



National Interest Electric Transmission Corridor Designation Process Final Guidance Document

On December 19, 2023, the U.S. Department of Energy's Grid Deployment Office (GDO) issued a final Guidance Document on the new four-phase process to designate National Interest Electric Transmission Corridors (NIETCs, pronounced \NIT-sees\) and to open a public comment period to submit information on potential geographic areas to consider for NIETC designation.

Initial Information Submission Window is Open

Submissions are due by 5:00 p.m. ET on February 2, 2024

See list of requested information in final Guidance Document.

Email information here:

NIETC@hq.doe.gov

For more information, visit:

www.energy.gov/gdo/national-interest-electric-transmission-corridor-designation-process

What is a NIETC?

- ▶ A NIETC is an area of the country where DOE has determined that the lack of adequate transmission harms consumers. DOE has the authority to designate priority areas where new transmission infrastructure is urgently needed to advance important national interests, such as increased electric reliability and reduced consumer costs.
- NIETC designation is informed by the findings in DOE's <u>2023 National Transmission Needs Study</u> (Needs Study), which assesses both historic and anticipated future transmission capacity constraints and congestion.

How can NIETC designation using the new process facilitate transmission development where it is urgently needed?

- NIETC designation unlocks key federal financing and permitting tools to spur construction of urgently needed transmission infrastructure within a NIETC, including:
 - Public-private partnerships through the \$2.5 billion <u>Transmission Facilitation Program</u> under the Bipartisan Infrastructure Law;
 - Direct loans through the <u>Transmission Facility Financing</u> program under the Inflation Reduction Act; and
 - Federal construction permits from the Federal Energy Regulatory Commission (FERC) in certain circumstances such as when states lack authority to site the project, have not acted on an application after more than one year, or have denied an application.
- The new NIETC designation process in this Guidance Document has several advantages over DOE's past approach to NIETC designation.

- By focusing on narrow geographic areas, the new process concentrates attention on where new transmission is most likely to be built as a result of NIETC designation.
- By narrowing the geographic boundaries of potential NIETCs, DOE will produce environmental documentation that is more targeted and more useful for permitting agencies, thereby eliminating or reducing the need for further review.
- By increasing stakeholder engagement, DOE can leverage best available information to inform NIETC designation, leading to more efficient and effective designations.
- The final Guidance Document increases flexibility by issuing nonbinding guidance that requests information from any interested parties on narrow geographic areas where one or more potential transmission projects could be located.

Guidance Document Overview

- Based on the 2023 Needs Study, DOE makes a preliminary finding that NIETC designation is valuable for increased interregional transfer capacity, i.e., where more transmission is needed to move electricity between regions.
- ➤ The Guidance Document describes a new **four-phase process** to designate NIETCs. The process aims to maximize the efficiency and effectiveness of NIETC designation by identifying narrow geographic areas, meaningfully engaging stakeholders, and conducting any required environmental reviews.
 - Phase 1: Issuance of the Guidance Document opens a 45-day window for interested parties to submit information relevant to potential NIETCs.
 - Phase 2: Rougly 60 days after the 45-day information submission window closes, DOE begins Phase 2 by publicly releasing a preliminary list of potential NIETCs and opening a second 45-day window for interested parties to submit comments on the preliminary list as well as additional information on geographic boundaries and permitting for those potential NIETCs. DOE will review all information available and prioritize moving to Phase 3 with a subset of potential NIETCs.
 - Phase 3: During Phase 3, DOE refines geographic boundaries of potential NIETCs; initiates any required environmental reviews under the National Environmental Policy Act (NEPA) and other applicable federal statutes; and conducts robust public engagement. DOE will issue one or more draft NIETC designation reports and any required draft environmental documents for comment.
 - Phase 4: DOE issues one or more final NIETC designation reports and any required final environmental documents.

Helpful Links

- For the latest information on NIETCs, visit: www.energy.gov/gdo/national-interest-electric-transmission-corridor-designation-process
- Submit information or contact GDO with any questions here: NIETC@hq.doe.gov

