WHITNEY BELL: Hello, and welcome to the National Interest Electric Transmission Corridor Process RFI webinar. I am Whitney Bell with ICF and I will be your host today. Throughout today’s webinar, we will use acronyms NIETC, also pronounced NIETC, to refer to this designation. Before we get started, I have a few housekeeping items for today’s webinar. This webinar is being recorded and may be used by the U.S. Department of Energy. If you do not wish to have your voice recorded, please do not speak during the call. If you do not wish to have your image recorded, please turn off your camera, or participate by phone.

If you speak during the call or use a video connection, you are presumed consent to recording and use of your voice or image. Fortunately for you, all participants are in listen only mode. If you need to view the live captioning, please refer to a link that will appear in the chat now. If you have any technical issues or questions, you may type them in the chat box and select ‘send to host.’ Any questions you may have about the NIETC designation process should be sent to nietc@hq.doe.gov. You will also see that in the chat now, for consideration. We will not answer any questions live during today’s webinar.

Today we’ll hear an overview of the Grid Deployment Office and a background on NIETC, before learning about the Notice of Intent and RFI. Finally, the recording of today’s webinar will be available in about two weeks on the NIETC designation process RFI webinar web page. To kick off today’s meeting, we’ll hear from Maria Robinson, the Director of the Grid Deployment Office for her opening remarks. Maria, welcome.

MARIA ROBINSON: Thank you so much, Whitney. Wonderful to see everyone virtually. Welcome. Good afternoon, good morning – folks out west. I’m Maria Robinson, the Director of the Grid Deployment Office here at the U.S. Department of Energy. I want to welcome you all to our webinar to discuss the National Interest Electric Transmission Corridors - there’s a reason we call it NIETC - designation process following our release of a Notice of Intent and Request for Information last week.

 So we’re incredibly excited to discuss a new process that the department has proposed to establish corridors on a route specific applicant-driven basis. This is important because transmission projects located in a designated NIETC can access DOE commercial facilitation tools, and federal permitting processes, such as backstop siting authority from our friends at FERC. Based on the feedback to the RFI, we here at DOE intend to release a final application process later this fall.

 So while we’re here today to discuss NIETC’s, I want to take a minute to provide an overview on the Grid Deployment Office for those who are not familiar. So in addition to this work, we have three divisions overseeing about $26 billion dollars in funding. Our Power Generation Assistance Division runs over $760 million in hydroelectric incentives, and the $6 billion dollar Civil Nuclear Credit Program.

The Grid Deployment Office is also responsible for overseeing $14 billion dollars in grid modernization funding through both competitive and federal financial assistance, as well as formula grants for states, tribal nations and territories. That includes our Puerto Rico Recovery and Assistance Program.

Lastly, the Grid Deployment Office also administers several transmission financing and facilitation programs available through the Bipartisan Infrastructure Law and Inflation Reduction Act, including about $4.5 billion dollars in revolving fund and loan programs, some of which can be unlocked through NIETC designation. If those of you who are here on this webinar today are interested in any of those programs, please check out our website to learn more.

One thing I want to highlight is our Program Conductor website that includes more detailed information on the various grid and transmission financing opportunities available through GDO, as well as the Department of Energy at large.

So for some context on today’s webinar, improving and expanding the national transmission infrastructure is critical to not only meeting President Biden’s clean energy goals, but also to ensuring that people across the country have access to reliable, affordable power when and where they need it. The department here has many tools in its toolbox to improve and expand transmission and we’re undertaking a three pronged approach here at the Grid Deployment Office: Enhanced Transmission Planning, Commercial Facilitation Program and Siting and Permitting Improvements.

So of course last week we released a Notice of Intent and Request for Information to use one of these tools that seeks to unlock critical federal investments, as well as regulatory and permitting tools to spur urgent transmission investments needed in geographic, in specific geographic areas, to improve reliability and resilience and reduce consumer costs. This tool concerns the designation of priority corridors or the development of new electric transmission infrastructure would advance important national interests through a new process that we’re going to go into detail about today to designate NIETCs.

We’re excited to host the webinar to describe the department’s role of proposed approach and we certainly welcome feedback from the public as we move forward in our process. So with that, I’m going to turn it over to Jeffrey Dennis, our Deputy Director for Transmission, who will provide an overview on DOE’s role in transmission and NIETCs. So want to thank everyone for joining today and we look forward to working with you. Over to you, Jeff.

JEFFREY DENNIS: Thanks, Maria, and good afternoon or good morning everyone. Welcome to today’s webinar on national interest electric transmission corridor designation. As Maria mentioned, my name’s Jeff Dennis, Deputy Director for Transmission here in the Grid Deployment Office. We can jump to the next slide.

As Maria mentioned, GDO and the department have a three pronged strategy for improving our nation’s transmission infrastructure, including enhanced transmission planning, the deployment of federal financing and commercial facilitation tools, and improvement of transmission permitting processes.

And of course, alongside that comes continued engagement and focus on transmission related research and development, including development of next generation advanced transmission technologies, advanced conductoring, opportunities for re-conductoring, and the use of grid enhancing technologies. Alongside this strategy is also significant focus on engagement and collaboration with our fellow federal agencies, with states, with tribal nations, with ISOs and RTOs and other transmission operators, as well as key stakeholders.

What I’ve done here as well is kind of put today in context of this, today’s discussion in the context of this strategy. You see designation of national interest electric transmission corridors is one part of our strategy for improving transmission permitting outcomes. It is also directly connected, as I’ll talk about in a moment, to the national transmission needs study, which is a significant part of our enhanced transmission planning strategy. Next slide, please?

So what is a National Interest Electric Transmission Corridor, or a NIETC? These are explained in Section 216(a) of the Federal Power Act which authorizes the Secretary to designate as a NIETC any geographic area that is experiencing electric energy transmission capacity constraints or congestion that adversely affects consumers, or is expected to experience such energy transmission capacity constraints or congestion in the future.

This second characteristic of a NIETC was added by Congress recently in the Bipartisan Infrastructure Law. As I mentioned earlier, designation of NIETCs significantly informed by the National Transmission Needs study. The needs study must be completed under Section 216(a) before the department can enter into the process of designating a NIETC.

We issued a draft of the Transmission Needs Study in February of 2023. We received comments through April 20th and we are now reviewing those comments and preparing a final draft that will be the next step in unlocking the opportunity to designate NIETC corridors. And while the Transmission Needs Study findings are a significant and primary driver of NIETC designation, the law also gives the Secretary additional statutory factors that she may consider including whether the designation will promote economic growth and development in the corridor and markets served by the corridor. Whether the NIETC corridor will assist with inter-connection of new generation. Whether it will promote energy independence and security and reduction of consumer costs. So those are all policy and statutory factors that the Secretary can take into account. Next slide?

So as Maria mentioned, NIETCs have an important role in a few ways. First, designated a NIETC corridor unlocks the ability for transmission facilities in those corridors to use certain commercial facilitation and permitting tools. On the commercial facilitation side, as Maria mentioned, the department can use its authority under the Bipartisan Infrastructure Law or the Infrastructure Investment and Jobs Act, Transmission Facilitation Program, to enter into public/private partnerships to develop these transmission facilities.

In addition, NIETC corridors unlock the ability of the department to provide transmission facility financing loans under the Inflation Reduction Act. That law states that these loans can be brought into – transmission facilities designated in the national interest under FDA Section 216(a) and corridors are an important part of that process.

And finally, as Maria mentioned, FERC can grant permits to site transmission facilities in a NIETC corridor under FPA Section 216(b). And so these are all the tools that NIETCs unlock. But in addition to that, NIETCs, in conjunction with the needs study, really help to focus the attention of federal, tribal, and state policymakers, the industry, and stakeholders on the most pressing national and regional transmission needs and how we can provide solutions for them. Next slide, please?

So in that vein we wanted to explain how NIETCs relate to DOE’s overall efforts to engage in enhanced transmission planning. As I mentioned, the National Transmission Needs Study is an important – is a required prerequisite to designating NIETCs and also is an important input into identifying those NIETCs. And the Transmission Needs Study is focused on identifying capacity constraints and congestion that are adversely impacting consumers, both today, and anticipated in the near future.

The National Transmission Planning Study that the department is conducting not only identifies constraints, it does so on a longer term basis with NUMAC [phonetic] that also looks out further into the future, as far out as 2050, with a variety of different scenarios for demand growth, for clean energy growth and other factors that impact transmission needs. And that study goes the additional step of identifying potential solutions that would provide the most benefit to consumers and to the reliability and resilience of the grid.

These efforts all feed into the department’s tools for solving these problems, including those commercial facilitation tools I mentioned earlier, and NIETC corridor designation. These things can all be used to both address the needs we identify in the needs study, and to push solutions that are identified in other work that we are doing.

Those solutions, obviously, are informing industry processes and stakeholder efforts to identify those solutions. But this is sort of how all those work together in the hopes that, with the goal of promoting additional transmission infrastructure in the national interest. Nest slide, please?

We wanted to take a minute as well, Section 216 of the Federal Power Act contains a number of different authorities and it’s important to differentiate between those. As I mentioned earlier, Section (a) or part (a) of Section 216 of the Federal Power Act is focused on the needs study and NIETC corridors. Again, this is where we collectively release data on regions most in need of increased transmission capacity through our transmission needs study.

And then based on the results of that needs study and those additional statutory criteria I talked about, including feedback from industry, we designate NIETCs. Under part (b) of that statute, FERC has authority to grant permits in a backstop role in situations where states lack authority to site the project, have not acted on an application after more than one year, or have denied an application. This can only happen, again, in these corridors and under those circumstances.

And then finally Section (h) of Section 216 of the Federal Power Act provides authority for DOE to coordinate all federal authorizations and environmental reviews needed for certain transmission projects in order to promote timely and efficient review and decision making. This includes the ability to set binding schedules for federal reviews, and prepare a single environmental review document to reduce duplication, and reduce delays in federal permitting coordination.

On May 4th nine federal agencies signed a new MOU to implement this authority and the Department and those agencies will be releasing additional information in the near future on how we plan to implement this authority. Note that projects that seek permits from FERC under Section 216(b) do not, the procedures of Section 216(h) will not apply to those projects. Similarly, projects in NIETC corridors that don’t seek permits from FERC under Section 216(b) are still eligible for the coordination authorities of Section 216(h). Next slide, please.

This is a schedule of where we are in this process. The NIETC quarter designation process that Steve is going to describe in detail in a moment, was first announced in the Building a Better Grid Initiative Notice of Inquiry, in January and February of 2022. The Department at that time announced that it would embark on the applicant driven route specific process that you’re about to hear about in a moment.

On May 15th, so on Monday, the Notice of Inquiry and Request for Information, providing more details on that process, was published in the Federal Register. We are now taking public comments. The comment period will run through June 29th, 2023 which is 45 days after publication in the Federal Register. We will accept written comments, and of course we’re providing more information on today’s public webinar.

We anticipate releasing a Final Request for Proposals, seeking applications from transmission developers and other interested entities for designation of a corridor in fall 2023. At that time we plan to release final guidance on how to apply, and open an opportunity for applications. This will happen in conjunction, of course, with final release of the Transmission Needs Study.

That final Transmission Needs, as I mentioned, is a required prerequisite for us to begin designating NIETCs. So with that I think my portion is done and I will turn it over to Steve Blazek to discuss the NOI and the RFI in more detail.

WHITNEY BELL: Thank you, Jeff and Maria. We now welcome Steven Blazek, Program Manager of Transmission Development from the Grid Deployment Office, to discuss the NIETC designation process, RFI.

STEVE BLAZEK: Okay. Thank you, Jeff. I appreciate the lead-in. Thanks everybody, and let’s get into a little bit of detail here. What I’d like to do is introduce the NIETC Notice of Intent Request for Information. The document describes the Department of Energy’s Envision Process and we’re requesting feedback to assist us in further developing and refining and guiding our corridor designation process.

The document is outlined in three key areas. It provides background and stage- setting information about the identification of transmission needs. It talks about the Transmission Needs Study. It discusses the purpose of electric corridor designation. It discusses the need for National Environmental Policy Act review of the Department of Energy’s federal action that’s triggered when we get to designating NIETCs, and it discusses the related authorities of FERC and other federal agencies.

The Notice of Intent section of the document describes the envisioned applicant driven, route specific approach that both Maria and Jeff mentioned, to identifying potential corridors for designation and it outlines components of the planned evaluation and designation processes. Finally, the RFI portion of the document requests feedback on our approach. And I can’t stress this enough. We’re outlining our intended strategy here and through the RFI we’re really seeking feedback on what we’re contemplating, what we’re proposing, and ultimately to what we can execute. So really important. Next slide, please.

So, to provide a basis for identifying potential corridors for designation, the intended approach is to seek proposals that offer some level of project information that would support the need for corridor designation and inform the review and selection process. As currently planned, the application process will request proposals on where to designate a corridor.

The applicant driven, route specific process encourages stakeholder feedback to identify specific routes for corridors. It does not select or endorse specific projects, but may unlock financing opportunities for projects that may be established within designated corridors once those corridors are designated. DOE recognizes that NIETCs proposed under a subsequent request for proposals are likely to be focused on specific transmission projects with known routing needs, with planning for those projects under some stage of development.

We also welcome proposals for NIETCs that would facilitate development of future transmission projects, meaning projects that aren’t yet under development but where maybe need has been identified and those projects being of course in the national interest. I think the most important part of our messaging here today is that this is a new process. Recognizing that the past effort to designate NIETCs was too broad in scope, covering too large of geographic areas. We’re looking to develop a process that provides enough specificity to identify, analyze, and ultimately successfully designate corridors. To do that we’re asking for your comments, questions, and suggestions on what we’ve drafted to date. Next slide, please.

The Notice of Intent, Request for Information identifies several factors that DOE may consider in identifying potential corridors for designation. These include: geographic boundaries of proposed NIETCs, and the rationale for that proposed location or area, how proposed NIETCs could support national energy policy goals. Considering as Jeff pointed out, but not limited to findings that are identified in the needs study. The extent to which proposed NIETCs could align with existing rights of way.

And again we’re looking for input regarding, you know, what are the benefits, advantages, or disadvantages with trying to establish corridors with or parallel to adjoining, somehow related to existing corridors or rights of way. Whether the potential transmission projects within proposed NIETCs would use innovative transmission technologies. And the impact that proposed NIETCs could have on encouraging strong labor standards, growth of union jobs, workforce development, energy equity, achieving environmental justice goals, U.S. made materials, the use of those, and energy security. Next slide, please.

The Request for Information highlights the point that we are requesting feedback to the approach as it’s described in the document. We have not made any final decisions at this point in time regarding the applicant-driven, route-specific approach or the related evaluation selection process. We want to hear from the public before finalizing our overall approach for corridor designation.

We’re seeking public input on the NIETC application process itself, the criteria that we should consider in informing the designation of NIETCs. Again, we’re outlining a set of, really a starting point of criteria and we’re looking to refine our evaluation and selection process. The role of FERC related to the solicitation process. Outreach and/or consultation that should be included in the consultation process.

Looking for input on post-designation procedures that we should include in defining at the front end how the process is going to work. And whether DOE should release received applications for public review and input recognizing that in looking for applicant-driven, route-specific information, that there’s likely to be material subject to protection of business and proprietary information. So feedback welcomed on all of those points. Next slide, please?

So at DOE, we recognize that corridor designate requires coordination with other statutory authorities. As we’ve outlined, the Federal Power Act authorizes DOE to designate NIETCs. It enables FERC to use backstop siting authority in a designated NIETC. Again, this is after the corridor has gone through that designation process. Also, authorizes the department to act as the lead agency to coordinate federal authorizations for certain transmission development projects.

We also recognize the need to coordinate with the FAST-41 permitting dashboard process. We recognize that proposed NIETCs may overlap identified corridors like the 368 corridors that have been identified on federal lands in the west. In this RFI we’re asking for public input regarding DOE’s need and approach to coordinating transmission corridor designation with related authorities.

I want to emphasize DOE is focused on fostering an environment through this coordination that’s intended to help developers, engage all the stakeholders, and bring transparency and efficiency to transmission siting approval and development. Next slide, please?

So the following slides here, I think the next four slides, envisioned corridor designation process, its relationship to the other related federal Power Act authorities and the resulting opportunities for projects that are developed within designated NIETCs. DOE first plans to release the needs study in the fall of ’23 and based on public feedback received from the RFI, we plan to release a NIETC formal Request for Proposals concurrent with that final needs study.

And that needs study had gone out in draft review - some folks have seen it - and the final anticipated in the fall of ’23. Next slide?

So how do things start to tie together here? So the plan is to issue the RFP in the fall of ’23. In reviewing the RPPs that come in and determining where it might make sense to designate a corridor, DOE is going to consider the results of the needs study. We’re going to consider statutory criteria in the Federal Power Act, National Energy Policy goals, the results that come in from the RFP itself. And then we, as I mentioned before, we have the obligation under the National Environmental Policy Act to review the decision to designate a corridor. And this is where things really start to tie together.

In order to do that with enough specificity to conduct a meaningful analysis, we need source material to consider in looking at environmental impacts that could occur within, or by the designation of a corridor. Next slide, please?

So once a corridor is designated, additional opportunities open up. Talked about FERC backstop siting authority under Federal Power Act 216(b) which can be triggered within a designated corridor. Opportunities for more, additional DOE funding comes into play within designated corridors. Public/private partnerships under the Transmission Facilitation Program and DOE funding through transmission facility financing loans. Next slide, please?

So post-NIETC, federal permitting coordination. And again, I can’t stress enough the extent to which we recognize the need to make sure that this effort is coordinated with the other authorities and with other coordination efforts. There’s a lot of emphasis in this administration in coordinating review and we’re looking for feedback, suggestions, ideas, as to how we can best leverage the designation of corridors with other authorities, activities, and efforts that are out there. Next slide, please?

So again, I want to stress that this Notice of Intent, Request for Information, is intended to elicit comments, questions, suggestions from the public, everybody listening here today, to help us guide the advancement of our planned Request for Proposals for corridor designation. Please take a close look at our outlined approach in the Notice of Intent and the questions that we’re posing in the RFI. Please give it thoughtful consideration and don't hold back. Questions, comments, and suggestions are very welcome at our end. And that’s what I have. Thank you.

WHITNEY BELL: Great, thank you, Steve, for that excellent and informative presentation. So that does wrap up today’s webinar. The recording of today’s webinar will be available in about two weeks on the NIETC designation process RFI webinar web page and that information is in the chat if you want to grab that URL. And to find out more information about the NIETC designation process RFI, please visit the program web page and you’ll see that is also in the chat.

You can also send any questions to the email address on your screen and also in the chat for you there, too, and that’s nietc@hq.doe.gov. Maria, Jeff, and Steve, thank you so much for joining us today and thank you to all of our attendees for participating. Take care everyone, and we’ll see you next time.

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