

**SERVICE DATE**  
**Jun 04, 2021**

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Public Service Commission of Wisconsin  
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**PUBLIC SERVICE COMMISSION OF WISCONSIN**

Pilot Critical Infrastructure Microgrid and Community Resilience Center Grant Program Funded by a Grant Awarded by the US Department of Energy, State Energy Program (SEP) Program Year (PY) 2020 Formula Grant 9705-FG-2020

**FINAL DECISION**

This is the Final Decision in the program design of the Critical Infrastructure Microgrid and Community Resilience Center Pilot Grant Program (CIMCRC) and establishing program design elements including: (1) definitions of key terms, (2) areas of interest and eligible activities for this pilot round, (3) program budget, (4) eligible entities, and (5) development of the Request for Proposals and additional design elements.

**Background**

The Commission's Office of Energy Innovation (OEI) administers and implements innovative and effective energy planning, policy, and programming to benefit Wisconsin's citizens and businesses. As Wisconsin's designated state energy office, OEI receives funding from the U.S. DOE State Energy Program (SEP), primarily in a formula grant, to carry out a state-led Annual Plan for programming that reflects Wisconsin's unique resources and energy goals, as well as delivery capacity.

At its open meeting of April 15, 2020, the Commission considered the substance of the program year 2020 (PY20) Annual Plan. Commission staff presented the Commission with the necessary background information on the Annual Plan process including applicable statutes and administrative code; the timeline, components, and submittal of the required filings to U.S. DOE; as well as budget development. ([PSC REF#: 387580.](#))

The Commission considered the proposed Annual Plan activities as they related to the administrative parameters, the core duties of the OEI, emergent energy issues, and the capacity of the office given current resources. The Commission approved the PY20 Annual Plan along with an allocation of appropriate funds for each.

Commission staff noted the ongoing coordination of energy assurance planning and exercise activities with other key agencies (such as Wisconsin Emergency Management, Wisconsin National Guard, Department of Transportation, Department of Agriculture, Trade, and Consumer Protection, as well as Tribal and county emergency managers) that has identified the need for proactive resilience efforts. Recent energy assurance programming, such as petroleum shortage contingency planning and Generator Readiness grants, have contributed additional context to the challenges presented by dependence of critical infrastructure on energy supplies (particularly diesel back up generation). In order to address these challenges and needs, the Microgrid and Community Resilience Center Pilot Grant Program was established and included as part of the PY20 Annual Plan, with a budget allocation of \$985,000, to focus on innovative pre-disaster mitigation through critical infrastructure microgrids and other resilient building strategies, demonstrating feasibility and best practices in Wisconsin. As critical infrastructure was discussed in the program design and development, the term “Critical Infrastructure” was added to the program title during program scoping.

At its open meeting of April 15, 2021, the Commission considered a Microgrid and Community Resilience Center Grant Program design memorandum that discussed the overall program goals as well as options for eligibility and priorities. ([PSC REF#: 407429.](#))

### **Findings of Fact**

1. It is reasonable to establish common definitions of terms used for the purposes of this pilot grant program.

2. It is reasonable to limit the areas of interest and eligible activities for this pilot round to feasibility studies for Critical Infrastructure Microgrids as defined by the Commission, which would include studies for Community Resilience Centers.

3. It is reasonable to establish eligible activities and the maximum grant requests for such activities for this pilot round as shown in Table 1 in this Final Decision.

4. It is reasonable to establish eligibility criteria for this pilot round to include “Lead Applicants” from the Municipalities Universities Schools and Hospital (MUSH) Market (this includes cities, villages, towns, counties, K-12 school districts, tribes, municipal water and wastewater utilities, University of Wisconsin System campuses and facilities, Wisconsin Technical College System, public or nonprofit hospitals, and 501(3)(c) nonprofits) as well as “Target Partners.” It is reasonable to encourage Lead Applicants to partner with appropriate public, private, and non-profit entities, or their subunits, with unique oversight or expertise in sectors appropriate to the project such as housing authorities, municipal utilities, and engineering firms.

5. It is reasonable to direct staff to work with the delegated Commissioner to develop the Request for Proposal (RFP) consistent with the program design elements described in this Final Decision.

### **Conclusions of Law**

1. The Commission has jurisdiction under 2015 Wisconsin Act 55 and Wis. Stat. §§ 196.02 and 196.025 to oversee the State Energy Program Annual Plan and to set and revise annual program activities, goals, priorities, and budgets.

2. The Commission may impose any term, condition, or requirement necessary to protect the public interest pursuant to Wis. Stat. §§ 196.02 and 196.395.

3. Issuance of this Final Decision is a Type III action under Wis. Admin. Code § PSC 4.10(3) and requires neither an environmental impact statement (EIS) nor an environmental assessment (EA).

### **Opinion**

The Commission reviewed the proposed program design and budget for the Critical Infrastructure Microgrid and Community Resilience Centers Pilot Grant Program, and makes the following determinations.

### **Definitions**

For purposes of this grant program, the following definitions shall apply:

**Microgrid:** A group of interconnected loads and distributed energy resources within clearly defined electrical boundaries that acts as a single controllable entity with respect to the grid. A microgrid can connect and disconnect from the grid to enable it to operate in both grid-connected or island-mode.

- Level 1 or single customer: a single Distributed Energy Resource (DER) or multiple DERs serving one customer through one meter. Example: a single facility (such as a hospital) using an on-site microgrid to provide backup power.

- Level 2 or single customer or campus setting (partial feeder microgrid): a single DER or multiple DERs serving multiple facilities, controlled by one meter at the interconnection point (also known as Point of Common Coupling or PCC). Example: a microgrid sited on a University campus connected to multiple buildings.
- Level 3 or multiple customers (advanced or full feeder microgrid): a single DER or multiple DERs serving multiple facilities or customers on multiple meters. The DER(s) may be located on a different site from the facilities or customers. While the advanced microgrid has one PCC, the individual facilities or customers within the advanced microgrid may have their own individual connections to the distribution grid.

**Community Resilience Centers (CRC):** Facilities designed to provide emergency heating and cooling capability; refrigeration of temperature-sensitive medications, vaccines and milk from nursing mothers; plug power for durable medical equipment (to include dialysis equipment and continuous positive airway pressure machines); plug power for charging of cell phone and computer batteries; and/or emergency lighting. A CRC may also be a designated location (by the city, county, or State of Wisconsin) for the distribution of emergency services during extended grid outages. This center would not necessarily be a replacement for an emergency shelter, and should not be required to have food service capabilities, showers, or locker rooms; however, an emergency shelter that does provide these services would still be eligible to apply. A CRC can be a Level 1, 2, or 3 Microgrid (see definition of Microgrid above).

### **Areas of Interest and Eligible Activities**

The Areas of Interest (AOI) and Eligible Activities shall include feasibility studies under a single area of interest that covers all levels of critical infrastructure microgrids, which will include Community Resilience Centers (CRCs) per the agreed upon definitions above. There was commenter support for consolidation of the pilot program’s activities to one AOI focused on feasibility studies. Similarly, there commenters expressed support for the expanded definition of CRC that the Commission adopted.

Commissioner Huebner dissents and writes separately (see attached).

**Funding**

The funding for the program shall be:

Area of Interest – Eligible Activities	Total Funds Available	Maximum Grant Requests
AOI 1: Critical Infrastructure Microgrid Feasibility Studies	\$985,000	
Level 1 or Level 2 Microgrid Feasibility Study		Up to \$50,000
Level 3 Microgrid Feasibility Study		Up to \$100,000
	<b>\$985,000</b>	

Commissioner Huebner dissents and writes separately (see attached).

**Eligibility**

The Commission approves the staff identified option to establish a partnership approach for eligible applicants, wherein a Lead Applicant engages Target Partners. The Commission establishes the MUSH Market as “Lead Applicant” eligible entities; responsible for partnering with “Target Partners” described as appropriate public, private, and non-profit entities, or their subunits, with unique oversight or expertise in sectors appropriate to the project such as housing authorities, municipal utilities, and engineering firms. There was commenter support for this model.

Commissioner Huebner dissents and writes separately (see attached).

**Administration**

1. The Commission also discussed the routine program administration including the grant application instructions that are overseen by the delegated Commissioner. Commission staff shall work with the delegated Commissioner to develop a Request for Proposals consistent with its discussion and decisions on the program design elements. Commission staff shall prioritize reliability and resilience benefits (during outages not caused by events beyond a utility’s control) and benefits of avoiding major power outages (i.e. outages caused by major storms or other events beyond a utility’s control).

**Order**

2. The definition of a microgrid and community resilience center as stated above shall be applicable to the Pilot Critical Infrastructure Microgrid and Community Resilience Center Grant Program.

3. The eligible activities for this pilot round shall include Area of Interest 1 – Critical Infrastructure Microgrid Feasibility Studies as defined above, which would include studies for Community Resilience Centers. The eligible activities and maximum grant requests for this pilot grant round shall be:

Area of Interest – Eligible Activities	Total Funds Available	Maximum Grant Requests
AOI 1: Critical Infrastructure Microgrid Feasibility Studies	\$985,000	
Level 1 or Level 2 Microgrid Feasibility Study		Up to \$50,000
Level 3 Microgrid Feasibility Study		Up to \$100,000
	<b>\$985,000</b>	

4. Eligible applicants for this pilot round shall include “Lead Applicants” from the Municipalities Universities Schools and Hospital (MUSH) Market (this includes cities, villages, towns, counties, K-12 school districts, tribes, municipal water and wastewater utilities, University of Wisconsin System campuses and facilities, Wisconsin Technical College System, public or nonprofit hospitals, and 501(3)(c) nonprofits) as well as “Target Partners.” Lead applicants are encouraged to partner with appropriate public, private, and non-profit entities, or their subunits, with unique oversight or expertise in sectors appropriate to the project such as housing authorities, municipal utilities, and engineering firms.

5. Jurisdiction is retained.

Dated at Madison, Wisconsin, the 4<sup>th</sup> day of June, 2021.

By the Commission:

A handwritten signature in black ink that reads "Steffany Powell Coker". The signature is written in a cursive, flowing style.

Steffany Powell Coker  
Secretary to the Commission

SPC:KN:TP:JP:ML:kle DL:01803496

See attached Notice of Rights



PUBLIC SERVICE COMMISSION OF WISCONSIN  
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**NOTICE OF RIGHTS FOR REHEARING OR JUDICIAL REVIEW, THE  
TIMES ALLOWED FOR EACH, AND THE IDENTIFICATION OF THE  
PARTY TO BE NAMED AS RESPONDENT**

The following notice is served on you as part of the Commission's written decision. This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

*PETITION FOR REHEARING*

If this decision is an order following a contested case proceeding as defined in Wis. Stat. § 227.01(3), a person aggrieved by the decision has a right to petition the Commission for rehearing within 20 days of the date of service of this decision, as provided in Wis. Stat. § 227.49. The date of service is shown on the first page. If there is no date on the first page, the date of service is shown immediately above the signature line. The petition for rehearing must be filed with the Public Service Commission of Wisconsin and served on the parties. An appeal of this decision may also be taken directly to circuit court through the filing of a petition for judicial review. It is not necessary to first petition for rehearing.

*PETITION FOR JUDICIAL REVIEW*

A person aggrieved by this decision has a right to petition for judicial review as provided in Wis. Stat. § 227.53. In a contested case, the petition must be filed in circuit court and served upon the Public Service Commission of Wisconsin within 30 days of the date of service of this decision if there has been no petition for rehearing. If a timely petition for rehearing has been filed, the petition for judicial review must be filed within 30 days of the date of service of the order finally disposing of the petition for rehearing, or within 30 days after the final disposition of the petition for rehearing by operation of law pursuant to Wis. Stat. § 227.49(5), whichever is sooner. If an *untimely* petition for rehearing is filed, the 30-day period to petition for judicial review commences the date the Commission serves its original decision.<sup>1</sup> The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

If this decision is an order denying rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not permitted.

Revised: March 27, 2013

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<sup>1</sup> See *Currier v. Wisconsin Dep't of Revenue*, 2006 WI App 12, 288 Wis. 2d 693, 709 N.W.2d 520.

**PUBLIC SERVICE COMMISSION OF WISCONSIN**

Project Year 2020 (PY20) State Energy Program (SEP) Formula Grant  
Awarded by US Department of Energy

9705-FG-2020

**DISSENT OF COMMISSIONER TYLER HUEBNER**

I write separately to explain my dissent regarding the Critical Infrastructure Microgrid and Community Resilience Centers Pilot Grant Program.

I fully support the development of this program, but where the majority decided to allocate all funds to only Area 1, I would fund both Areas of Interest as proposed in the staff memorandum: \$400,000 of funding for feasibility studies, and \$585,000 to directly fund projects in this round.

While some entities will certainly need feasibility studies to develop microgrids or community resilience centers in the future, I believe we also have entities in Wisconsin ready to move forward on projects immediately. I believe we would have accomplished and learned more, sooner, had we also funded projects in this round, rather than solely funding feasibility studies.

TH: DL:01804556