



**April 20, 2009**

## **Funding Announced for Smart Grid Initiatives**

Last week the Department of Energy issued its first preliminary guidelines for Smart Grid stimulus projects. They include the following.

### **I. Smart Grid Demonstrations Funding Opportunity Notice (FON)**

- This funding opportunity has been issued in draft form and potential applicants are encouraged to submit questions on the draft opportunity by May 6, 2009. A final version of the opportunity will be published later.
- DOE will offer grants for regionally unique smart grid demonstration projects that will showcase the viability of smart grid technologies, quantify smart grid costs and benefits and validate new smart grid business models.
- The goal of the program is to collect information on technologies that may be implemented and replicated on a national scale.
- This project provides funding for “technology demonstrations” for Smart Grid, Synchrophasors, and Energy Storage.
- \$615 million will be distributed for Smart Grid initiatives through this funding opportunity.
- Applicant’s cost share must be at least 50% of the total allowable costs.
- There will be a limited number of available opportunities
  - 6-8 Smart Grid demonstrations for Investor-Owned Utilities, \$20M to \$40M each.
  - 2-4 Publicly-Owned Utilities demonstrations, \$5M to \$20M each.
- This is a competitive, merit-based solicitation with several hundred proposals expected.
- Comments Due - May 6, 2009
- Funding Opportunity Announcement (FOA) - TBD
- Application Due Dates - TBD
- All Funds Obligated - September 2010

### **II. Smart Grid Investment Grant Program - Notice of Intent (NOI)**

- DOE has issued a Notice of Intent for a funding program that will award between \$500,000 and \$20,000,000 per grantee for smart grid technology deployments.
- Grants will also be offered for the deployment of grid monitoring devices under the program. It will provide grants of \$100,000 to \$5 million for the deployment of grid monitoring devices.
- \$3.375 billion will be distributed for this Smart Grid Investment Grant Program.
- After a 20-day public comment period, DOE will finalize the grant program and issue a formal solicitation.
- Funding provided for up to 50% of qualified investments requested by grant applicants.
- Eligible applicants include, but are not limited to, electric utilities, companies that distribute or sell electricity, organizations that coordinate or control grid operations, appliance and equipment manufacturers, and firms that wish to install smart grid technology.
- Deployment of Phasor Measurement Units (PMU) within the transmission system is a specific program goal.



- This is a competitive, merit-based solicitation with more than 1,500 applications expected.
- Comments Due - May 6, 2009
- Funding Opportunity Announcement (FOA) - June 17, 2009
- Application Due Dates - July 29, 2009; Dec. 2, 2009; Mar. 31, 2010
- All Funds Obligated - September 2010