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Governor Bill Richardson Applauds DOE Decision to Increase Award Caps for “Smart Grid” Competitive Grants

New guidelines put proposed New Mexico initiatives in strong position to receive funding; Governor urges reduction in required state match

SANTA FE---Governor Bill Richardson today applauded the decision by the US Department of Energy to increase maximum award available under the Smart Grid Investment Program competitive grants under the American Recovery and Reinvestment Act. The Department of Energy also increased the allowable amount for grants for Smart Grid Demonstration Projects.

“Increasing these guidelines will allow consideration of projects of the size and scope needed to help the United States move toward a modern, well-functioning grid that integrates diverse technologies, not just clean energy sources,” said Governor Richardson. “It will encourage development of real-world systems that will reflect the actual demands placed on them by energy companies and users. New Mexico is one of the few states in position to submit a comprehensive, integrated proposal for Smart Grid technology and today’s action by DOE is very encouraging.”

The new DOE guidelines expand the amount of grant funding possible for individual Smart Grid Investment Grants from \$20 million to \$200 million, and increases the amount available for Smart Grid Demonstration Projects from \$40 million to \$100 million.

Governor Richardson expressed his concerns directly to President Obama when the two spoke in Albuquerque last week. The Governor also wrote to Secretary of Energy Steven Chu and spoke with Vice President Biden urging both to intervene to increase the size of potential projects.

The Governor cautioned that while today's announcement is a positive step, he still has serious concerns about the requirement that states provide a 50% match for project funding under these grants.

"As I told President Obama, Vice President Biden, and Secretary Chu, a 50% match is excessive even in the best of times let alone now when so many states are barely meeting their own obligations," said Governor Richardson. "This will unfairly disqualify states like New Mexico that have developed proposals that demonstrate true potential, collaboration, and integration."

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