

NASEO Energy Security Committee Quarterly Newsletter

December 21, 2023

Upcoming Events:

- NASEO Webinar: FY23 Federal Emergency Management Agency's Building Resilient
 Infrastructure and Communities (BRIC) Program: January 11, 2024, 3:00 4:00 p.m. Virtual
- NASEO Grid Resilience Call (State and Territory Agencies Only): January 12, 2024, 2:00 p.m. 3:00 p.m. ET Virtual (second Friday of each month)
- NASEO and NOMAD Webinar: Mobile Energy Storage, a New Frontier to Strengthen Resiliency:
 January 22, 2024, 1:00 p.m. 2:00 p.m. ET Virtual
- NASEO, NARUC, and LBNL Distribution System Planning and Resilience Training (State and Territory Agencies Only):
 - January 24-25, 2024, Orange County, CA (<u>Registration now open</u>)
 - Week of March 18, 2024, Nashville, TN (Registration coming soon)
- NASEO Webinar: Cybersecurity for Electric Vehicle Charging Infrastructure: January 26, 2024,
 3:00 4:00 p.m. Virtual (Registration coming soon)
- <u>DOE CESER Cybersecurity Training for the Utility Workforce</u> (Free Training for Utilities Only):
 - January 17-19, 2024, San Diego, CA (<u>Registration now open</u>)
 - January 23-25, 2024, Dallas, TX (Registration now open)
 - o April 23-25, 2024, Buffalo, NY (Registration now open)
- NASEO 2024 Energy Policy Outlook Conference: February 6-9, 2024, Washington, DC

In the News:

Oregon Department of Energy's Statewide Energy Security Plan Stakeholder Engagement Kickoff

On October 16, 2023, the Oregon Department of Energy hosted an Energy Security Plan Statewide Stakeholder Kickoff Webinar. In addition to the requirements set forth by the Infrastructure Investment and Jobs Act (IIJA), the Oregon Legislative Assembly passed Senate Bill 1567 directing the Oregon Department of Energy to prepare an Energy Security Plan to increase the geographic diversity of fuel storage across the state. The Oregon Department of Energy took the initial step of drafting an Energy Security Plan that was submitted to the U.S. Department of Energy in September 2023, but the event launched a yearlong planning and outreach effort to engage all Oregonians. Through a series of virtual and hybrid meetings the Oregon Department of Energy will encourage public and private partners to weigh in with feedback, relevant data, and stories to inform future iterations of their State Energy Security Plan. The webinar recording can be accessed here and more information on the stakeholder engagement efforts can be found here.

Maryland Governor Appoints State's First Chief Resilience Officer

On November 15, 2023, Maryland Governor Wes Moore <u>appointed the state's first chief resilience</u> <u>officer</u>, Michael Hinson. Hinson will lead the recently established Office of Resilience within the Maryland Department of Emergency Management (MDEM) to coordinate statewide resilience across all

hazards including mitigation investments that prioritize vulnerable communities, work with state agencies and local governments to implement resilience strategies, and provide technical assistance for local resilience efforts. Maryland's Office of Resilience and this appointment was <u>authorized by the General Assembly in 2022</u>. The MDEM and the Maryland Energy Administration are poised to continue their long history of collaboration to ensure the State's energy resources are bolstered against the harmful impacts of climate change and power outages.

Hawaii State Energy Office Completes O'ahu Energy System and Critical Infrastructure Vulnerability and Resiliency Assessment

In October 2023, the Hawaii State Energy Office (HSEO) completed the O'ahu Energy System and Critical Infrastructure Vulnerability and Resiliency Assessment. Funded by the Federal Energy Management Agency's Hazard Mitigation Grant Program, the project enabled a comprehensive hazard and risk assessment of O'ahu's critical energy infrastructure (CEI), including major supply, distribution, and demand networks, and identification of interdependencies with community lifelines, such as hospitals, first responders, water/wastewater, or shelters. The data collected was used to create a GIS tool to view the energy system on O'ahu, visually depict community lifeline impacts of CEI node loss, and develop and prioritize mitigation actions and strategies that enhance energy resilience and reduce the energy vulnerability of Hawaii and O'ahu residents and property. The results from the project will be used to harmonize and update other state plans, such as the Hawaii Hazard Mitigation Plan. The HSEO also utilized this project to facilitate an update to the Hawaii State Energy Security Plan (SESP) and address specific plan requirements to assess risks to energy infrastructure and cross-sector interdependencies. A second phase of the project has been proposed and selected for BRIC Set-Aside funding for the counties of Kauai, Maui, and Hawaii with hopes of a 2024 start.

New York State Energy Research and Development Authority Host Statewide Winter Fuels Outlook On October 26, 2023, the New York State Energy Research and Development Authority (NYSERDA) hosted their Winter Fuels Outlook to discuss fuel markets, winter fuel interdependencies, and emergency preparedness activities and coordination underway in the state for the upcoming winter season. The webinar provided state agencies, local and federal partners, and other key stakeholders with key data and analysis on fuel inventories, pricing, and market outlook. In addition, NYSERDA highlighted a new customizable tool created as part of their energy security planning process, the New York State Liquid Fuels Risk Rubric. This resource will aid their office in monitoring fuel market conditions to assess the severity of any potential supply issues to inform the appropriate response actions. Please contact Matthew Milford (matthew.milford@nyserda.ny.gov) for more information and to access the New York State Winter Fuels Outlook slides.

U.S. DOE Announces FY24 Allocations and Application Period for Grid Resilience Formula Grants to State and Indian Tribes (40101(d))

On December 14, 2023, the <u>U.S. Department of Energy's Grid Deployment Office</u> (GDO) published the <u>fiscal year 2024 grant allocations</u> to States, Territories, and Tribes for the Grid Resilience State and Tribal Formula Grants program. The application period for Grid Resilience Formula Grants will open in January 2024 and GDO has published an updated <u>Frequently Asked Questions (FAQ)</u> as the application process differs between existing grant recipients, current grant applicants, and new grant applicants. To date, the Grid Resilience State and Tribal Formula Grants program has awarded more than \$750 million in funding to enhance states, territories, and Indian tribe's efforts in strengthening and modernizing the electric grid. With an additional \$1.4 billion to be distributed over the next three years, states will continue to pursue a variety of projects that increase grid resiliency and reliability.

FERC Orders NERC to Draft Reliability Standards for Investor-Based Resources

On October 19, 2023, the Federal Energy Regulatory Commission (FERC) directed the North American Reliability Corporation (NERC) to <u>create reliability standard for investor-based resources</u> (IBRs), which include solar photovoltaic, wind, fuel cells and battery storage. The final ruling will address many clean energy generation projects coming online and the new or revised standards will specifically address IBR data sharing, model validation, planning and operational studies, and performance requirements.

New SEC Cybersecurity Reporting Rules in Effect

As states partner with a variety of public companies to support and enhance their energy security plans, newly enacted cybersecurity rules from the Securities and Exchange Commission (SEC) will now require disclosure of a "material" cybersecurity incident within four business days and annual filings detailing organization's cybersecurity risk management, strategy, and board oversight. The United States Attorney General can determine that disclosure of a cybersecurity event is a risk to national security or public safety and delay reporting to the SEC. Per Department of Justice guidelines, critical infrastructure owners and operators could receive this delay, however, it is unclear the timeline for a determination in regards to the SEC's four-day reporting requirement.

Reports and Tools:

Webinar Recording: Strengthening Solar Cybersecurity through the NASEO-NARUC Solar Cybersecurity Toolkit

NASEO and the National Association of Regulatory Utility Commissioners (NARUC), with support from the U.S. Department of Energy's Solar Energy Technologies Office (SETO), hosted a webinar to walk through the recently published NASEO-NARUC solar cybersecurity toolkit. The toolkit includes eleven tools across two areas of focus: education and risk awareness, and practical state actions. Tailored for State Energy Offices and Public Utility Commissioners and staff, the webinar focused on actionable information on cybersecurity for solar and other distributed energy resources, and outlined how states can support cybersecurity enhancements for distributed energy resources.

NASEO and LBNL Release Publication on State Energy Offices' Engagement in Electric Distribution Planning

NASEO and Lawrence Berkeley National Lab (LBNL) released a new publication on State Energy Offices' Engagement in Electric Distribution Planning to Meet State Policy Goals. State and Territory Energy Offices develop plans, programs, policies, and projects that have a substantial impact on electric distribution systems. They also can participate in distribution system planning (DSP) processes to help ensure that utilities – consumer- and investor-owned – meet the state's future energy needs. This paper recognizes the wide spectrum of roles that State Energy Offices can play in DSP processes, including planning for distributed energy resources (DERs) and grid modernization. It highlights various examples of non-regulatory activities by State Energy Offices including planning, conducting studies, convening stakeholder processes, and implementing programs that inform and contribute to distribution system planning. It also provides examples of State Energy Offices' engagement in proceedings before their respective public utility commissions. As State Energy Offices face myriad challenges associated with meeting state policy goals, preparing for anticipated rates of distributed energy resource deployment, addressing concerns regarding grid reliability and resilience, and recommending and making long-term investment decisions, the examples provided through this guide can serve as a resource in navigating those challenges.

U.S. EIA Winter Fuel Outlook 2023-2024 Webinar Recording

On October 16, 2023, the U.S. Energy Information Administration (EIA) held its <u>Winter Fuel Outlook</u> 2023-2024 webinar. The webinar discussed key findings from the <u>Winter Energy Outlook</u> released on October 11, including forecasts for upcoming winter residential energy expenditures and energy market conditions for heating fuels. Two new features of this year's outlook are that EIA will now provide monthly fuel expenditures estimates year around, and the definition of the winter season has been shortened to include November through March.

FEMA Release Guidance for Emergency Managers for Planning Considerations for Cyber Incidents
On November 7, 2023, the Federal Emergency Management Administration (FEMA) in coordination with
the Cybersecurity and Infrastructure Security Agency (CISA) released <u>Planning Considerations for Cyber</u>
<u>Incidents: Guidance for Emergency Managers</u>. The resource is designed to prepare state, local, tribal,
and territorial (SLTT) emergency managers to plan and respond to cybersecurity disruptions. The
resource provides foundational guidance on cybersecurity preparedness and the development of cyber
incident response plans or annexes.

NERC Releases 2023 Long-Term Reliability Assessment

On December 13, 2023, the North American Electric Reliability Corporation (NERC) released their 2023 Long-Term Reliability Assessment (LTRA) that identifies reliability trends, emerging issues, and potential risks to the bulk power system over the next ten years. The assessment found that the electricity sector faces mounting pressure to keep pace with accelerating electricity demand, energy needs and transmission system adequacy as the resource mix transitions. MISO and SERC-Central were recognized as high-risk areas, as capacity shortfalls are projected in those areas, where future generator retirements are expected before replacement resources are operational. The LTRA provided four recommendations for energy policymakers, regulators, and industry to meet growing energy demands: add new resources with reliability attributes; manage retirements and make existing resources more dependable; expand the transmission network to provide more transfer capability; adapt bulk power system planning, operations, resource procurement markets and processes to a more complex power system; and strengthen relationships among reliability stakeholders.

Resource for the Future Release Extreme Weather and Climate Change Data Site for Decision Makers Earlier this year, Resource for the Future (RFF), in collaboration with Google, launched RFF Data Commons. The site is free of charge and combines extreme weather and climate change related data from a variety of sources into a central location. RFF Data Commons visualizes trends providing decision makers with the tools to make informed mitigation choices.

NIST Release Cybersecurity Framework Profile for Electric Vehicle Extreme Fast Charging Infrastructure Report

In October, the National Institute of Standards and Technology (NIST), in partnership with the National Cybersecurity Center of Excellence, released a report titled, <u>Cybersecurity Framework Profile for Electric Vehicle Extreme Fast Charging Infrastructure</u>. Electric vehicle (EV) extreme fast charging (XFC) infrastructure is comprised of four domains: EV, XFC, XFC cloud or third-party operations, and utility and building networks. The interconnection between these domains opens the EV XFC grid infrastructure to cyber and physical attacks. The report utilized the <u>NIST Cybersecurity Framework Version 1.1</u> and provides readers with a risk-based approach to access and manage cybersecurity for EV XFC systems.