



FEDERAL-STATE MODERN GRID DEPLOYMENT INITIATIVE

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Federal-State Modern Grid Deployment Initiative Principles

In the face of growing needs for modernization of the U.S. electrical grid, the Biden-Harris Administration in May 2024 will launch the Federal-State Modern Grid Deployment Initiative (“the Initiative”) to accelerate improvements to the electric transmission and distribution network, which are critical to meeting the country’s objectives for affordable, clean, reliable, and resilient power. Grid stakeholders are increasingly looking for opportunities to meet those objectives, while facing a variety of challenges around projected electric load growth, line congestion, interconnection delays, siting and permitting, variability in power prices for consumers, and increasing reliability risks from extreme weather events due to climate change. Fundamentally, the Biden-Harris administration recognizes that more modern, more dynamic approaches to power system management are needed to keep pace with the scale of changes happening across the country.

The Initiative reaffirms President Biden’s commitment to ensuring the United States has the electric grid it needs to continue outperforming other countries and to help local communities thrive. Building on the Biden-Harris Administration’s legislative accomplishments and executive actions in tackling the grid modernization challenge, the Initiative aims to bring together states, federal entities, and power sector stakeholders to help the grid adapt quickly and cost-effectively to meet the challenges and opportunities that the power sector faces in the twenty-first century.

Grid modernization can be encumbered by legacy policies and technologies designed for a time when electricity demand was much more static than it is today. The resurgence of American domestic manufacturing along with the rapid adoption of electric vehicles and growth of large data centers, among other factors, require a collective shift in perspective about the grid to more proactive, innovative approaches that are better suited to tackle the accelerating pace of innovation. While progress has been made to address challenges to building new grid assets such as transmission and distribution lines, additional options are needed—particularly tools that can provide more immediate impact and solutions.

To that end, modern grid technologies, including high performance conductors and grid enhancing technologies (“GETs”, such as dynamic line ratings), are proven, commercially-available solutions that can be rapidly and affordably deployed at-scale today to improve line capacity, performance, and resilience. They can be beneficial for both new and existing transmission and distribution projects. For new projects, they can help get new generation and loads interconnected faster, with less disruption, and also protect against future demand increases. For existing infrastructure, modern grid technologies can be even more valuable, by significantly reducing deployment costs, permitting times, and build times. Their deployment additionally helps accelerate job creation and investment opportunities.



Although these solutions have strong operational track records in several countries around the globe and many of the top technologies come from U.S.-based companies, widespread deployment in the U.S. continues to lag. The Federal-State Modern Grid Deployment Initiative aims to drive efforts to speed up adoption and deployment of those tools to ensure that the electric grid remains a source of strength for continued progress and economic vitality of the states individually and the country as a whole. States participating in this Initiative will advance the following commitments to accelerate modern grid solutions, with support and collaboration from the federal government to ensure collective progress toward these shared goals.

Mutual Federal-State Commitments

Meeting the shared challenges and opportunities of increased load growth, a rapidly changing energy landscape, aging infrastructure, and new grid enhancing technologies – while delivering reliable, clean, and affordable energy to consumers – the Federal government and the states jointly commit to:

- Explore ways to accelerate the near-term deployment of more advanced, commercially-available grid technologies to expand grid capacity and build modern grid capabilities on both new and existing transmission and distribution lines;
- Recognize that the deployment of modern grid technologies is part of a holistic energy strategy, complementing the need to build out new transmission and distribution lines;
- Recognize that there will not be a “one-size-fits-all” approach to maximizing the opportunities and overcoming the challenges each state may be facing with their grid;
- Work to increase state and Federal cooperation for both intraregional and interregional transmission planning efforts across regions, including Regional Transmission Organizations and Independent Service Operators;
- Work collaboratively with solution providers, industry, labor organizations, and trusted validators to build a diverse workforce and ensure grid owners and operators have access to the training and equipment needed to support modern technology deployment;
- Work to provide opportunities for stakeholders and communities within and across regions to share how to most effectively improve siting, regulatory, and economic structures;
- Explore opportunities to establish innovative partnership models, pool resources, and jointly plan transmission and distribution infrastructure development.

State Commitments

State governments recognize that innovative grid technology deployment bolsters the capacity of our electric grid to more effectively meet current and future demand, maximizes benefits of new and existing transmission infrastructure, increases grid resilience to the growing impacts of climate change, and better protects consumers from variability in energy prices. Enhanced coordination within and across states can accelerate utilization of modern grid solutions and ensure the power system is built for the future. The state governments commit to:



- Prioritize or accelerate efforts that support the adoption of modern grid solutions to cost-effectively meet growing electric grid needs, including efforts that increase capacity and maximize utilization of existing infrastructure;
- Explore opportunities at the executive and legislative levels to address capacity challenges facing the grid in an expedient manner;
- Explore pathways to facilitate adoption of high-performance conductors and grid enhancing technologies, which may include considering these technologies in grid planning, financial incentives, performance standards, and updated cost-effectiveness criteria;
- Maximize the use of available Federal financial and technical assistance;
- Help assess and communicate the potential benefits of modern grid technologies to partners and stakeholders within and across states, including local governments and the public;
- Share successes, challenges, lessons learned, and best practices with other states.

Federal Commitments

The Federal government's role in the Initiative is rooted in its recognition that a robust electric grid is essential for delivering the country's economic, social, climate, and strategic objectives. In order to promote economic competitiveness, grow the country's manufacturing capacity, and place the United States in a position to continue creating good-paying jobs, the Federal government commits to:

- Maintain the national focus on grid innovation and promote awareness of power challenges as a strategic and economic priority nationwide;
- Ensure Federal agencies and lawmakers are informed of the value and opportunities created by grid innovation, and the criticality of reform;
- Make technical assistance programs available from the U.S. Department of Energy's Grid Deployment Office, Office of Electricity, and National Labs for regions and states that are seeking additional support. This can also include assistance with decision frameworks between technologies and policies;
- Ensure states are aware of available financial assistance resources to support local projects, such as competitive funding from U.S. Department of Energy's Grid Resilience and Innovation Partnership program (GRIP) and low-cost loans from the Title 17 Energy Infrastructure Reinvestment program;
- Encourage Power Marketing Administrations to consider modern grid technologies and collaborate with related power authorities in the regions they respectively serve;
- Promote ongoing dialogue between partner states, industry leaders, labor organizations, and trusted technical validators (domestically and globally) to explore strategies to accelerate deployment;
- Continue to source, track, evaluate, and disseminate information on state-of-the-art technologies and policies.

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