



## National Conference of State Legislatures Office of State-Federal Relations

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### **Administration Releases First Quadrennial Energy Review Report**

On April 21, Vice President Joe Biden and U.S. Department of Energy (DOE) Secretary Ernest Moniz released the first spotlight report, [Modernizing Energy Infrastructure](#), as part of the administration's [Quadrennial Energy Review](#) (QER). The QER was established in January 2014 and is an effort by the administration to develop a comprehensive and innovative energy strategy. This first spotlight report is an analysis of the nation's current energy infrastructure, including transmission, storage and distribution, and is the result of 13 stakeholder outreach meetings throughout the past year as well as discussions with Mexican and Canadian officials. It includes a number of recommendations aimed at ensuring the resiliency, reliability, safety and security of the nation's energy infrastructure. These recommendations would provide over \$15 billion in grants and tax credits, if adopted in full, including for a number of programs focused directly at states.

The report suggests that DOE:

- **Enhance Energy Infrastructure Resiliency and Reliability**  
Establish a competitive grant program, with \$3 billion - \$5 billion in funding over 10 years to be implemented through states and public utilities that demonstrate new innovative approaches to enhancing regional grid resiliency.
- **Support for State Energy Plans**  
Implement a competitive grant program, by providing \$300 million – \$500 million over 10 years, designed to support updating expanding state energy assurance plans.
- **Modernize the Electric Grid**  
Create a financial assistance program, \$300 million - \$350 million over 10 years, for states that work with other states and the owners and operators of the bulk power system to integrate and promote electric reliability, efficiency and environmental protection
- **Accelerate Pipeline Replacement and Maintenance of Natural Gas Distribution Systems**  
Establish a competitive grant program for states, totaling \$2.5 billion - \$3.5 billion over 10 years, to incentivize improvements in safety and environmental performance of natural gas distribution systems.

- **Improve Energy Transportation Infrastructure**

Cooperation with DOT to establish a competitive grant program to support shared energy transport systems. The program would be based on [DOT's current TIGER program](#), with funding of \$2 billion – \$2.5 billion, which would induce an additional \$4 billion – \$4.5 billion in non-federal investment.

- **Coordinate with DHS and States**

Work with DHS and states to mitigate risks associated with the loss of electrical transformers.

The report also highlights a number of other major recommendations including investing \$1.5 billion – \$2 billion in the Strategic Petroleum Reserve (SPR) in order to optimize its emergency response capability to improve the nation's energy security. Additionally, the report includes a number of recommendations aimed at addressing the growing length required for certain types of energy transmission, storage, and distribution infrastructure. This includes undertaking “early and meaningful” engagement as well as coordination with state and local governments. The report also identifies the importance of integrating North American energy markets by combining energy data between the United States, Mexico and Canada as well as promoting energy infrastructure in the Caribbean. Finally, the report details a number of recommendations on the need to enhance employment and training in areas related to building, operating and maintaining key energy infrastructure.

In an outreach call with DOE and other administration officials regarding the report's release, it was noted that the administration's FY 2016 budget request does not include all of the above recommendations but that they would be working with Congress on how best to move forward. Secretary Moniz is scheduled to testify on the QER before the Senate Energy and Natural Resources Committee on April 28.

For any additional questions or concerns please contact NCSL staff [Ben Husch](#) (202-624-7779) or [Melanie Condon](#) (202-624-3597).