 2019

² Please see BCSE's comments on BRIC <u>here</u>.