



Electric Grid Resilience Grants Report

Pursuant to Laws of Minnesota 2023, chapter 60, article 12, section 72, subd. 7

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REPORT PREPARED BY

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As requested by Minnesota Statutes § 3.197: This report cost approximately \$587.00 to prepare, including staff time, printing and mailing expenses.

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Program Basics

In 2023, the Minnesota Legislature established the Electric Grid Resilience (EGR) Grant Program (Laws of Minnesota 2023, chapter 60, article 12, section 72). The purpose of this program is to provide grants to increase the resilience of the electric grid. The Department of Commerce will administer \$5.3M, less the administrative funds needed to administer the program, in grants to consumer-owned utilities as defined in chapter 60, article 12, section 72, subdivision 1(d) and (f).

Eligible Applicants

Eligible applicants for this grant program are consumer-owned utility defined in Minnesota Statutes § 216B.2402, subdivision 2, which means a municipal gas utility, a municipal electric utility, or a cooperative electric association. Other eligible applicants for this grant program are defined under chapter 60, article 12, section 72, subdivision 1(f) which states that “Eligible applicant” means a consumer-owned utility or associated trade association, generation and transmission cooperative electric association, municipal power agency, or power district serving one or more consumer-owned utilities.

Award Allocation

Grant awards for each eligible applicant can be up to a maximum of \$250,000.

Program Progress

The Electric Grid Resilience grant program has garnered significant interest from municipal and cooperative utilities and their associations across Minnesota. The Request for Proposals (RFPs) was posted in August 2024 and closed in November 2024. Commerce received a wide variety of applications from all regions of the state:

- 13 Municipals
- 14 Cooperatives
- 1 MMUA (Minnesota Municipal Utility Association)
- 1 MREA (Minnesota Rural Electric Association)

There was a total of 40 applications. Four eligible applicants submitted more than one application. Applicants were asked to prioritize their applications if submitting more than one application.

Application

In the 2024 application round, Commerce received requests for approximately 30% more than the allocated funds available. Key response details include:

- 40 applications from 29 applicants, for \$7,400,233.94 total requested.
- Only the first priority applications from the 29 applicants were selected for the full review.
- Of the 29 prioritized applications, the full funding the applications submitted is \$6,452,924.36. This includes adjusting one application that asked \$50,000 over the maximum award of \$250,000.

Commerce staff finalized the application reviews in January 2025 and intend to issue all available funds to applicants from the 2024 round. As none of the applicants are yet under contract, those details cannot be included in this year's report.

Program Future

Commerce anticipates that all funds will be expended with projects from the 2024 funding RFP. As such, Commerce does not anticipate issuing further RFPs. Names of funding recipients and the amount of funding they receive will be reported in the next required report.