



National Association of State Energy Officials

August 5, 2024

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U.S. Department of Energy
1000 Independence Avenue SW
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RE: NASEO Response to DOE’s Request for Information - Fusion Energy Public-Private Consortium Framework

The National Association of State Energy Officials (NASEO) appreciates the opportunity to submit comments in response to the U.S. Department of Energy’s (DOE) Request for Information (RFI) on the Fusion Energy Public-Private Consortium Framework (PPCF). NASEO represents the governor-designated State Energy Offices from each of the 56 states, territories, and the District of Columbia. NASEO supports State Energy Offices in evaluating opportunities and barriers to developing, demonstrating, and deploying innovative energy technologies, such as fusion, and developing state policies and programs that advance energy security, reliability, sustainability, resilience, and affordability. NASEO also provides opportunities for State Energy Offices to coordinate with the private sector and explore new public-private partnership models.

The comments below address the following questions:

- On which topics should a public-private consortium framework focus?
How can states support a fusion energy PPCF and what important roles can they serve?
What organizational structures may work to achieve the mission, vision, and impact of the proposed PPCF?

Fusion may play an important long-term role in ensuring that the electric grid is more reliable, resilient, and clean. Fusion could also provide states with economic development and workforce opportunities. When developing this PPCF, we strongly encourage DOE to coordinate closely with State Energy Offices to ensure DOE’s vision and objectives: 1) align with state energy policies, planning, and priorities that will guide energy markets; and 2) recognize State Energy Offices’ close partnerships with universities, the National Laboratories, and private-sector energy researchers, companies, and investors that are central to advancing this important technology. Accordingly, NASEO specifically encourages DOE to consider prioritizing strategic partnerships and coordination among states, the federal government, and private sector.

As fusion research, development, demonstration, and deployment (RDD&D) moves forward, State Energy Offices will be key players in identifying and providing different funding and financing mechanisms, advancing supportive policies, and coordinating within their state (e.g., across research institutions, agencies) and larger regions with other agencies and partners. These State Energy Office roles are similar to those seen in accelerating the pace of advanced fission activities such as deployment of small modular nuclear reactors. Fusion also

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will be a critical part of state energy decisions and activities with states like Tennessee utilizing state funding to support a fusion prototype and other states working closely on direct air capture and other projects that could rely on fusion energy in the future.

Coordination should occur among local, state, and federal governments and regulators; regional transmission organizations (RTOs)/independent system operators (ISOs); investor- and consumer-owned utilities; project developers; investors; communities; and other key stakeholders. State Energy Offices are well positioned to facilitate dialogues and partnerships among these different entities and to coordinate state working groups or other consortia that can assist with identifying opportunities and challenges associated with fusion RDD&D (and other emerging energy technologies) through convenings, the development of state roadmaps or studies, and collaboration on federal funding applications.

State Energy Offices are well-positioned to advance innovative energy technologies in a range of areas through their programs, policies, funding and financing mechanisms, and unique partnerships that can facilitate technological innovation and the commercialization of new and improved technologies. For example, the Research, Development, and Demonstration Program Clean Energy Fund led by the Washington State Energy Office provides support for new and emerging clean energy technologies. In Texas, the Texas State Energy Conservation Office Clean Energy Incubator Program supports entrepreneurs in the state working on emerging clean energy technologies. The Mississippi State Energy Office operated a pilot program known as Virtual-Quad that provided new technology companies with RD&D resources. The Rochester Institute of Technology Battery Prototyping Center is partially funded by the New York State Energy Research and Development Authority (NYSERDA, the State Energy Office) to advance R&D of emerging battery storage technologies. Additionally, NYSERDA supports the University of Rochester's Laser Lab which facilitates a national inertial fusion energy hub. Each of the above State Energy Office examples outside of the fusion area demonstrate the variety of ways State Energy Offices are engaging in energy RDD&D and supporting innovative projects with an eye to economic development and partnerships with universities, National Laboratories, and industry. The State Energy Office role in the entire RDD&D process has been helpful to National Laboratories and the private sector as they look to bring technologies to the marketplace, become integrated into state and local energy programs and partnerships, advance innovative energy policies and goals, and forge new partnerships.¹

State Energy Offices have existing activities in the RDD&D, economic development, equity, and other areas critical to the success of the PPCF. NASEO encourages DOE to **consider this work, particularly related to comprehensive state energy planning activities that have looked at short- and long-term electrical grid needs**. State Energy Directors and their offices conduct comprehensive energy planning at the direction of their governors or legislatures to establish a strategy or framework to meet current and future energy needs in a cost-effective manner, enhance energy system reliability, expand economic opportunity, and address environmental quality. These plans can be an opportunity for states to examine fusion and the role it can play in the broader electricity system. NASEO recommends that DOE engage with the State Energy Offices to aid in informing states' comprehensive energy planning and potentially include activities that support fusion RD&D.

We appreciate the opportunity to provide comments and look forward to engaging further with DOE regarding fusion energy.

Best regards,



David Terry, NASEO President

¹ Fazeli, Sandy. Technology-Based Economic Development: Assessment of States' Roles and Opportunities. NASEO. <https://www.naseo.org/data/sites/1/documents/publications/naseo-tbed-white-paper.pdf>