



Department of Energy's Guidance on National Interest Electric Transmission Corridors (NIETC)

(pronounced \NIT-see\)

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Webinar
January 3, 2024



Webinar Notice

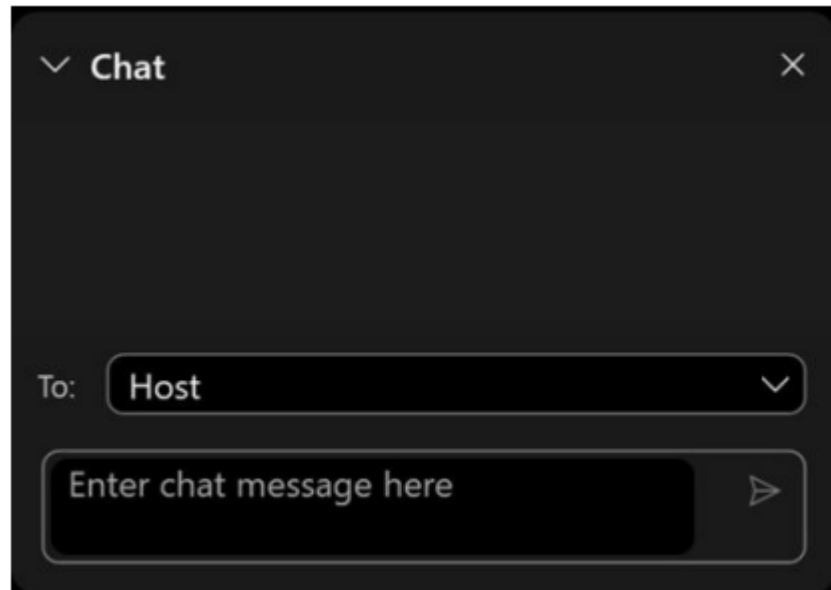
- ▶ None of the information presented herein is legally binding.
- ▶ The content included in this presentation is intended for informational purposes only relating to the Guidance on Implementing Section 216(a) of the Federal Power Act to Designate National Interest Electric Transmission Corridors (NIETC Guidance).
- ▶ Any content within this presentation that appears discrepant from the NIETC Guidance is superseded by the NIETC Guidance language.
- ▶ The purpose of this webinar is to provide an overview of the NIETC Guidance and to inform interested parties on how to submit information and recommendations to DOE as part of the NIETC designation process.



Housekeeping

Technical Issues?

If you have technical questions – please put them in the chat box for the host.





Maria Robinson
Director,
Grid Deployment Office,
U.S. Department of Energy

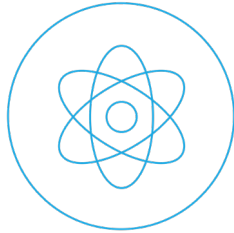
Grid Deployment Office Mission

Invest in electric infrastructure by...

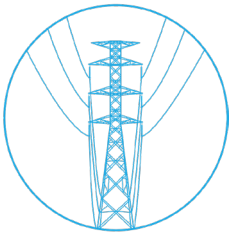
- ▶ Maintaining and investing in critical generation facilities
- ▶ Improving and expanding transmission and distribution system
- ▶ Developing high-capacity electric transmission lines nationwide
- ▶ Providing access to technical assistance and national laboratory expertise, modeling, and analytical capabilities



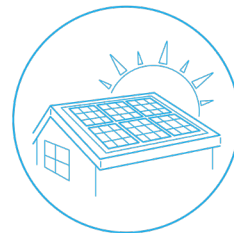
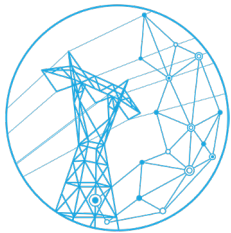
DOE's Grid Deployment Office



The **Generation Credits Division** works with existing generation facilities to ensure resilience and reliability and works to improve electricity markets at the wholesale and distribution level.



The **Transmission Division** fully utilizes DOE's unique tools and authorities for coordination, planning, financing, and permitting to drive transmission investment.



The **Grid Modernization Division** oversees activities that prevent outages and enhance the resilience of the electric grid.



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Senior Advisor, Transmission,
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Webinar Agenda

1. What is a NIETC?
2. What is the impact of NIETC Designation?
3. What is DOE doing in the Guidance and why?
4. What are the benefits of DOE's new approach?
5. What is the Four-Phase NIETC Designation Process?
6. What is the Timeline?



What is a National Interest Electric Transmission Corridor (NIETC)?

- ▶ An area of the country where inadequate transmission harms consumers (currently or in the future) and that DOE has designated as a NIETC.
- ▶ Development of new transmission in a NIETC is needed to address consumer harms, including:
 - Economic harms;
 - Reliability;
 - Resilience; and
 - Access to clean, diverse, and affordable electricity supply.



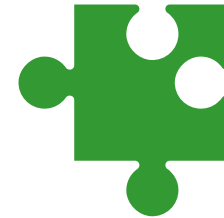


Impact of NIETC Designation

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Focuses public and policymaker attention on greatest areas of transmission need and unlocks statutory tools to advance transmission deployment, including:

- Public-Private Partnerships under the Bipartisan Infrastructure Law's **Transmission Facilitation Program**
- Direct loans under the Inflation Reduction Act's **Transmission Facility Financing** program
- **Federal siting and permitting authority** under section 216(b) of the Federal Power Act for the Federal Energy Regulatory Commission (FERC) in certain circumstances



Note: NIETC designation is **not** a route determination for a specific transmission project, **not** an endorsement of specific transmission solutions, and **not** selection of or preference for a specific transmission project for any purposes.



What is DOE doing in the Guidance and why?

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- DOE issued *nonbinding guidance* to describe a *new process* that DOE plans to follow to designate NIETCs in response to:
 - ***Comments*** received on DOE's May 2023 Notice of Intent and Request for Information
 - ***Lessons learned*** from DOE's 2007 designations
 - ***Congressional action*** in the Bipartisan Infrastructure Law to revise DOE's statutory authority





What are the benefits of DOE's new approach?

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The new process helps DOE *independently identify* — using *best available information* — *targeted, high-priority areas* for NIETC designation where there is *pressing need*.

Narrow Geographic Areas

- **Concentrates attention** on where new transmission is most likely to be built within a NIETC
- Allows for **more efficient** preparation of **environmental documents**
- Leads to **more useful environmental documents** for permitting agencies (including FERC)

Public Engagement

- **Meaningful engagement** early and throughout the process
- Engagement with a **diverse set of interested parties** (States, Indian Tribes, reliability entities, communities, siting authorities, federal agencies, developers, planners...)
- Allows DOE to **leverage best available information**



Permitting Authorities Under Section 216 of the FPA

216(a)

National Transmission Needs Study & National Interest Electric Transmission Corridors (NIETCs)

Department of Energy (DOE)

- 1) DOE collects and releases data on **regions most in need of increased transmission capacity** through the Needs Study
- 2) Based on the results of the Needs Study and additional criteria, including public feedback, **DOE designates NIETCs**

216(b)

FERC Backstop for NIETC Projects

Federal Energy Regulatory Commission (FERC)

After DOE designates a NIETC, **FERC has the authority** to issue permits within a NIETC in certain circumstances such as **where states lack authority to site the project, have not acted on an application after more than one year, or have denied an application.**

Projects in NIETCs not seeking permits from FERC under this section are still eligible for coordination under Section 216(h), if appropriate.

216(h)

DOE-Led Federal Authorizations for Transmission Projects (CITAP)

Department of Energy (DOE)

DOE coordinates all Federal authorizations and environmental reviews (i.e., NEPA) for certain transmission projects to ensure timely and efficient review and decision-making.

- Establishes binding schedules for all Federal reviews
- Prepares a single environmental review document

Will not apply to projects seeking permits from FERC under Section 216(b).





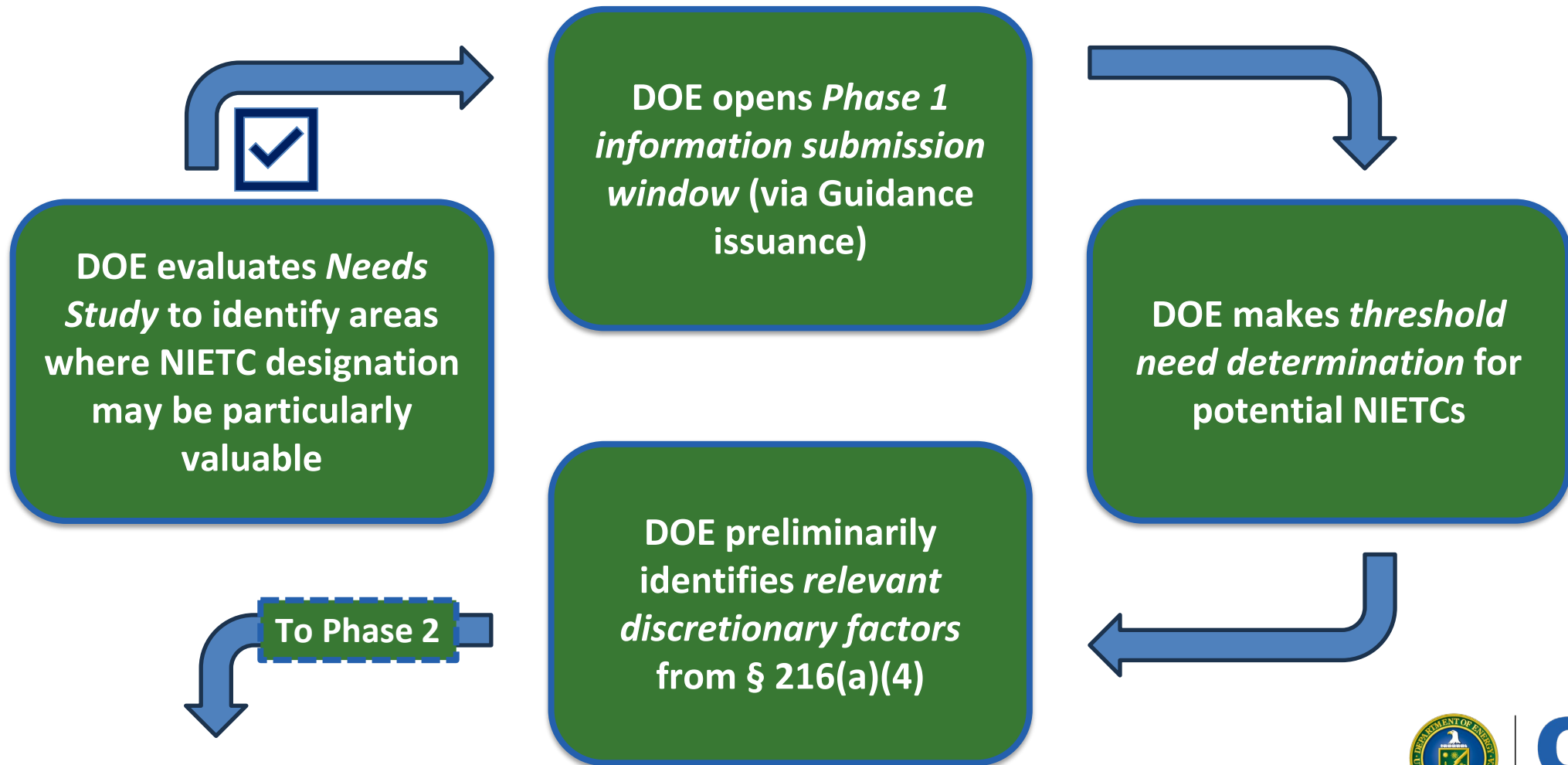
Four-Phase NIETC Designation Process

DOE designed a four-phase process to create *multiple opportunities for public input*, from initial proposals to feedback on an increasingly narrow list of potential NIETCs.

Phase 1	Public Proposals + DOE Preliminary Review
Phase 2	DOE Preliminary List + Public Comment
Phase 3	Public Engagement + NEPA Reviews + Draft Reports
Phase 4	DOE Designates NIETC(s)

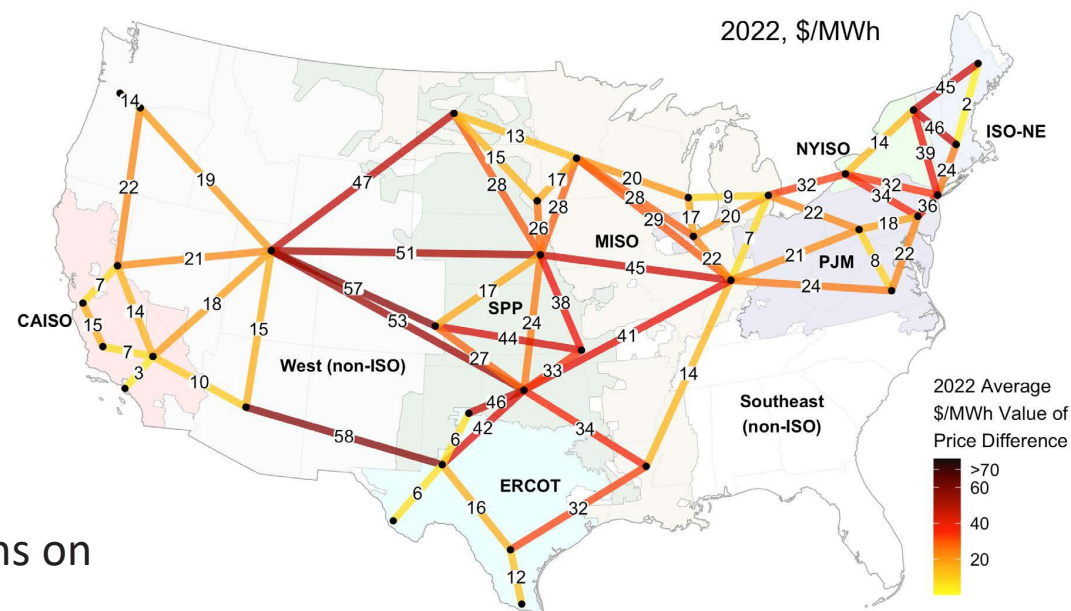


Phase 1: Public Proposals + DOE Preliminary Review



December 2023: DOE Preliminary Finding

- 2023 Needs Study identifies regional and interregional needs in every region in the United States
- DOE preliminarily finds NIETC designation may be particularly valuable in areas where the 2023 Needs Study finds a **need for increased interregional transfer capacity**
 - Significant present and future need
 - Acute challenges with planning for increased interregional transfer capacity
 - Meeting need requires all tools available
- Areas where 2023 Needs Study finds interregional transfer capacity need are broad—NIETC would be narrower (and even within one region)
- DOE is *not* foreclosing information and recommendations on potential NIETCs in other areas



Phase 1 Information Submission Window is Open

Information Due to DOE by 5:00 PM ET February 2, 2024

- Guidance issuance opened a window for the public to submit information and recommendations to DOE on where to designate a NIETC and why
 - **Where** = geographic boundaries of potential NIETCs
 - **Why** = transmission needs within those geographic boundaries + adverse effects on consumers (+ relevant discretionary factors)



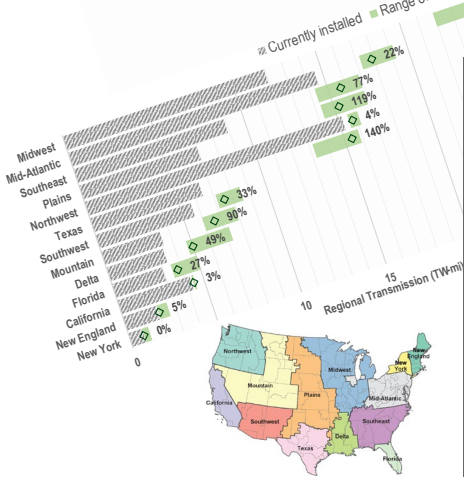
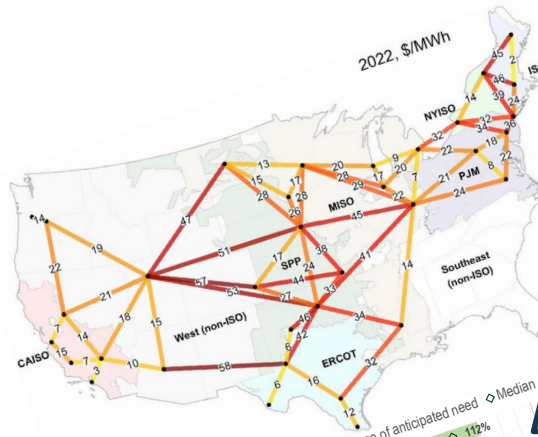
Evidence of Transmission Needs

Needs Study

OR

Other information

For example...





How Consumers are Harmed by the Lack of Transmission

High Costs



- Not enough transmission to move lower-cost electricity from where it is produced to where it is needed.
- Consumers may pay more than they should for this essential service.

More and Longer Power Outages



- More frequent power outages, especially during extreme weather.
- No backup when part of the system is damaged.
- Consumers are left waiting for potentially significant repairs to be completed before power can be restored.

Delayed Access



- Replacing or building transmission takes time.
- Consumers with urgent needs may still have to wait years and sometimes decades.

Discretionary Factors: DOE *May Consider**

Whether for the area within a NIETC or the end markets served by the NIETC:

- Economic vitality and development may be constrained by lack of adequate or reasonably priced electricity; and/or
- Economic growth may be jeopardized by reliance on limited sources of energy and a diversification of supply is warranted;

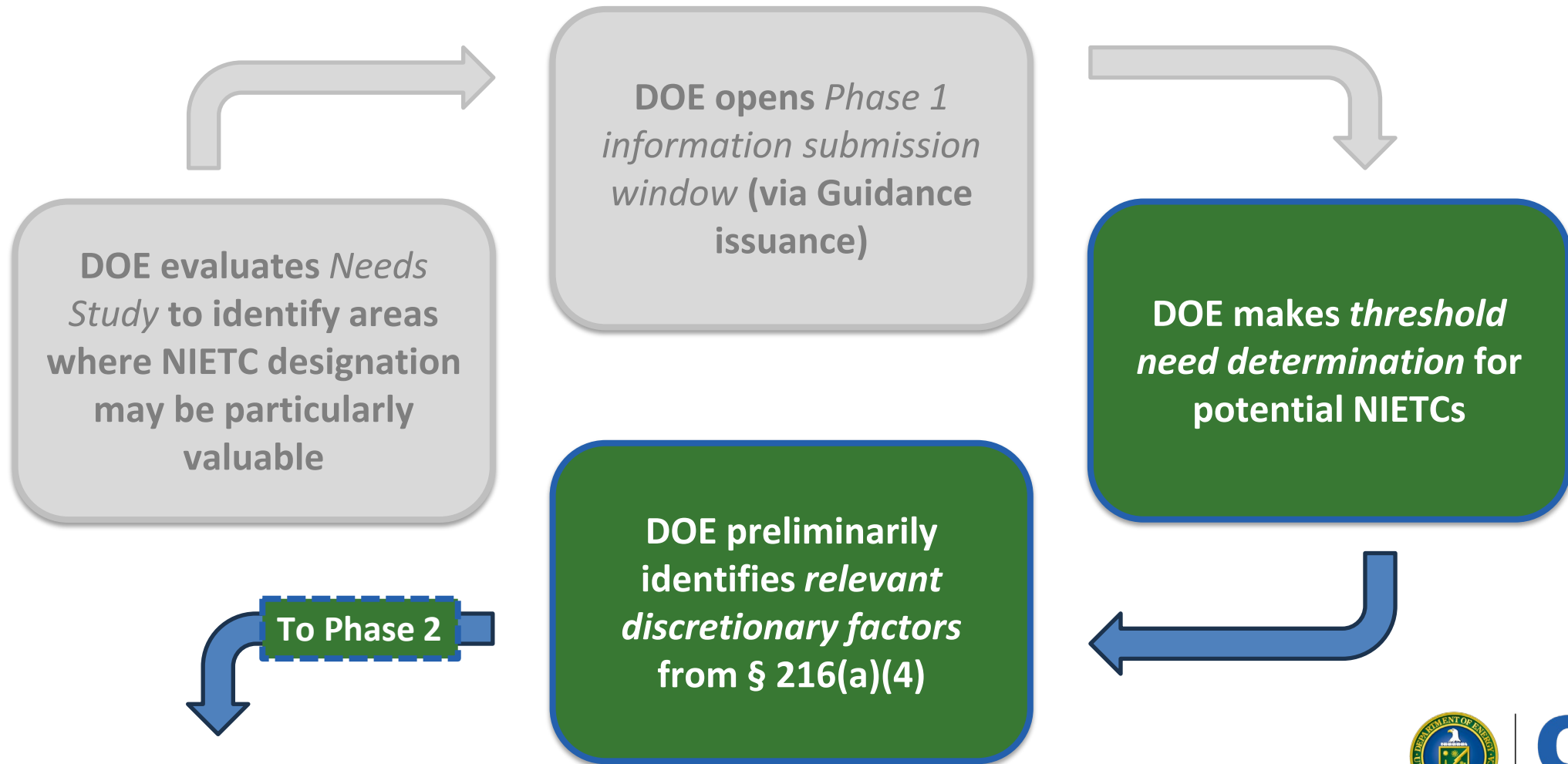
NIETC designation would:

- Serve the energy independence or energy security of the United States;
- Be in the interest of national energy policy;
- Enhance national defense and homeland security;
- Enhance the ability of facilities that generate or transmit firm or intermittent energy to connect to the grid;
- Maximize existing rights-of-way;
- Avoid, minimize, and offset impacts to sensitive environmental areas and cultural heritage sites; and
- Reduce electricity costs for consumers.

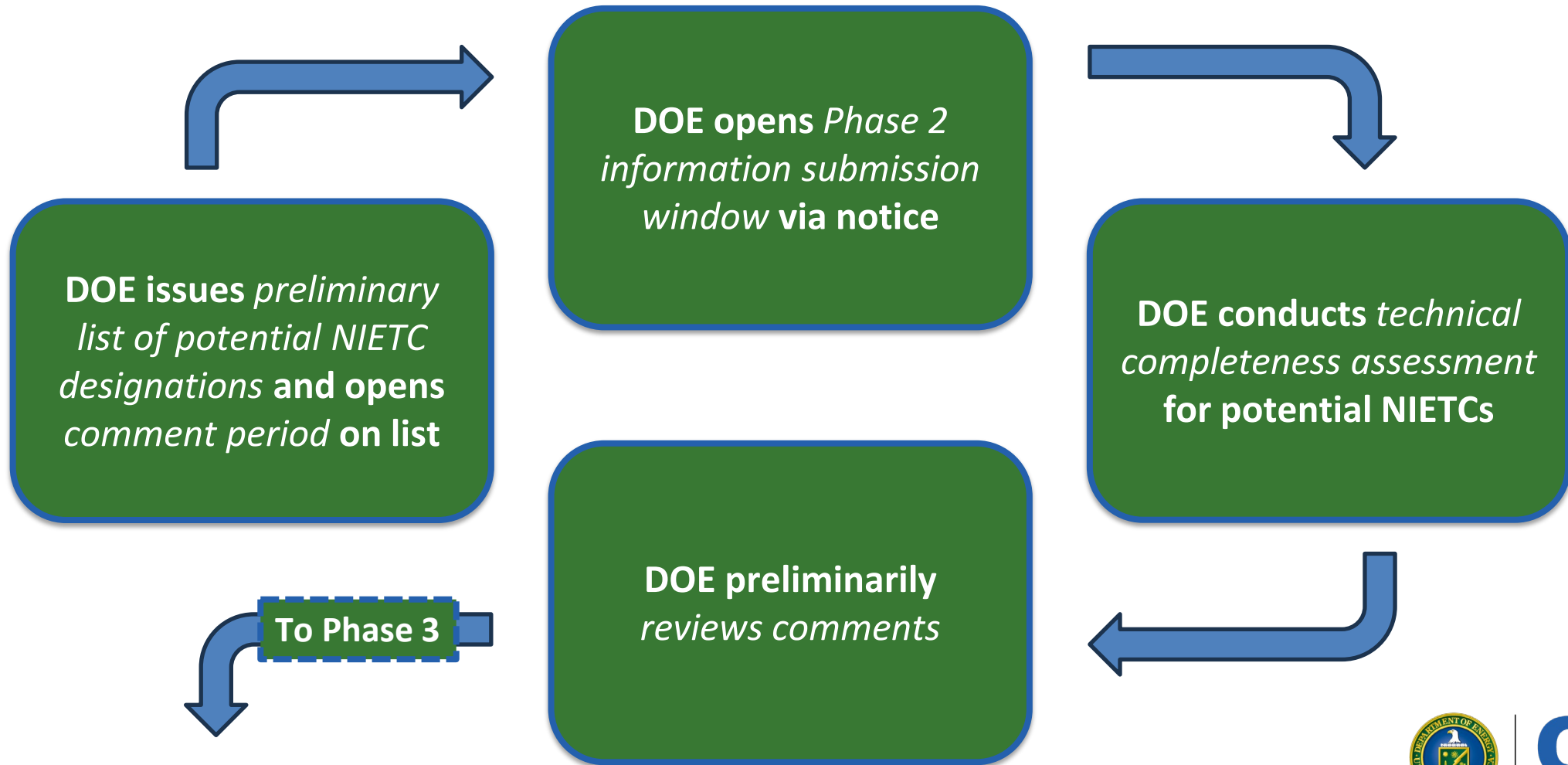
**Factors are paraphrased from FPA § 216(a)(4)*



Phase 1: Public Proposals + DOE Preliminary Review



Phase 2: DOE Preliminary List + Public Comment



Spring 2024: DOE Plans Public Release of Preliminary List of Potential NIETCs

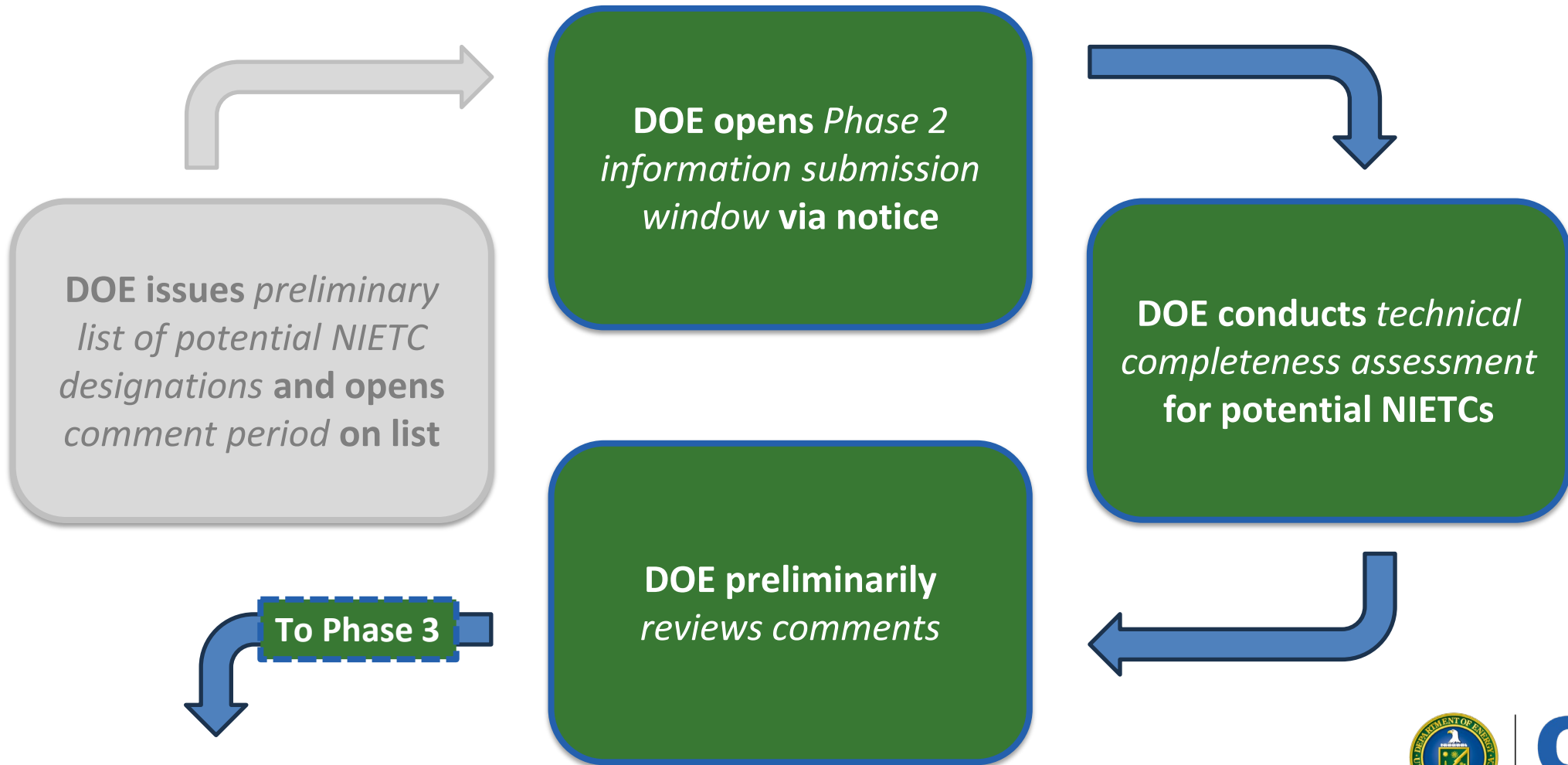
Identifies potential NIETCs DOE is continuing to consider, including:

- Preliminary geographic boundaries;
- Preliminary assessment of transmission needs + adverse effects on consumers;
- List of relevant discretionary factors for each potential NIETC; and
- High level explanation of why potential NIETCs move to Phase 2.

DOE will invite public comment on the list.



Phase 2: DOE Preliminary List + Public Comment



Phase 2 Information Submission Window: Detailed Information on Geographic Boundaries and Permitting



45-day window



Assists DOE in studying potential impacts on environmental, cultural, and Tribal resources + refining geographic boundaries

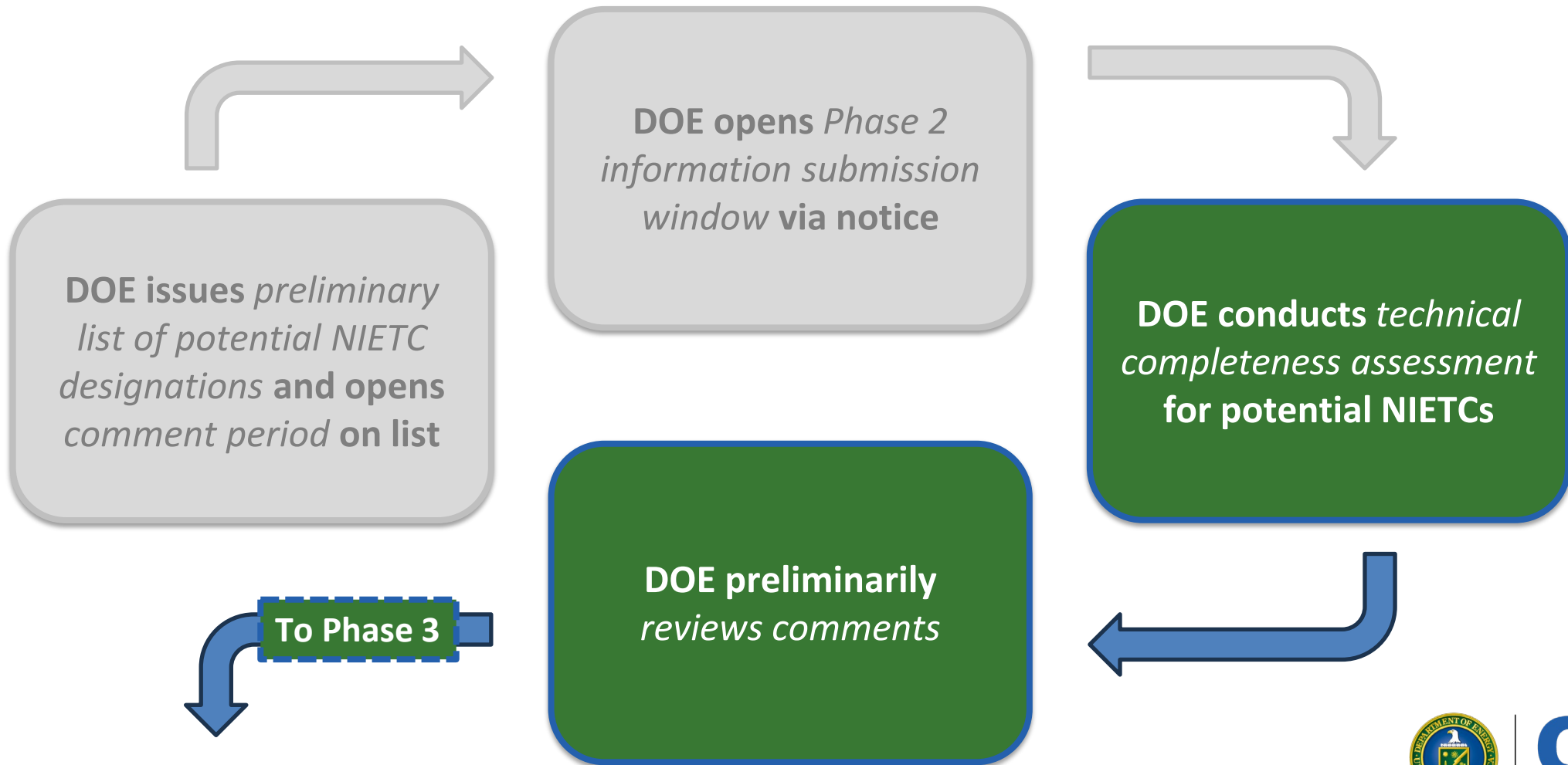


Organized into 13 Resource Reports

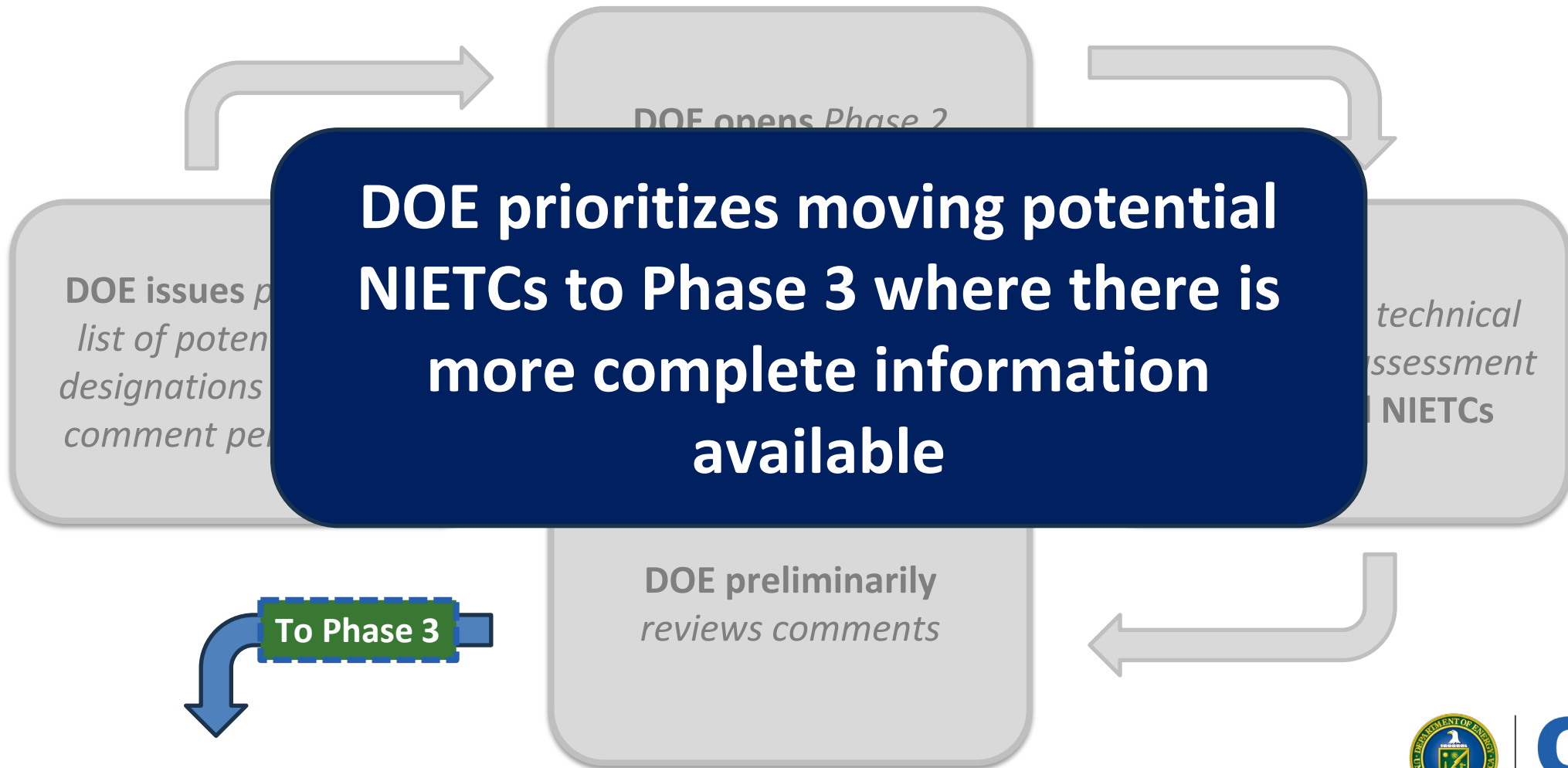
Phase 2 Resource Reports

General description of geographic boundaries	Water use and quality	Fish, wildlife, and vegetation	Cultural resources	Socioeconomics
Tribal resources	Communities of interest	Geological resources	Soils	Land use, recreation, and aesthetics
	Air quality and environmental noise	Alternatives	Reliability and Safety	

Phase 2: DOE Preliminary List + Public Comment



Phase 2: DOE Preliminary List + Public Comment



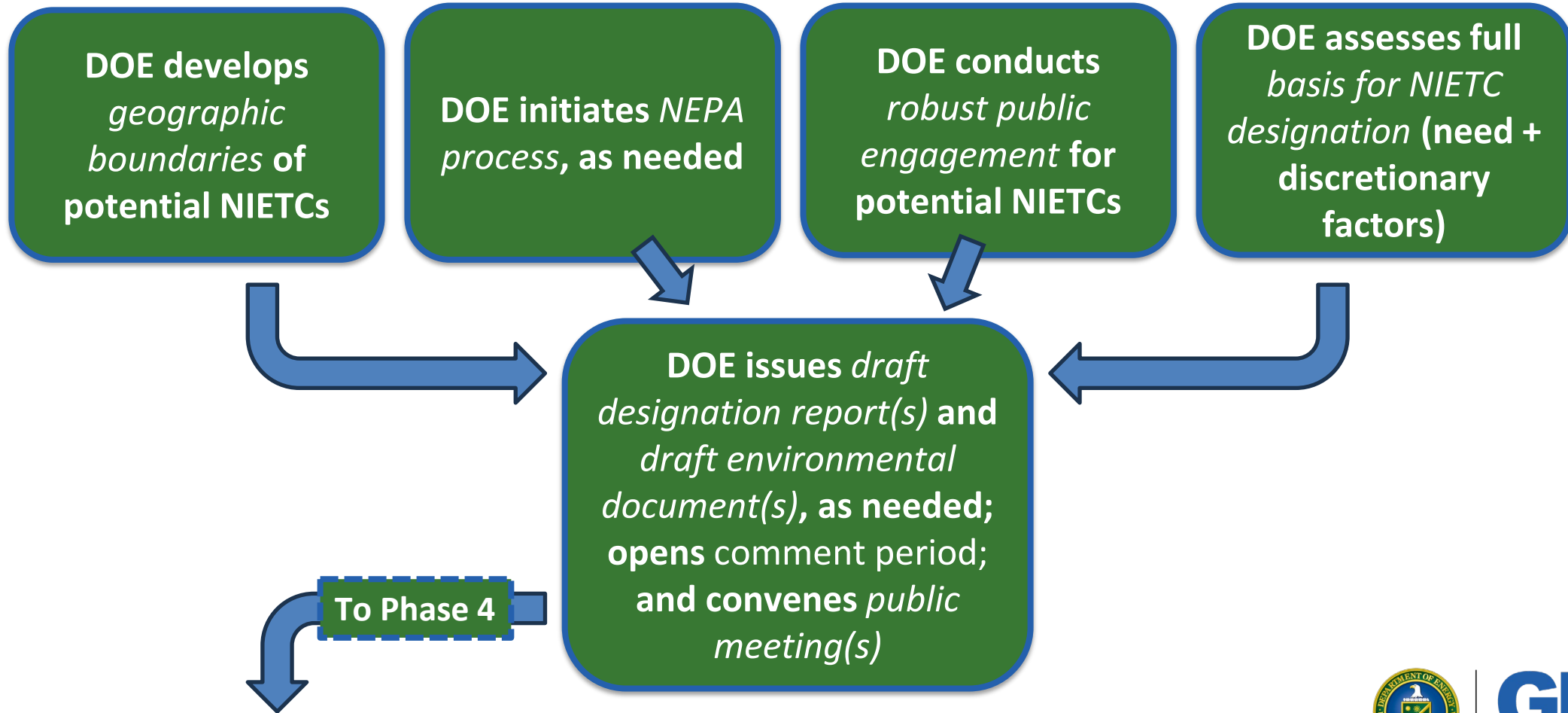
Key Considerations for NIETCs

DOE will identify and narrow the list of potential NIETCs based on:

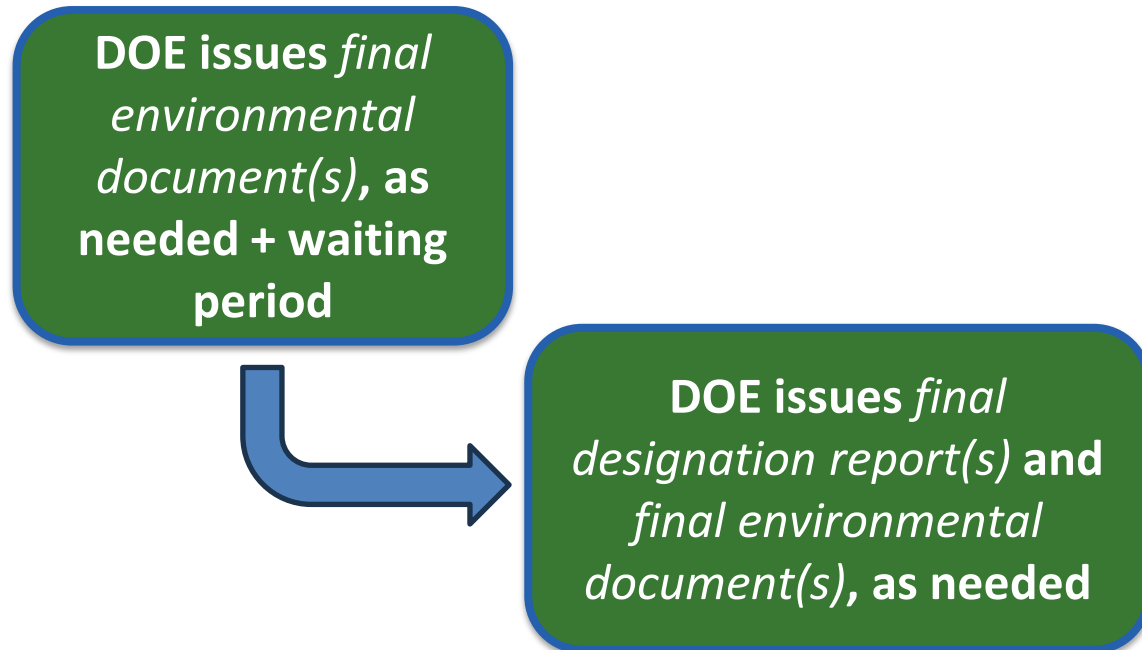
- ▶ The presence of **pressing transmission needs** within the geographic area:
 - Based on findings from the 2023 Needs Study and DOE's resulting preliminary finding and other information submitted by the public
- ▶ **Relevant discretionary factors** from the list in FPA section 216(a)(4), including the extent to which a NIETC would further national energy policy goals
- ▶ Relative **completeness of information** available on geographic boundaries and permitting
 - Priority for potential NIETCs where there is sufficient information to facilitate DOE's environmental review to designate a NIETC as efficiently and effectively as possible
- ▶ **Public engagement** – affected landowners, communities of interest, States, Indian Tribes, state and local governmental bodies (including siting authorities), regional transmission planning entities, regional reliability entities, other federal agencies



Phase 3: Public Engagement + NEPA + Draft Report



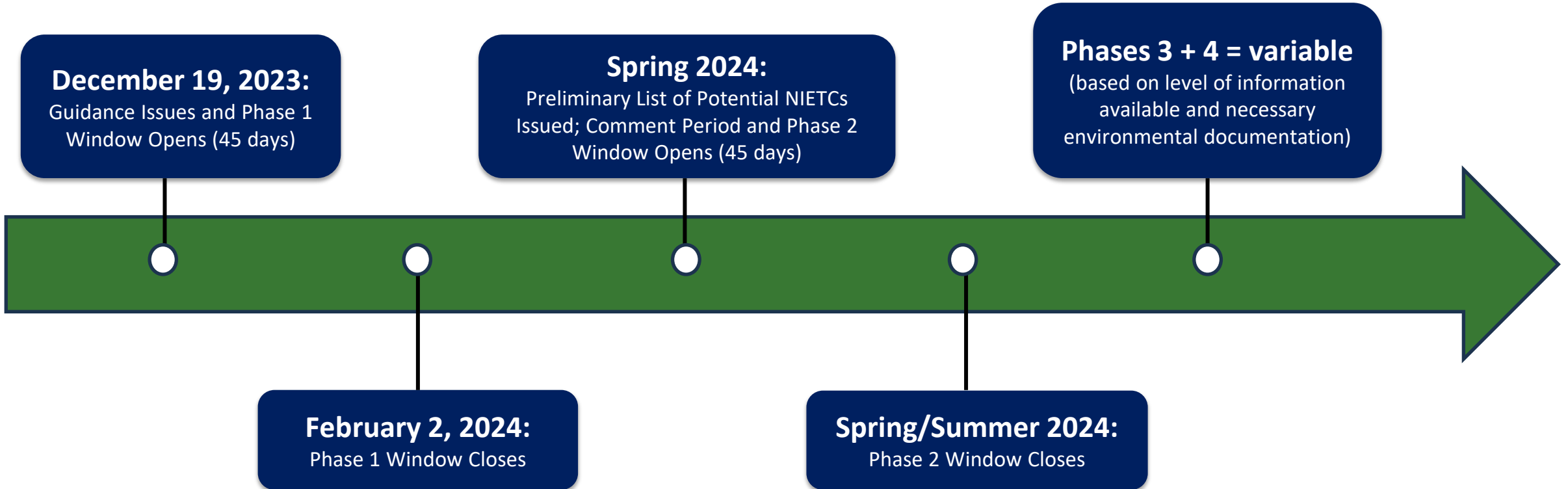
Phase 4: DOE Designates NIETC(s)



Final Designation Report(s):

- Background information
- Description of designation process, including public engagement, consideration of alternatives and recommendations (including from affected states and Indian Tribes), and consultation with regional entities
- Summary of comments and DOE responses
- Explanation of basis for finding present or expected transmission capacity constraints or congestion that adversely affects consumers
- Consideration of relevant discretionary factors

Timeline



Thank You!

NIETC@hq.doe.gov

[2023-12-15 GDO NIETC Final Guidance Document.pdf \(energy.gov\)](#)

