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OE Website

<http://www.oe.energy.gov/>

Welcome to the fifth issue of the quarterly *Energy Assurance Planning Bulletin*, a service of the U.S. Department of Energy, Office of Electricity Delivery and Energy Reliability (DOE/OE). The *ARRA EAP Bulletin* provides information on energy assurance planning resources, upcoming events, training opportunities, and important grant deliverable dates.

Need to Know

DOE/OE to conduct Southern Regional Energy Assurance Exercise March 1-2, 2011 in Raleigh, NC. DOE/OE, in coordination with the North Carolina State Energy Office, the City of Raleigh, and NASEO, will conduct the tabletop exercise at the Raleigh Convention Center. The following States and territories are encouraged to attend: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Puerto Rico and the Virgin Islands. Localities/cities that have received Energy Assurance Grants from DOE and are located in the States listed above are also invited to participate.

This is an invitation-only event. Invitation letters and registration information will be sent out in the coming weeks.

Three other regional exercises will be held as follows:

Northeast – June 2011
Midwest – September 2011
West – November 2011

"Smart Grid & Cyber Security for Energy Assurance" paper now available. NASEO recently completed a report that provides guidance to States on how they can include smart grid and cyber security in their Energy Assurance Plans. The paper includes a set of considerations that States can adapt to meet their needs, based on their levels of smart grid deployment. It also suggests a process State agencies can utilize to begin developing in-house capacity to address energy sector cyber security threats and risks. Visit <http://naseo.org/energyassurance/> to download a free copy.

Upcoming Events

NARUC Winter Committee Meetings – February 13-16, 2011, Washington, DC

At these meetings, the National Association of Regulatory Utility Commissioners will offer policymakers and stakeholders from across the utility spectrum an opportunity to discuss critical regulatory and public policy issues related to energy, telecommunications, and water. For more information, visit: <http://winter.narucmeetings.org>.

National Electricity Forum – February 16-17, 2011, Washington, DC

The Forum will feature sessions on topics that include electric grid modernization; cyber security; demand response; and integration of renewable energy sources, among many others. For more information, visit: <http://www.nationalelectricityforum.org/>.

NASEO/ASERTTI Energy Policy and Technology Outlook Conference – January 31 - February 3, 2011 Washington, DC

This conference presents an opportunity for State Energy Office (SEO) directors, staff, and stakeholders to hear the latest on ARRA implementation and reporting issues. For more information visit: <http://naseo.org/events/energyoutlook/index.html>.

Action Items

State Grantees:

Initial Energy Assurance Plans (EAPs) are due in February 2011 (or 18 months after the grant award date, which can be found on the first page of the Assistance Agreement). The EAP deliverable may be in the form of one or more documents (i.e., MS Word/Excel/PowerPoint or PDF file). Per guidance from DOE/OE sent Dec. 2, 2010, the submitted EAP should address the following:

- All relevant energy sectors in the State, including renewables.
- The level of EAP completion (e.g., complete draft, partially complete, etc.).
- Whether the EAP deliverable is a completely new document or a revision to an existing plan.
- A timeline or outline of planned enhancements to be included in the final EAP submission at the end of the project performance period.
- Identification of the State agency/agencies responsible for housing and maintaining the EAP.
- An indication of how the EAP will be incorporated into the State's emergency response/management plan.

Intrastate and interstate energy assurance tabletop exercises are to be completed 24 and 30 months, respectively, after the grant award date. After-action reports are due within 30 days of exercise completion. Participation in a DOE/OE-coordinated regional energy assurance tabletop exercise will satisfy the interstate exercise grant requirement.

REMINDERS:

State and local ARRA recipients are advised to implement timely expenditures of their grant dollars in accordance with the ARRA grant guidance and the Cost Plans contained in the approved Project Management Plans.

States are encouraged to submit 2-3 paragraphs highlighting key accomplishments from their past year of energy assurance planning work. These can include information on job creation, new stakeholder partnerships, or best practices. See examples at: <http://naseo.org/energyassurance/updates/index.html>.

Energy Assurance Success Stories

Phoenix, Arizona is developing a database of information related to its backup electricity generators. The city has also begun training 80 electricians, mechanics, emergency personnel, and related staff regarding generator operation and related energy assurance issues.

Speedway, Indiana has established an energy assurance planning team that has identified the energy needs of key town service providers and other stakeholders, as well as related vulnerabilities and protocols in the case of an energy supply disruption. The town has collected and analyzed information on energy demand loads by sector, and has identified a range of high-priority security and efficiency-related tasks.

Other Useful Information and Links

The 2010 Energy Sector Specific Plan (SSP) is now available. The SSP, an annex to the National Infrastructure Protection Plan (NIPP), provides a comprehensive risk management framework that defines critical infrastructure protection roles and responsibilities for government, private industry and other energy sector partners. The SSP is now available at: http://www.oe.energy.gov/DocumentsandMedia/Energy_SSP_2010.pdf.

A copy of the PowerPoint presentation from the recent PTI Webinar "Smart Grid 101 for Local Governments" is now available. The presentation provides a concise overview of the components of smart grid and the impacts it can have on the energy assurance planning process. Download a copy via: <http://www.energyassurance.us>.

From the October 13, 2010 Winter Fuels Outlook Conference in Washington, D.C.: View a [Video Update](#) on local and State energy assurance planning by Alice Lippert, Office of Electricity Delivery and Energy Reliability, DOE and Jeffrey Pillon, Energy Assurance Programs, NASEO. Also available is a related PowerPoint presentation, which can be accessed at: <http://naseo.org/events/winterfuels/2010/Pillon%20Lippert%20Presentation.pdf>.

Guidance from NASEO

The National Association of State Energy Officials (NASEO) has a list of 10 helpful guidelines for States and localities rewriting their energy assurance plans. The *ARRA EAP* is highlighting two of these guidelines each quarter over the course of five issues. What follows is the fifth installment of this series. For more information contact Jeff Pillon at jpillon@naseo.org.

Be Prepared to Deal with the Needs of Policymakers

Planners must become familiar with State procedures for declaring emergencies. They should also be aware of the National Governors Association's *Energy Emergency Preparedness Policy*, which includes the following specifics:

NR-18.6: Energy Emergency Preparedness

States have played a unique and important role in response to past energy crises and must maintain their ability to meet their responsibilities to mitigate the effects of future supply disruptions or shortages. It is imperative that States and the Federal government develop strategies for responding to a broad variety of possible energy and electricity emergencies. Initial efforts should focus on strategies to prevent emergencies from occurring. Efforts to diversify our energy systems while maximizing our use of cost-effective domestic energy resources are part of this long-term planning effort. Additional efforts must focus on planning the response Federal and State governments would take if an energy or electricity emergency occurs.

Voluntary conservation should be preferred to mandatory measures whenever possible. Any mandatory response should be phased in, beginning with the least stringent measures, with rationing reserved for only the most severe shortage.

To facilitate emergency preparedness, Governors support the following measures [abridged]:

- *Integrated emergency response plans and procedures should be developed and well tested to ensure the coordination and flow of information among energy suppliers, consumers, and Federal, State, and local governments.*
- *Fuel switching capability for large energy users to reduce dependence upon a single fuel source should be encouraged.*
- *Upon a Governor's declaration of an energy or electricity emergency, non-exempt Federal facilities within a State should be required to reduce their energy consumption by at least 10 percent from the previous year's consumption, for the duration of the emergency.*

Maintain a Good Working Relationship with Private and Public Sector Contacts

It is helpful to remember that various sectors of the fuel industry compete for customers. It is in their interest to provide seamless, reliable service. All segments of the fuel industry are covered by one or more rules pertaining to such factors as price, territory, supply obligations or safety. For this reason, planners can rely on the private sector as the "first line of defense" in mitigating a fuel shortage. It is best to coordinate with the private sector to handle most mild and moderate supply problems, and to make the administration of mandatory measures, when necessary, efficient.

Key things to focus on:

- Understand the energy shortage mitigation plans of local distribution companies.
- Know the executive director of the local petroleum, propane, and related professional associations.
- Maintain current contacts and communications.