



June 25, 2024

President Joseph R. Biden, Jr.
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

Dear President Biden:

On behalf of original equipment manufacturers of critical and innovative grid components, systems, and technologies, state energy officials, and companies and organizations that deploy clean energy and decarbonization solutions which ensure reliability, efficiency, and resilience along both the transmission and distribution electric grids, the National Electrical Manufacturers Association (NEMA) and the Digital Climate Alliance (DCA) are extremely pleased with your recent release of the *Federal-State Modern Grid Deployment Initiative* (Initiative). This is a welcomed signal to unleash American ingenuity to better deliver electricity to all corners of the country, dependably power our communities, boost our economy, and reduce emissions.

Enabling the true potential and benefits of the nation's electric grid requires effective collaboration and partnership among public entities, both federal and state, and private stakeholders, including equipment suppliers and grid owners and operators. This Initiative acknowledges that each plays a significant role and that by fulfilling identified commitments, the benefits of electrification can be realized more quickly. These commitments are meant not just to foster trust among stakeholders but to encourage creative thinking to modernize grid transmission and distribution. Therefore, in support of the Initiative's goals, **we request that you host a "Grid Deployment Summit," inviting grid stakeholders to discuss and collaborate on ways to further the commitments identified in this Initiative.**

The distribution grid is weighted by depreciating and legacy equipment not originally designed to effectively manage the nation's current and expected load demands. Additionally, this aged equipment is not well suited to handle the changing generation profile which is now split across both transmission and distribution due to distributed energy resources (DER). Increasing load pressures from electric vehicle charging, data center buildout, and the application of artificial intelligence/quantum computing are quickly overbearing the grid. Immediate and holistic grid modernization is needed in order to address these challenges. The Initiative is a positive signal that innovation needs to be unbridled; however, we encourage you to go further in your leadership in this area.

The federal government should aggressively promote and incentivize innovative technologies. In addition to hosting a “Grid Deployment Summit,” we encourage your office to lead federal engagement in fulfilling the Initiative’s commitments with specific policy actions:

Executive:

- Establish a more defined and strategic approach to implement grid modernization programs authorized within the Infrastructure and Investment Jobs Act (IIJA), particularly the **Grid Resilience and Innovation Partnerships (GRIP) program**. The Department of Energy (DOE) should increase stakeholder education on the value of advanced grid enhancing technologies so they can be prominently incorporated into programmatic plans, such as monitoring and control/digital systems, smart meters, distributed energy management systems, DERs, and distribution circuits digitalization.
- Direct the National Institute of Standards and Technology to develop a national framework on electrical distribution grid resilience and the value of such resilience.
- Direct the National Renewable Energy Lab to produce a “National Distribution Needs Study” to assess existing data to determine the current and near-term resilience, security, and reliability risks along the distribution grid and identify what innovative and readily available technologies exist which can address such risks.
- Direct the DOE to update findings identified in the Office of Electricity’s 2022 *Microgrid Program Strategy*.

Legislative:

- Collaborate with Congress to advance federal permitting reform legislation which enhances process efficiency, signals market certainty, and attracts greater stakeholder resources and capital to grid modernization opportunities.
- Signal support for S. 3261 / H.R. 6311, the **National Coordination on Adaptation and Resilience for Security Act**. This bipartisan, bicameral bill would consolidate and streamline the nation’s approach to improving grid resiliency and create a Chief Resilience Officer for the United States.
- Signal support for S. 3099 / H.R. 5997, the **Streamlining Home Installations of New Energies (SHINE) Act**. This legislation would streamline permitting and inspection processes for residential installations of renewable energy and energy efficiency systems.
- Collaborate with the bipartisan House Grid Innovation Caucus to identify practical policy pathways for greater grid innovation adoption and deployment.

- Expand GRIP program eligibility to include Energy as a Service (EaaS) entities. Eligibility would enable EaaS entities to provide upfront capital for the 100% match for grid projects and execute complex energy projects.
- Enhance funding to the DOE's Grid Deployment Office as well as national energy laboratory funding for distribution grid innovation.
- Extend GRIP program funding to advance the more than 800 project concepts already submitted thus far to DOE; modernization ideas which have identified distribution grid challenges and recommended solutions.

States:

- Increase federal funding to state grid resilience programs, such as the Energy Resilience and Conservation Investment Program (ERCIP) and the State Energy Program (SEP).
- Encourage state agencies managing GRIP program funding to promote applicants to prioritize advanced grid enhancing technologies and grid edge sensors.

Our organizations are dedicated to furthering the grid modernization and the public-private partnership which are necessary to achieve grid solutions. We welcome the opportunity to work with you on these policy recommendations.

Sincerely,

National Electrical Manufacturers Association
Digital Climate Alliance

CC: Office of Electricity | Department of Energy
Members: U.S. House Climate Solutions Caucus
Members: U.S. House Grid Innovation Caucus
Members: Senate Climate Solutions Caucus