



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

**D**  
**OFFICE OF BUDGET**  
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October 4, 2024

Senator Jonathan Dismang, Co-Chair  
Representative Frances Cavanaugh, Co-Chair  
Performance Evaluation & Expenditure Review Committee  
Arkansas Legislative Council  
State Capitol Building  
Little Rock, AR 72201

RE: FY 25 Infrastructure Investment & Jobs Act of 2021

Dear Co-Chairs:

Pursuant to Section 37 (01) of Act 152 of 2024, I am forwarding the attached Infrastructure and Investment and Jobs Act request(s) that have received my approval as Chief Fiscal Officer of the State.

1. ADA - Department of Agriculture – State Forest Action Plan \$711,000
2. ADA – Department of Agriculture – Bipartisan Infrastructure Law Invasive Species Funding \$45,000
3. ADA – Natural Resources Division – 2024 Drinking Water State Revolving Fund Bipartisan Infrastructure Law Emerging Contaminants \$9,147,000
4. DFA – Budget and Administrative Services – Grid Resiliency Grant \$5,064,564

Sincerely,

James L. Hudson  
Secretary

Attachment(s)

**INFRASTRUCTURE INVESTMENT & JOBS ACT OF 2021  
 APPROPRIATION AND PERSONNEL AUTHORIZATION  
 REQUEST SECTION 37 OF ACT 152 OF 2024**

**D.1**

Agency: Arkansas Department of Agriculture Business Area Code: 0400  
 Program Title: Arkansas State Forest Action Plan  
 Granting Organization: USDA-Forest Service CFDA #: 10.680  
 Effective Date of Authorization: Beginning: 7/1/2024 Ending: 6/30/2025

Purpose of Grant / Reason for addition or change (include attachments as necessary to provide thorough information):

The Department is requesting an appropriation of \$711,000 for the Arkansas State Forest Action Plan. This grant will fund the replacement of radios to enhance communication with local, state, and federal agencies. Additionally, it will support the establishment of forest vegetation management demonstrations at Poison Springs State Forest and Hot Springs State Forest. These initiatives aim to improve forest quality and health while providing educational opportunities for Arkansas landowners.

**Infrastructure Investment & Jobs Act Program Funding**

Func. Area: COMM Fund Code: FII4004 Continuation of Existing Program: \_\_\_\_\_  
 Funds Center: B08 Internal Order/WBS Element: \_\_\_\_\_ Change in Existing Program: x  
 New Program: \_\_\_\_\_

	Program Funding Amount
Regular Salaries	
Extra Help	
Personal Services Matching	
Operating Expenses	
Conference & Travel Expenses	
Professional Fees	
Capital Outlay	
Data Processing	
Grants and Aid (CI: 04)	
Other: 590:00:46	711,000
Other:	
Total 711,000	\$ 711,000

Anticipated Duration of Federal Funds: 7/18/2024-7/17/2029

*Jary Zhou* 9/25/24

**DFA IGS State Technology Planning Date**  
 Items requested for information technology must be in compliance with Technology Plans as submitted to DFA IGS State Technology Planning.

**Positions to be established: (list each position separately)**

\* unclassified positions only

Org Unit	Pers Area	Pers SubArea	Cost Center	Position Number	Cmnt Item	Position Title	Class Code	Grade	Line Item Maximum *

**State funds will not be used to replace federal funds when such funds expire, unless appropriated by the General Assembly and authorized by the Governor.**

Approved by:  
*Wey W. M.* 9-13-24 Robert Brech 10/03/24  
 Cabinet Secretary/Agency Director Date Office of Budget Date Office of Personnel Mgmt Date

*JM*  
9/16/2024

**24-DG-11083105-430**

**Project Description**

The ADA Forestry Division currently maintains approximately 28,000 acres across three State Forests located in Poison Springs State Forest, Hot Springs State Forest and Lucky Hollow State Forest. A need exists to incorporate forest vegetation management for improved forest health and reduced wildfire risks. This funding opportunity would provide assistance to establishing forest vegetation management demonstrations at Poison Springs State Forest and Hot Springs State Forest. The forest management demonstrations will improve the quality and health of the forest while providing educational opportunities for Arkansas landowners.

The Arkansas Forestry Division has had the same communication system for over 11 years the radios are outdated and the wholes system needs to be replaced so we can have better communication throughout the state. The Arkansas Forestry Division will replace a portion of the radios in trucks, plow trucks, dozers over the next three years. We will begin with one district and continue that progress until all seven districts have been completed. These new radios will give us better communication capability with local, state, and federal government agencies.

**INFRASTRUCTURE INVESTMENT & JOBS ACT OF 2021  
 APPROPRIATION AND PERSONNEL AUTHORIZATION  
 REQUEST SECTION 37 OF ACT 152 OF 2024**

**D.2**

Agency: Arkansas Department of Agriculture Business Area Code: 0400  
 Program Title: Bipartisan Infrastructure Law Invasive Species Funding  
 Granting Organization: USDA-Forest Service CFDA #: 10.680  
 Effective Date of Authorization: Beginning: 7/1/2024 Ending: 6/30/2025

Purpose of Grant / Reason for addition or change (include attachments as necessary to provide thorough information):

The Department is requesting \$45,000 as a result of additional funding being award that will be utilized for invasive plant removals on non-federal, publicly owned land.

**Infrastructure Investment & Jobs Act Program Funding**

Func. Area: COMM Fund Code: FII4002 Continuation of Existing Program: \_\_\_\_\_  
 Funds Center: BDS Internal Order/WBS Element: \_\_\_\_\_ Change in Existing Program: x  
 New Program: \_\_\_\_\_

	Program Funding Amount
Regular Salaries	
Extra Help	
Personal Services Matching	
Operating Expenses	
Conference & Travel Expenses	
Professional Fees	
Capital Outlay	
Data Processing	
Grants and Aid (CI: 04)	
Other: 590:00:46	45,000.00
Other:	
Total 45,000.00	\$ 45,000.00

Anticipated Duration of Federal Funds: 7/1/2022-6/30/2027

<b>DFA IGS State Technology Planning</b>	<b>Date</b>
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Items requested for information technology must be in compliance with Technology Plans as submitted to DFA IGS State Technology Planning.

**Positions to be established: (list each position separately)**

\* unclassified positions only

Org Unit	Pers Area	Pers SubArea	Cost Center	Position Number	Comnt Item	Position Title	Class Code	Grade	Line Item Maximum *

**State funds will not be used to replace federal funds when such funds expire, unless appropriated by the General Assembly and authorized by the Governor.**

Approved by:

Weg N. Wp 9-13-24  
 Cabinet Secretary/Agency Director Date

Robert Brech 10/03/24  
 Office of Budget Date

Office of Personnel Mgmt Date

JM  
 9/16/2024

**23-DG-11083105-440**

**Project Description**

The Arkansas Department of Agriculture's Forestry Division (hereafter, Forestry Division) recognizes invasive species as a threat to forested ecosystems. This threat is highlighted in the Arkansas 2020-2029 Forest Action Plan. These funds are designed to build and maintain capacity around invasive forest species control (i.e., insect, disease, and invasive plants in forested areas). The Forestry Division has been limited in ability to focus efforts toward mitigating invasive forest pest species on-the-ground. This funding can enable new partnership efforts. For measurable on-the-ground accomplishments, individuals working on this grant will facilitate community-driven, invasive species response. For example, if a community wants to remove invasive plants from a public park, then the Forestry Division can assist by connecting the community with materials (e.g., chemical applicator supplies), contracting professional removal services, and supervising projects that utilize passthrough funding. This \$45,000 additional capacity funding will be used as passthrough to financially support the invasive plant control efforts of the Little Rock Parks and Recreation.

**INFRASTRUCTURE INVESTMENT & JOBS ACT OF 2021  
APPROPRIATION AND PERSONNEL AUTHORIZATION  
REQUEST SECTION 37 OF ACT 152 OF 2024**

**D.3**

Agency: Arkansas Department of Agriculture - Natural Resources Business Area Code: 0455  
 Program Title: 2024 Drinking Water State Revolving Fund Bipartisan Infrastructure Law Emerging Contaminants  
 Granting Organization: US Environmental Protection Agency CFDA #: 66.468  
 Effective Date of Authorization: Beginning: 7/1/2024 Ending: 6/30/2025

Purpose of Grant / Reason for addition or change (include attachments as necessary to provide thorough information):

The Department is requesting \$9,147,000 for the Drinking Water State Revolving Fund program. This funding aims to tackle emerging contaminants in drinking water, with a particular focus on projects addressing perfluoroalkyl and polyfluoroalkyl substances (PFAS). Emerging contaminants include substances and microorganisms—whether manufactured or naturally occurring—that may pose newly identified or re-emerging risks to human health, aquatic life, or the environment. These can be physical, chemical, biological, radiological, or nuclear materials.

**Infrastructure Investment & Jobs Act Program Funding**

Func. Area: COMM Fund Code: FII4555 Continuation of Existing Program: \_\_\_\_\_  
 Funds Center: 8X3 Internal Order/WBS Element: \_\_\_\_\_ Change in Existing Program: x  
 New Program: \_\_\_\_\_

	Program Funding Amount
Regular Salaries	
Extra Help	
Personal Services Matching	
Operating Expenses	
Conference & Travel Expenses	
Professional Fees	
Capital Outlay	
Data Processing	
Grants and Aid (CI: 04)	
Other: 590:00:46	9,147,000
Other:	
Total 9,147,000	\$ 9,147,000

Anticipated Duration of Federal Funds: 10/1/2024-9/30/2028

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**DFA IGS State Technology Planning** Date  
 Items requested for information technology must be in compliance with Technology Plans as submitted to DFA IGS State Technology Planning.

**Positions to be established: (list each position separately)**

Org Unit	Pers Area	Pers SubArea	Cost Center	Position Number	Comnt Item	Position Title	Class Code	Grade	Line Item Maximum *

**State funds will not be used to replace federal funds when such funds expire, unless appropriated by the General Assembly and authorized by the Governor.**

Approved by: \_\_\_\_\_ Date: 9-13-24 Robert Brech 10/03/24  
 Cabinet Secretary/Agency Director Office of Budget Office of Personnel Mgmt

*jm* 9/16/2024

## Attachment 1 - Project Description

This agreement provides a capitalization grant, funded by the Infrastructure Investment and Jobs Act (IIJA) Public Law (PL 117-58), for the recipient's Drinking Water State Revolving Fund program (DWSRF). These funds are for DWSRF-eligible projects that address emerging contaminants in drinking water with a focus on projects addressing perfluoroalkyl and polyfluoroalkyl substances (PFAS). The award furthers the public health protection objectives of the Safe Drinking Water Act (SDWA). The recipient of these funds will provide low interest rate financing to eligible public water systems for the costs associated with the planning, design, and construction of eligible drinking water improvement projects. The recipient may also use some of the funding for specific set-asides, including but not limited to providing technical assistance to small systems, for operator certification activities, and source water protection activities. The anticipated deliverables include financing, planning, design, and construction of eligible emerging contaminant-focused, public health-related projects. Deliverables will also be used to increase the technical, managerial, and financial capacity of public water systems. The expected outcome is public health protection. The intended beneficiaries include citizens throughout the State. For the State Revolving Fund programs, loans issued to municipalities are considered subawards. However, the grantee will issue these as loans and not grants, even in the case of subsidy. Term and Condition included: E. Set-Aside Sub-Grants and Contracts.

**INFRASTRUCTURE INVESTMENT & JOBS ACT OF 2021  
 APPROPRIATION AND PERSONNEL AUTHORIZATION REQUEST  
 SECTION 37 OF ACT 152 OF 2024**

**D.4**

Agency: Department of Finance and Administration Business Area Code: 0610  
 Program Title: BIL - GRID RESILIENCY GRANT  
 Granting Organization: DEPARTMENT OF ENERGY CFDA #: 81.254  
 Effective Date of Authorization: Beginning: 7/1/2024 Ending: 6/30/2025

Purpose of Grant / Reason for addition or change (include attachments as necessary to provide thorough information):  
 This is for a change in program that is resulting from an additional allocation of funding from the Department of Energy in the amount of \$5,064,564.00.  
 The objective of this Program is to improve the resilience of the electric grid against disruptive events. Per IJIA section 40101 (a)(1), 14 a Disruptive event is "an event in which operations of the electric grid are disrupted, preventively shut off, or cannot operate safely due to extreme weather, wildfire, or a natural disaster." To achieve this objective, funding provided by DOE under this Program may be used to implement a wide range of resilience measures intended to mitigate the impact of disruptive events.

**Infrastructure Investment & Jobs Act Program Funding**

Func. Area: ADMN Fund Code: FII6101 Continuation of Existing Program: \_\_\_\_\_  
 Funds Center: BY5 Internal Order/WBS Element: New Change in Existing Program: X  
 New Program: \_\_\_\_\_

	Program Funding Amount
Regular Salaries	
Extra Help	
Personal Services Matching	
Operating Expenses	
Conference & Travel Expenses	
Professional Fees	
Capital Outlay	
Data Processing	
Grants and Aid (CI: 04)	5,064,564
Other:	
Other:	
Total	\$ 5,064,564

Anticipated Duration of Federal Funds: 4/30/2028

<b>DFA IGS State Technology Planning</b>	<b>Date</b>
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Items requested for information technology must be in compliance with Technology Plans as submitted to DFA IGS State Technology Planning.

**Positions to be established: (list each position separately)**

Org Unit	Pers Area	Pers SubArea	Cost Center	Position Number	Cmnt Item	Position Title	Class Code	Grade	Line Item Maximum *

**State funds will not be used to replace federal funds when such funds expire, unless appropriated by the General Assembly and authorized by the Governor.**

Approved by:  10/3-24 Robert Brech 10/03/24  
 Cabinet Secretary/Agency Director Date Office of Budget Date Office of Personnel Mgmt Date





## Program Narrative

### GRID Enhancement Formula Grant Program for Arkansas

The Grid Enhancement Grant Program (GRID)<sup>1</sup>, or *Preventing Outages and Enhancing the Resilience of the Electric Grid/ Hazard Hardening*, is funded through section 40101(d) of the Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law (BIL).

The United States Department of Energy (DOE) will provide \$2.5 billion in formula grants for the purpose of enhancing the all-hazards hardening of America's electrical grid. Arkansas is projected to receive \$5.16 million for FY2022 and \$5.14 million for FY2023 for a total of \$10.3 Million, with additional funds anticipated, but not yet announced, for years 2024-2026. It will be administered through the Arkansas Department of Finance and Administration, per designation from the Governor of Arkansas.

This program<sup>2</sup> narrative describes Arkansas's initial program implementation plan, including 1) Grid Program Goals, 2) Objectives and Metrics, 3) Eligible Enhancement Measures, 4) Methods and Criteria Used for Selecting and Determining Subawards, 5) Distribution of Funding, and 6) Notice of Public Hearing.

#### GRID PROGRAM GOALS:

Program goals align with goals established by DOE as they relate to Arkansas citizens:

- To enhance and modernize America's power grid against, wildfires, extreme weather, and other natural disasters.<sup>3</sup>
- To enhance the electrical grid against disruptive events, defined as "event[s] in which operations of the electrical grid are disruptive, preventively shut off, or cannot operate safely due to extreme weather, wildfire or natural disaster".

#### OBJECTIVES AND METRICS:

**Objective 1: Increase the Reliability of the Arkansas Electric Grid** by reducing the frequency with which the grid experiences sustained interruptions and decrease the number of customers impacted by all-hazard events, especially those customers that experience higher-than-average frequency and duration of outages.

##### **Draft Metrics for Objective 1:**

1. Number of customers anticipated to be impacted by the proposed project (both overall number of customers and the percentage of the utilities' total customer base);

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<sup>1</sup> See Definitions

<sup>2</sup> See Definitions

<sup>3</sup> See Definitions



2. The System Average Interruption Frequency Index (SAIFI), which equates to how often the average Arkansas electricity customer experiences an interruption. To calculate:
  - a. SAIFI = total number of customers interrupted/total number of customers served (extreme weather events removed);
3. The System Average Interruption Duration Index (SAIDI), which equates to the total number of minutes (or hours) the average Arkansas electricity customer experiences an interruption. To calculate:
  - a. SAIDI = sum of customer interruption durations/total number of customers serve (extreme weather events removed); and
4. The Customer Average Interruption Duration Index (CAIDI), which equals the average time required to restore service to Arkansas electricity customers. To calculate:
  - a. CAIDI = sum of customer interruption durations/total number of customers interrupted (extreme weather events removed).

**Objective 2: Achieve Whole Community Impact** – Ensure that these GRID funds benefit Arkansans, specifically those who reside in communities that are more susceptible or vulnerable to electric power outages and those defined under certain<sup>4</sup> eligibility criteria that are generally satisfied by the rural characteristics of the state.

**Draft Metrics for Objective 2:**

1. Description of how enhancement measures of a project will / did benefit Arkansas in vulnerable or disadvantaged communities in the service area;
2. A description of strategies deployed to ensure all customers in service areas are positively impacted by grid enhancements, especially those in vulnerable or disadvantaged areas;
3. Percentage of total funding provided to subrecipients serving vulnerable or disadvantaged communities<sup>5</sup> in Arkansas;
  - o **Vulnerable SAIFI** = total number of vulnerable customers interrupted/total number of customers served (extreme weather events removed);
  - o **Vulnerable SAIDI** = sum of vulnerable customer interruption durations/total number of customers serve (extreme weather events removed); and
  - o **Vulnerable CAIDI** = sum of vulnerable customer interruption durations/total number of customers interrupted (extreme weather events removed).

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<sup>4</sup> <https://www.whitehouse.gov/environmentaljustice/justice40/>

<sup>5</sup> See Definitions



**Objective 3: Support the Development of the State's Grid Workforce** - Support the development of the State's workforce that is responsible for grid enhancement projects, potentially via offering additional professional development and/or workforce development opportunities. Consider additional efforts to help Arkansas train, attract, and retain a skilled workforce.

**Draft Metrics for Objective 3:**

1. Number of trained and credentialed workers able to undertake grid enhancement projects;
2. Of all workers employed to execute awarded projects, percentage of workers that come from vulnerable populations;
3. Number of local businesses or vendors employed to execute projects through the funding of this program;
4. Of all local businesses or vendors awarded projects, percentage of businesses that are from vulnerable communities;<sup>6</sup>
5. Number and description of the labor standards used for direct employees, contractors, and subcontractors (e.g., project labor agreements, local hire agreements, etc.);
6. Average hourly wage or rate, by worker type, employed on the proposed project; and
7. A description of engagement of potential training partners to support utility-related workforce development, including any efforts to support those displaced by shifts in the workforce and those in economically distressed areas.

**Eligible Enhancement Measures:**

To meet the program objectives outlined above, and in accordance with DOE's program goals, the Department of Finance and Administration will make grant awards to eligible entities<sup>7</sup> (described below), at amounts not to exceed projected funding. Partial projects will also be considered for award if the highest-scored application's request is less than the maximum award allowed for their eligibility type.

- Weatherization technologies and equipment
- Fire-resistant technologies and fire prevention systems
- Monitoring and control technologies
- The undergrounding of electrical equipment
- Utility pole management
- The relocation of power lines or the reconductoring of power lines with low-sag, advanced conductors
- Vegetation and fuel-load management
- The use or construction of distributed energy resources for enhancing system adaptive capacity during disruptive events, including microgrids and battery-storage subcomponents
- The location of the project (the project must be located within the State of Arkansas)
- Strength and thoroughness of the proposed plan for reporting on the required metrics

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<sup>6</sup> See Definitions

<sup>7</sup> See Definitions



The Department of Finance and Administration, with the State Infrastructure Coordinator, will convene an advisory committee with the Arkansas Public Service Commission and the Arkansas Department of Energy and Environment. This advisory committee will guide the development of key program design decisions, including the potential prioritization of eligible enhancement measures to be funded under the program. Furthermore, the advisory committee will utilize data, metrics, and existing tools to develop a framework and methodology for determining and/or evaluating community benefit of grid enhancement projects in a measurable way, where possible.

#### Methods and Criteria Used for Selecting and Determining Subawards:

As mentioned in the previous section, the Department of Finance and Administration, through the State Infrastructure Coordinator's office, is planning to release a competitive Request for Applications (RFA) to solicit applications for subrecipient funding. The following types of Eligible Entities will be allowed to apply:

- an electric grid operator;
- an electricity storage operator;
- an electricity generator;
- a transmission owner or operator;
- a distribution provider; and
- a fuel supplier.

In addition to Eligible Entities, there will also be eligible types. Entities may fall into the small utility company type of subaward<sup>8</sup> or into the general award type subaward. While all who may be eligible under section 40101(d) can apply, the Department of Finance and Administration will give preference to Eligible Entities that directly provide electricity to the public and are considered a public utility or independent electric cooperative. Priority will also be given to those entities serving rural populations within the State. A definition of what is considered rural within the State will be provided later.

Once applications have been submitted, the State Infrastructure Coordinator and the advisory committee will conduct a comprehensive review of all completed and eligible grant applications. In accordance with the objectives outlined in this document, selection of awards to Eligible Entities will be informed by the following criteria:

- Potential of the project to minimize the frequency and duration of power outages;
- Potential benefits that would impact communities identified as vulnerable and/or disadvantaged;
- Potential benefits to the community to be achieved because of the project (e.g., reducing the likelihood and consequences of disruptive events), with priority given to projects that will generate the greatest community benefit (whether rural or urban); and
- Potential for the project to further develop and strengthen the workforce responsible for project implementation.

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<sup>8</sup> See Definitions



### Distribution of Funding:

The Department of Finance and Administration, through the Office of the State Infrastructure Coordinator, will ensure that all projects take place within the State of Arkansas. The Department plans to use five percent (5%) of the grant funds for administrative costs. In accordance with the GRID grant guidance, not less than a certain amount of the total federal formula funds to the state each year must be allocated to small utilities, based on the number of customers in Arkansas served by small utilities (those who sell not more than 4,000,000 MWh of electricity per year). This percentage has not yet been determined by the Department of Energy. To determine these numbers, the advisory committee will confirm the definition of “customer”, the percentage of all customers in Arkansas that are served by smaller utilities, and the number of small utilities in the State.

### Cost Matching Requirements:

- **LARGE:** 115<sup>9</sup> percent match is required for large entities selling more than 4 million Megawatt Hours (MWh) of electricity per year.
  - Example: a utility receiving a \$1,000,000 federal award shall provide \$1,150,000 in cost match, for a total project cost of \$2,150,000.00
- **SMALL:** 48<sup>10</sup> percent match is required for small entities selling less than 4 million Megawatt Hours (MWh) of electricity per year
  - Example: a small utility receiving a federal award of \$750,000 shall provide \$360,000 in cost match, for a total project cost of \$1,110,000.00

### Public Notice and Hearing:

The Department of Finance and Administration is committed to taking a proactive approach to public engagement and stakeholder management regarding this program. The goal of the public hearing is to provide detail on the Grid Enhancement Formula Grant and answer questions the public may have. This occurred virtually, via Zoom, on **May 11, 2023, at 10:00 AM**. The Department encourages the public to provide feedback on the program throughout the initial planning phase, and comments can be mailed to **Department of Finance and Administration, Office of the State Infrastructure Coordinator, 1509 W 7th Street, Little Rock, Arkansas, 72201** or emailed to [Infrastructure@dfa.arkansas.gov](mailto:Infrastructure@dfa.arkansas.gov).

Public comments on the attached program narrative were taken until May 19, 2023, at 5:00 PM CST.

There were 5 attendees at the public hearing and they included representatives from Arkansas State Entities (Public Service Commission & Department of Energy and Environment), local utility companies, and journalists. The public hearing resulted in a broader understanding of the Grid Enhancement Formula Grant.

A copy of the public notice can be found at: <https://www.dfa.arkansas.gov/news/details/dfa-to-host-public-hearing-for-grid-enhancement-grant-funding>

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<sup>9</sup> This match amount is 100% plus 15% excess match to satisfy the State’s portion, as allowed under IJA 40101(d)

<sup>10</sup> This match amount is a third plus 15% excess match to satisfy the State’s portion, as allowed under IJA 40101(d)



Appendix of Definitions for GRID Public Hearing Program Narrative:

- **Disadvantaged Community:** DOE's working definition of Disadvantaged is based on the cumulative burden and includes data for thirty-six burden indicators collected at the Census tract level. These Burden indicators are grouped across four categories including energy, environment, and socio-economic status.
- **Disruptive Events:** means an event in which operations of the electric grid are disrupted, preventively shut off, or cannot operate safely due to extreme weather, wildfire, or a natural disaster.
- **Eligible Entity:** is defined as, an electric grid operator, an electricity storage operator, an electricity generator, a transmission owner or operator, a distribution provider, a fuel supplier
- **Grid Enhancement:** For purposes of this program, DFA will use the term Grid Enhancement. Grid enhancement is the ability to withstand grid stress events without suffering operational compromise or to adapt to the strain to minimize compromise via graceful degradation. It is in large part about what does not happen to the grid or electricity consumers.
- **Natural Disaster:** is any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, or other catastrophe in any part of the United States which causes, or which may cause, substantial damage or injury to civilian property or persons.
- **Program:** shall mean the Grid Formula Grant Program established under the Infrastructure Investment and Jobs Act Section 40101 on Preventing Outages and Enhancing the Resilience of the Electric Grid.
- **Small Utility Company:** 15 - Small utility means a public utility and all affiliates of the public utility that collectively serve fewer than 20,000 customers. For purposes of this definition, a customer means the party responsible for payment of the utility services.
- **Vulnerable Community:** For purposes of the program, DFA is defining vulnerable communities as those who fall into at least one of the following categories:
  - An area designated as a disadvantaged community (DAC) by the White House Council on Environmental Quality (CEQ) via its Climate and Economic Justice Screening Tool (CEJST)<sup>11</sup>
  - An area that is evaluated as high risk for natural hazards, as determined by the Federal Emergency Management Agency (FEMA) Multiple Hazard Index for United States Counties<sup>12</sup>
  - An area that houses high populations of electricity-dependent Arkansans, particularly those who require electricity to operate medical devices and/or keep medications and treatments at prescribed temperatures<sup>13</sup>

<sup>11</sup> [Explore the map - Climate & Economic Justice Screening Tool \(geoplatform.gov\)](#)

<sup>12</sup> <https://hazards.fema.gov/nri/map>

<sup>13</sup> <https://hazards.fema.gov/nri/map>