

Emergency Energy Conservation and Allocation Plan

Minn. Stat. 216C.15

January 17, 2024

Minnesota Department of Commerce

Mission

For more than 150 years, the Minnesota Department of Commerce and its predecessor agencies have served Minnesotans. Our mission is to protect and assist consumers; ensure a strong, competitive, and fair marketplace; and engage people and communities across the state.

Our Strategic Priorities

- Protect the public interest through consumer protection, consumer education, assistance to consumers, safety, health and financial security, and lowering inequities.
- Serve as a trusted public resource for consumers and businesses by listening and learning from the Minnesotans Commerce serves, being effective stewards of public resources, advocating for Minnesota consumers and developing a policy, programmatic, and regulatory environment that meets their needs.
- Reduce economic barriers within Commerce regulatory oversight and reduce disparities within those of all races, ethnicities, religions, economic statuses, gender identities, sexual orientations, (dis)abilities, and zip codes.
- Ensure all, especially historically disadvantaged Minnesotans, are resilient to Minnesota's climate and engaged in advancing efforts to mitigate climate change.
- Ensure a strong, competitive, and fair marketplace for Minnesotans.

Contents

Introduction	4
Revision History	4
2013 Plan Update	4
2022 State Energy Security Plan	5
2023 Update to the State Energy Security Plan	5
Next Steps	6

Introduction

The Department of Commerce (Department) is responsible for maintaining the statewide Emergency Energy Conservation and Allocation Plan (Plan). This Plan is mandated by <u>Minn. Stat. § 216C.15</u>, which states, in part:

The plan shall provide a variety of strategies and staged conservation measures to reduce energy use and, in the event of an energy supply emergency, shall establish guidelines and criteria for allocation of fuels to priority users.

Minn. Stat. § 216C.15, subd. 2 directs the Department to review and, if necessary, revise the Plan at least every five years and whenever construction of a new large energy facility is completed which affects the supply of energy in Minnesota. The Plan has been required since 1974 (<u>Session Law Ch. 307</u>). The 2007 edition is the most recent version of the Plan filed at the Legislative Reference Library. The purpose of this report is to provide an update on the Plan and an overview of its revisions from 2007 to date.

Beyond this Plan, energy emergency preparation and response are governed by the Minnesota Emergency Operations Plan, several Governor's Executive Orders, the federal Emergency Energy Conservation code (<u>42</u> U.S.C Ch. <u>93</u>, and the federal Energy Conservation code (<u>42 U.S.C Ch. <u>93</u></u>, and the federal Energy Conservation code (<u>42 U.S.C Ch. <u>77</u>).</u>

Revision History

2013 Plan Update

The 2013 Minnesota Energy Assurance Plan (EA Plan) included applicable legal authorities, the state's energy profile and sector vulnerabilities, the stages of an energy emergency, shortage allocation and petroleum set aside plans, public information, and long-term preparedness. Appendices included supporting materials such as contact lists, specific sector profiles, and public information templates.

Because of the sensitive nature of the content, and the inclusion of security information, defined by <u>Minn. Stat.</u> § 13.37 subd. 1(a) as not public, the 2013 EA Plan was not made publicly available.

The 2013 EA Plan had these goals:

- 1. Guide the Department of Commerce's planning for and effective response to energy emergencies, including widespread disruption to the electricity grid, natural gas pipelines, and delivered fuels such as gasoline and middle distillates,
- 2. Enhance Minnesota's resiliency of response capabilities,
- 3. Reduce risk and vulnerability of Minnesota's critical energy infrastructure, and
- 4. Help guide Minnesota's long-term investment in the resiliency of the state's energy infrastructure.

The Department prepared the 2013 EA Plan with assistance from the Minnesota Department of Public Safety's Division of Homeland Security and Emergency Management (HSEM), the Minnesota Public Utilities Commission, the National Association of State Energy Officials, and an American Recovery and Reinvestment Act Energy Assurance Planning grant from the United States Department of Energy.

2022 State Energy Security Plan

The 2021 federal Infrastructure Investment and Jobs Act (IIJA; also called the Bipartisan Infrastructure Law) section 40108 addresses energy assurance planning. It formalized the name of this planning document as the State Energy Security Plan (SESP).

The federal Department of Energy (DOE) explains the purpose of the SESP is to assess the current energy security posture of the state and propose methods to strengthen its shared energy security capabilities. The Emergency Energy Conservation and Allocation Plan is an element of this planning effort. The 2022 State Plan was maintained with only minimal editing as a separate document from the 2022 SESP.

SESPs must be revised annually through October 31, 2025, unless the DOE deems earlier that it fully addresses the required content. Per the IIJA, "a State energy security plan shall—

- (1) address all energy sources and regulated and unregulated energy providers,
- (2) provide a State energy profile, including an assessment of energy production, transmission, distribution, and end-use,
- (3) address potential hazards to each energy sector or system, including-
 - (A) physical threats and vulnerabilities; and
 - (B) cybersecurity threats and vulnerabilities,
- (4) provide a risk assessment of energy infrastructure and cross-sector interdependencies,
- (5) provide a risk mitigation approach to enhance reliability and end-use resilience; and
- (6) (A) address-
 - (i) multi-State and regional coordination, planning, and response; and
 - (ii) coordination with Indian Tribes with respect to planning and response; and
 - (B) to the extent practicable, encourage mutual assistance in cyber and physical response plans."

Minnesota submitted its initial SESP to the DOE in September of 2022. On February 3, 2023, the DOE informed the Department that Minnesota's SESP fully addressed elements one through four and that elements five and six required revisions that would show "meaningful progress."

2023 Update to the State Energy Security Plan

The Department submitted a revised SESP to the DOE in September 2023. The Department received the DOE's review on December 19, 2023. The DOE determined that Minnesota has fully addressed the six elements required by the IIJA. The DOE also provided recommended enhancements to further improve the content.

Changes from the 2022 SESP included incorporating the Emergency Energy Conservation and Allocation Plan as Annex 12.

To demonstrate meaningful progress in element five, the Department highlighted recent and ongoing initiatives. Since the 2022 submittal, the Department formed the Office of Energy Reliability and Security to focus resources on energy assurance. A new position concentrates on cyber and physical security. Other work includes the Climate Action Framework implementation goal teams, expanding Solar for Schools to public buildings, and the Department's award under the federal Grid Resilience and Innovation Partnerships, among others.

Under element six, the Department elaborated on state and regional planning, training, and partnerships. Examples include a new (2023) Midwest regional petroleum shortage collaborative, existing mutual aid compacts, regular meetings with state and national partners, emergency planning exercises, and bootcamps.

Next Steps

As the Office of Energy Reliability and Security further evolves its mission and expertise, the SESP and affiliated documents will be modified considering the DOE's suggestions and to reflect current understanding, state and regional needs, and legal requirements.

As noted, Minnesota participates in the Midwest Regional Petroleum Shortage Collaborative. As the regional group codifies its strategies and procedures, this will likely prompt a more substantial revision of the Energy Conservation and Allocation Plan.

Any questions or additional information, please do not hesitate to contact Jessica Burdette, Director of Office of Energy Reliability and Security at 651-539-1871 or <u>jessica.burdette@state.mn.us</u>.