

Department of Energy

Biden-Harris Administration Announces \$13 Billion To Modernize And Expand America's Power Grid

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Applications Now Open for States, Tribes, and Utilities to Receive Funding from Key Programs Secured by President Biden to Enhance the Power Grid's Ability to Deliver Cheaper, Cleaner, and More Reliable Electricity to American Communities and Businesses

WASHINGTON, D.C. – The Biden-Harris Administration, through the U.S. Department of Energy (DOE) today announced \$13 billion in new financing opportunities for the expansion and modernization of the nation's electric grid. Funded by the President's Bipartisan Infrastructure Law, the Grid Resilience Innovative Partnership (GRIP) program and the Transmission Facilitation Program together represent the largest single direct federal investment in critical transmission and distribution infrastructure and one of the first down payments on an over \$20 billion investment under the Administration's **Building a Better Grid Initiative**. These federal investments will unlock billions of dollars of state and private sector capital to build transformative projects that increase the reliability of the power grid and modernize it so that more American communities and businesses have access to affordable,

reliable, clean electricity – helping deliver on the President’s goal of 100% clean electricity by 2035.

“We are moving swiftly to deliver cleaner, cheaper energy to every American community by building a modern and reliable electric grid,” said **U.S. Secretary of Energy Jennifer M. Granholm**. “With nearly 70% of the nation’s grid more than 25 years old, the President’s agenda is making historic investments that will strengthen the nation’s transmission grid to drive down energy costs, generate good-paying jobs, and help keep the lights on during extreme weather events.”

Independent estimates indicate that the U.S. needs to expand electricity transmission systems by 60% by 2030 and may need to triple current capacity by 2050 to accommodate the country’s rapidly increasing supply of cheaper, cleaner energy and meet increasing power demand for electric vehicles and electric home heating and reduce power outages from severe weather.

The funding announced today, along with a \$2.3 billion program that funds grid resilience investments by States and Tribes to reduce impacts due to extreme weather and natural disasters, are programs under the **Building a Better Grid Initiative**. Launched in January 2022, the Building a Better Grid Initiative brings together community and industry stakeholders to identify national transmission needs and is investing more than \$20 billion to support the modernization and buildout of long-distance, high-voltage transmission and distribution systems that are critical to reaching President Biden’s goal of 100% clean electricity by 2035 and a zero-emissions economy by 2050.

GRIP Program

The President’s Bipartisan Infrastructure Law provides \$10.5 billion across three programs that make up the **GRIP program** to enhance grid flexibility and improve the resilience of the power system against growing threats of extreme weather and climate change.

The program will deliver projects centered on:

- **Grid Resilience Utility and Industry Grants** (\$2.5 billion) fund comprehensive transmission and distribution technology solutions that will mitigate multiple

hazards across a region or within a community, including wildfires, floods, hurricanes, extreme heat, extreme cold, storms, and any other event that can cause a disruption to the power system. Eligible applicants include electric grid operators, storage operators, generators, transmission owners or operators, distribution providers, and fuel suppliers.

- **Smart Grid Grants** (\$3 billion) increase the flexibility, efficiency, reliability, and resilience of the electric power system, with particular focus on increasing capacity of the transmission system, preventing faults that may lead to wildfires or other system disturbances, integrating renewable energy at the transmission and distribution levels, and facilitating the integration of increasing numbers of electric vehicles, buildings using electricity to heat and hot water, and other grid-edge devices. The program is open to domestic entities including institutions of higher education, for-profit entities, non-profit entities, state and local government entities, and tribal nations.
- **Grid Innovation Program** (\$5 billion) provides financial assistance to one or multiple states, Tribes, local governments, and public utility commissions to collaborate with electric grid owners and operators to deploy projects that use innovative approaches to transmission, storage, and distribution infrastructure to enhance grid resilience and reliability.

The **first round of funding announced today** for GRIP is \$3.8 billion for fiscal years 2022 and 2023. Concept papers are a required first step in the application process. Concept papers for the Grid Resilience Utility and Industry Grants and Smart Grid Grants are due December 16, 2022. Concept papers for the Grid Innovation Program are due January 13, 2023. A public webinar will be held on November 29, 2022, to provide additional information. **Registration** is required.

Transmission Facilitation Program

The **Transmission Facilitation Program** establishes an innovative revolving fund to help overcome the financial hurdles facing large-scale new transmission lines, upgrades of existing transmission lines, and, in select states and territories, the establishment of microgrids. The President's Bipartisan Infrastructure Law authorizes DOE, through the program, to borrow up to \$2.5 billion to assist in the

construction of high-capacity transmission lines with an innovative approach that can spur valuable new lines that otherwise would not get built or increase the capacity of already planned lines.

Under this first solicitation released today, DOE will use capacity contracts to commit to purchasing up to 50% of the maximum capacity of the transmission line. By initially offering capacity contracts to late-stage projects, DOE will increase the confidence of additional investors and customers and reduce the risk of project developers under-building or under-sizing needed transmission capacity projects.

The submission deadline for the first phase is February 1, 2023. A public webinar will be held on November 30, 2022, to provide additional information. [Registration](#) required.

Visit the [Grid Deployment Office](#) website for additional information and access to the [Grid and Transmission Programs Conductor](#) to help identify which financing program is most appropriate for individual projects.

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