



Grid Resilience Grant Program – Round 2 Applications

Questions and Answers

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General

What is the Grid Resilience Grant program and who is eligible to apply?

The Oregon Department of Energy’s Grid Resilience Grant Program supports projects that improve resilience of the electric grid in Oregon’s communities. Electric utilities (including electric cooperatives, People’s Utility Districts, municipal electric utilities, and investor-owned utilities) are eligible to apply for grants to support resilience projects, which can include weatherization technologies and equipment, fire-resistant technologies and fire-prevention systems, utility pole management, undergrounding of electrical equipment, and more. Program funding is available thanks to the federal [2021 Infrastructure Investment and Jobs Act \(IIJA\)](#)

Application Processes and Eligibility

If a utility has applied for and received a Round 1 grant, is the utility eligible to apply for Round 2?

Yes, as long as the application is for a different project than the Round 1 project and funding remains available. Priority may be given to applications that were not Round 1 awardees as part of a competitive review.

On the Project Summary Form, is there a character or word limit for the longer questions? The text gets smaller as you type — how small is too small?

Please answer as succinctly as possible and limit responses to required/necessary information about the project. Characters should be size 8 font at minimum.

For Question 2.1 on the Project Summary Form, are attachments allowed? We have a document with technical specs that would be hard to fit into the box on the project summary form — ok to reference and include the attachment?

No, additional attachments are not allowed for consistency for all applicants. Please follow the specific instructions for technical description of the project scope of work. A technical specifications document is not required or requested as part of the application.

Everything we are installing on this project is expected to last 50 years or more, regardless of price. We are assuming that means these materials costs should go into "equipment" and not "supplies."

ODOE recognizes that most materials or components installed on grid resilience projects are intended to have and will likely have useful lives much greater than one year. While the useful life guidance provided in federal code and the Grid Resilience Budget Justification spreadsheet indicates that materials with useful lives longer than one year should be characterized as equipment, ODOE's most recent guidance from USDOE is that items or materials commonly used for Grid Resilience projects, such as distribution poles, reclosers, conducting wires, insulators, and transformers should be listed on Tab 3, Supplies. Accordingly, only equipment (such as truck) purchased specifically for the project or owned by the subrecipient and used on the project should be listed as "equipment" on the budget justification form.

Where should we include cost for major equipment needed to complete the project, such as boring machines, digger derricks, etc?

Include on line d. Equipment, *only if equipment is owned by the subrecipient and being used on the project, or being purchased for the project*. For owned equipment please provide a cost basis (e.g. cost per hour x number of hours deployed for project). If equipment is owned and will be utilized by a contractor it can be included as cost on tab f. Contractual.

Should question 2.6 on the project summary form include match? Or is the Total Costs line intended to only include the ask from ODOE not including the match amount? As an example, if the total project cost is \$1M, then ODOE would cover \$750,000 and the utility would be responsible for \$250,000. Should the "Total Costs" line in the budget in question 2.6 reflect the \$750,000 amount we'd be asking of ODOE? Or the full project amount including match (so \$1M)?

Applicants should not include cost match in the question 2.6 budget table. The note below the budget table explains that, if the project is awarded, cost match will be calculated on the Budget Justification spreadsheet that must be provided for USDOE approval. Total costs should reflect total cost of the project including categories h (Total direct costs) + i (Indirect charges), so the total for the example above is correct (\$1M).

With regard to cost match, applicants should calculate minimum cost match as the **percentage of funds contributed by the utility relative to total federal funds requested for the project** (not the total cost of the project). For the example above, the utility is requesting \$750,000 in federal funds and will match these with \$250,000 of internal funds, thereby meeting ODOE's 33 percent minimum requirement for cost match for small utilities. Large utilities are required to match at least 100 percent of the federal grant amount. For example, a large utility requesting \$1M in federal funds would need to provide a minimum \$1M cost match.

Can the project budget include any pre-award costs?

No, per the grant Performance Agreement, project costs can only be incurred within the performance period.

May pre-award expenditures on materials be counted toward nonfederal cost match/cost share?

They are likely not allowable, unless they are part of the approved budget. In addition to materials procurement processes needing to be federally compliant, qualifying materials would have to meet Build America, Buy America (BABA) requirements (or waivers would need to be submitted).

Could a project be eligible for the Grid Resilience grant program if materials were procured and received prior to award, but only funding for construction would be sought?

Projects where materials and equipment have already been purchased (i.e. the procurement actions have already taken place) would be outside of the Performance Agreement performance period and therefore are not eligible for Round 2 applications. After careful consideration, ODOE has determined that due to federal procurement and material sourcing requirements associated with IIJA, the materials needed are tightly linked to the project and not separable from the construction activities.

Specifically, federal procurement guidelines must be followed for Grid Resilience projects as detailed in [2 CFR 200.318\(a\)](#) *Documented procurement procedures*. The recipient or subrecipients must maintain and use documented procedures for procurement transactions under a federal award or subaward, including for acquisition of property or services. These documented procurement procedures must be consistent with State, local, and Tribal laws and regulations, and the standards identified in CFR [§§ 200.317](#) through [200.327](#).

Can we apply for a Grid Resilience grant for construction costs if we've already got the materials needed?

For Round 2, a Grid Resilience construction project cannot be for labor only and exclude the materials required for the project. Labor-only projects from the eligible activities list could be eligible (such as vegetation management) but only if no materials needed to be procured.

Does procurement and delivery of materials (without initiating construction activities) constitute “start of construction” for eligibility purposes?

ODOE's Grid Resilience grant program does not have a “start of construction” rule. Again (as noted in the response above) in cases where the procurement of materials occurred outside of the Performance Agreement (PA) performance period, for Round 2 these types of projects are not eligible.

How should we estimate timeline(s) for the various regulatory approvals we will need for the project (including NEPA and various permits)?

Applicants should estimate using their best available information. There is some flexibility with regard to timelines (and ODOE recognizes that regulatory reviews and approvals may take more or less time than

expected). As long as the project duration is within the performance period and the grant may be closed out on schedule, best case estimates on regulatory approvals is sufficient.

Federal compliance

If a project has two components, one to be funded by the grant, and another that will not be funded by the grant, do Build America, Buy America (BABA) and Davis-Bacon wage requirements apply to the federally-funded construction scope only, or to the entire project?

BABA and Davis-Bacon requirements will apply to the entire project.

For BABA, subrecipients will need to submit manufacturer's certifications that all materials and components meet requirements for domestic content or submit appropriate waiver if BABA requirements are not met and documented. More information about BABA waiver procedures and the various waiver options are [available here](#).

2 CFR 184.3 “Buy America Preference” means the “domestic content procurement preference” set forth in section 70914 of the Build America, Buy America Act (BABA), which requires the head of each Federal agency to ensure that none of the funds made available for a Federal award for an infrastructure project may be obligated unless all of the iron, steel, manufactured products, and construction materials incorporated into the project are produced in the United States.

More information on BABA and Davis-Bacon applicability is provided in the presentation document [linked here](#).

Additional Guidance for Round 1 Projects

For Round 1 Grid Resilience projects, how should utilities (subrecipients) navigate federal compliance requirements when they plan to (and will) utilize already-purchased and in-stock materials for funded projects?

Round 1 agreements have a performance period that started March, 15 2024 for allowable (federally compliant) costs to be reimbursed within their performance periods. Compliance with federal “flow-downs” are included as provisions of the Performance Agreements which subrecipients have signed with ODOE. This includes procurement and financial management and audit requirements as detailed in 2 CFR 200, Davis-Bacon prevailing wage and payroll requirements, and Build American, Buy America (BABA) provisions.