Grid Modernization Policy Principles

The Infrastructure Investment and Jobs Act (IIJA) presented historic investments to modernize and harden America's distributive energy sector. Realizing the benefits of electrification requires that non-transmission grid assets are reliable in delivering electric energy to end-users and are resilient to natural and man-made hazards. Collaboration between federal and state policymakers and authorities, as well as the energy and manufacturing sectors, is essential to ensure resources are made available which can help make distribution grids modern, smarter, and more efficient.

NEMA believes that IIJA and grid modernization efforts can be met through collective action, including:

- Provide educational opportunities for federal policymakers to understand the benefits of distributed energy resource (DER) and management systems (DERMS), dynamic line rating (DLR), voltage regulation, energy storage, and other technologies as feasible, timely, and cost-effective solutions for grid resilience, security, and reliability.

- Support federal policies which encourage the study and further the understanding of the current and future needs of the nation's distribution grids.

- Defend and enhance historic investments in grid resilience, reliability, and flexibility, as well as increase funding for resilience and innovation programs.

- Support Congressional legislation promoting grid resilience.

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NEMA is the association of electrical equipment and medical imaging manufacturers, founded in 1926 and headquartered in Arlington, Virginia. Its 400-plus member companies manufacture a diverse set of products including power transmission and distribution equipment, lighting systems, factory automation and control systems, and medical diagnostic imaging systems. The U.S. electroindustry accounts for more than 7,000 manufacturing facilities, nearly 400,000 workers, and over $100 billion total U.S shipments.