



Disaster Assistance Reform to Improve System Resiliency and Response

Natural Disasters are Becoming More Frequent and Severe

More than 100 federal natural disasters are declared each year, but recent statistics show that the frequency and severity of these events are increasing. According to the National Oceanic and Atmospheric Administration (NOAA), 2017 saw record-breaking losses from natural disasters, totaling \$306 billion worth of damages. Nearly every area of the country has been touched by severe hurricanes, floods, wildfires, and ice storms. In California alone, 2017 produced the wettest year in a century followed by the largest and the most destructive fires in history.

Such disasters threaten lives and destroy property, both from the direct impact of the event, and during the often extended periods before electric service can be restored, disaster assistance provided, and facilities and personal property rebuilt. As community-owned resources, public power utilities are committed to responding expeditiously to disasters, restoring service as quickly as possible, and improving the resiliency of our systems.

The Federal Disaster Assistance Program is Valuable for the Power Sector, but Improvements are Needed

Recent experience underscores the value of the federal disaster assistance program. However, there are several areas where improvements can be made, including:

- Reform the program to facilitate greater focus on disaster prevention, staging, system resiliency, program efficiency, and improved oversight;
- Allow state and local government procurement policies to meet federal procurement requirements under the public assistance grant program, which can, in turn, expedite payments to those utilities that have provided mutual aid; and
- Improve administration of FEMA grants to reimburse utilities.

Any Legislative Reform Should Support a Resilient Power Grid

NCPA is pleased that Congress has begun to address the need to expedite and reform the provision and focus of federal disaster assistance. The House-passed Disaster Assistance Reform Act includes provisions that would amend the Stafford Act to:

- Increase the federal cost share for investments which “increase readiness for, and resilience from, a major disaster;”
- Enable resiliency measures to be eligible for hazard mitigation grants;
- Allow hazard mitigation funds to be used for efforts to reduce the risk of damage from windstorms and wildfires; and,
- Provide full federal “in lieu contributions” when local jurisdictions determine that a facility is not worth repairing or replacing.

NCPA looks forward to working with the members of our congressional delegation to ensure that reform of the Stafford Act enables public power utilities and other local governmental entities to improve the response to natural disasters and improve system resiliency to resist their devastating effects.

