Request for Information: Grants to Facilitate the Siting of Interstate Electricity Transmission Lines

DATE: January 13, 2023

SUBJECT: Request for Information (RFI)
DUE DATE: February 28, 2023 5pm EST

SUBMIT TO: GDOIRASection 50152@hq.doe.gov

This is a Request for Information (RFI) issued by the U.S. Department of Energy's (DOE) Grid Deployment Office (GDO). This RFI seeks public input to help inform DOE's implementation of Section 50152 of the Inflation Reduction Act of 2022 (IRA) – Grants to Facilitate the Siting of Interstate Electricity Transmission Lines.¹

The IRA makes the single largest investment in energy and climate in American history, putting the United States on a pathway to achieving the Administration's clean energy and climate goals, including a carbon pollution-free power sector by 2035, while securing America's position as a world leader in domestic clean energy manufacturing, creating quality jobs, investing in communities, and advancing environmental justice. As relevant to this RFI, under section 50152, the IRA appropriated \$760 million to make grants to siting authorities to carry out certain eligible activities that will facilitate the siting and permitting of certain interstate onshore and offshore electricity transmission lines or for economic development projects undertaken with respect to a "covered transmission project."

To help inform DOE's implementation of the IRA provision referenced previously, this RFI seeks input on:

- A. Eligible Siting Activities with Respect to Covered Projects
- B. Economic Development Activities for Affected Communities
- C. Equity, Energy, and Environmental Justice

Information collected from this RFI may be used by DOE for planning purposes, which could include developing future funding opportunity announcements, other solicitations, or technical assistance related to this grant program. The information collected may be published, therefore, DOE strongly encourages respondents not to submit confidential business information or proprietary information and, if such information is provided, all documents should be marked accordingly. This is an RFI only. DOE will not

¹ Public Law 117-169 (August 16, 2022).

pay for information provided under this RFI and no project will be supported as a result of this RFI. This RFI is not accepting applications for financial assistance.

This RFI's questions for response are provided at the end of this document, beginning on page 6.

Background

On August 16, 2022, President Joseph R. Biden signed the IRA into law. The IRA makes substantial investments to support deployment of electric transmission infrastructure, including \$2 billion in loan authority to support transmission facility financing under Section 50151 and \$760 million in grant authority to facilitate the siting and permitting of interstate electricity transmission lines under Section 50152. These investments, particularly when combined with programs authorized and funded by the Infrastructure Investment and Jobs Act² (otherwise known as the Bipartisan Infrastructure Law), will support the construction of new or upgraded electric transmission facilities and facilitate the siting of transmission facilities, while doing so in a manner consistent with affected community priorities, including considerations of environmental and energy justice, equity, and job quality, and Tribal cultural resources.

This RFI invites public comment related to the provisions of Section 50152 of the IRA, which authorizes the Secretary to make grants to siting authorities to carry out certain eligible activities that will facilitate the siting and permitting of certain interstate onshore and offshore electricity transmission lines. In order to accomplish that goal, Section 50152 also authorizes the Secretary to make grants to siting authorities, or other State, local, or Tribal governmental entities, for economic development activities in communities that may be affected by the construction and operation of these transmission projects. The IRA makes funding for such grants available through September 30, 2029, and provides that, with respect to grants for economic development activities, the Secretary shall not enter into grant agreements that could result in any outlays after September 30, 2031.

a. Covered Transmission Projects

Section 50152 authorizes the Secretary to make grants for siting activities or economic development projects undertaken with respect to a "covered transmission project." A covered transmission project is defined in Section 50152(e)(1) as a high voltage interstate or offshore electricity transmission line, for which an entity has applied to or informed a siting authority of an intent to apply for regulatory approval, and is proposed to be constructed and to operate:

² Public Law 117-58 (November 15, 2021).

- At a minimum of 275 kilovolts of either alternating-current or direct-current electric energy by an entity; or
- Offshore and at a minimum of 200 kilovolts of either alternating-current or direct-current electric energy.

b. Eligible Siting Activities

Under Section 50152(b)(1), the Secretary may issue grants for the following described activities:

- Studies and analysis of the impacts of the covered transmission project;
- Examination of up to 3 alternative siting corridors within which the covered transmission project feasibly could be sited;
- Participation by the siting authority in regulatory proceedings or negotiations in another
 jurisdiction, or under the auspices of a Transmission Organization (as defined in section 3 of the
 Federal Power Act (16 U.S.C 796)) that is also considering the siting or permitting of the covered
 transmission project;
- Participation by the siting authority in regulatory proceedings at the Federal Energy Regulatory Commission (FERC) or a State regulatory commission for determining applicable rates and cost allocations for the covered transmission project; and
- Other measures and actions that may improve the chances of, and shorten the time required for, approval by the siting authority of the application relating to the siting or permitting of the covered transmission project, as the Secretary determines appropriate.

Other measures that may improve the chances of approval and shorten the time required for processing of requests may include, for example, short-term increased resource availability, such as deploying additional staff resources or funding to alleviate bottlenecks or other delays in the review process. Additional considerations could include community engagement and proactive mitigation of impacts on cultural resources or energy justice communities to specifically address sensitive environmental issues.

The receipt of grants to support these activities are subject to the condition that a siting authority agree, in writing, to reach a final decision on the application relating to the siting or permitting of the applicable covered transmission project not later than two years after the date on which such grant is provided, unless the Secretary authorizes an extension for good cause. In addition, the IRA limits the federal share of costs of the following activities to 50%: (1) participation by the siting authority in regulatory proceedings or negotiations in another jurisdiction, or under the auspices of a Transmission Organization that is also considering the siting or permitting of the covered transmission project, and (2) participation by the siting authority in regulatory proceedings at FERC or a State regulatory commission for determining applicable

rates and cost allocations for the covered transmission project. If a siting authority that receives a grant for an activity described in Section 50152(b)(1) fails to use all grant funds within two years of receipt, the unused funds will be returned to the Secretary.

c. Economic Development Activities for Affected Communities

Under Section 50152(b)(2), the Secretary may also make a grant to a siting authority, or other State, local, or Tribal governmental entity, for economic development activities for communities that may be affected by the construction and operation of a covered transmission project. Grant awards for economic development activities may only be provided to (1) a siting authority upon approval by the siting authority of the applicable covered transmission project, or (2) any other State, local, or Tribal governmental entity upon commencement of construction of the applicable covered transmission project in the area under the jurisdiction of the entity.

d. Community Benefits and Energy Justice Priorities

To support the goal of building an equitable clean energy economy, the IRA-funded projects are expected to (1) support meaningful community and labor engagement; (2) invest in America's workforce; (3) advance diversity, equity, inclusion, and accessibility; and (4) contribute to the President's goal that 40% of the overall benefits of certain federal investments flow to disadvantaged communities (the Justice40 Initiative). To ensure these goals are met, future funding opportunity announcements will likely require funding applicants to submit a Community Benefits Plan that describes how the proposed project would incorporate the four objectives stated above.

Regarding Justice 40, DOE has identified the following non-exhaustive list of policy priorities as examples to guide DOE's implementation of Justice 40 in disadvantaged communities:

- (1) decrease energy burden;
- (2) decrease environmental exposure and burdens;
- (3) increase access to low-cost capital;
- (4) increase good clean energy jobs, clean energy job pipeline, and job training for individuals;

³ The Justice 40 initiative, established by E.O. 14008, sets a goal that 40% of the overall benefits of certain federal investments flow to disadvantaged communities. The Justice 40 Interim Guidance provides a broad definition of disadvantaged communities (Page 2): https://www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf

- (5) increase clean energy enterprise creation and contracting (e.g., minority-owned or diverse business enterprises);
- (6) increase energy democracy, including community ownership;
- (7) increase parity in clean energy technology access and adoption; and
- (8) increase energy resilience.

Potential benefits from federal investment in the siting of interstate electricity transmission lines include grid resilience, reduced energy prices, equitable access to clean energy, and job opportunities.⁴ Ensuring projects provide community benefits and align with Justice40 principles is a priority of DOE programs (see Section c. questions 19-29, below), and DOE will apply these principles to the distribution of grants for siting activities and economic development projects under Section 50152 of the IRA.

Request for Information

DOE is seeking input from the public regarding the types of eligible siting activities and economic development activities that could be supported by grants under Section 50152 of the IRA, and the overall goals and programmatic objectives DOE should consider when making grants under this provision, including the consideration of environmental justice and impacts to disadvantaged communities. DOE is particularly interested in understanding how grants provided under this authority can be used to provide resources and tools that improve the chances of successful outcomes in siting and permitting proceedings and help reduce the time it takes for these authorities to reach decisions on proposed electric transmission projects. DOE is also interested in how these grants can be used to increase and qualitatively improve community and stakeholder engagement in siting and permitting processes, create quality jobs and ensure workforce continuity⁵, address local community needs and impacts, and reduce conflicts that can stall the development of needed electric transmission infrastructure.

In addition to responding to the specific questions below, respondents to this RFI are also asked to provide any views they have on overall objectives, goals, and priorities for use of the Secretary's grant authority under this provision. Further, respondents are asked to identify any best practices that exist for reducing the

⁴ See DOE's "General Guidance for Justice 40 Implementation", <u>Final DOE Justice 40 General Guidance 072522.pdf</u> (energy.gov)

⁵ Workforce continuity is a way for businesses to plan for and respond to change with a gility, minimize risk and disruption for their people, and build a more connected workforce.

time required for siting authorities to reach siting or permitting decisions. Respondents are encouraged to provide reference documents and website links where available.

a. Eligible Siting Activities with Respect to Covered Transmission Projects

With respect to activities by siting authorities for covered transmission projects described in Section 50152(b)(1), DOE is interested in understanding the resources that siting authorities need to effectively and efficiently conduct siting processes and participate in siting approval processes of other siting authorities, and how grants under this provision could be maximized to provide these resources. Specifically:

- 1. What studies and analyses may be useful in identifying impacts from a covered transmission project?
- 2. What barriers do siting authorities encounter in collaborating with other siting authorities (e.g., States and local governments), or participating in each other's processes, in considering siting, permitting, and other approvals for transmission lines?
- 3. What barriers do siting authorities encounter in collaborating specifically with federal siting authorities or participating in federal siting and permitting processes?
- 4. What methods and tools are available to assist siting authorities in examining alternative siting corridors for covered transmission projects? How could DOE grants expand access to these tools, and how would that improve the chances for successful siting request processing or shorten the time required to reach a decision?
- 5. What studies and analyses are required to identify alternative siting corridors?
- 6. What impact would examining alternative siting corridors have on the time required for processing siting requests?
- 7. What methods and tools (e.g., technologies, collaborative resources, facilitation tools) are available to assist siting authorities in the collaborative processing of siting authorizations at the national, regional, Tribal, State, or local level? How could grants from DOE expand access to these methods and tools, and how would that improve the chances of siting approval and/or shorten the time required for siting approval?
- 8. What activities would the siting authority need to undertake in order to participate in regulatory proceedings or negotiations in another jurisdiction that is also considering the siting or permitting of a covered transmission project?

- 9. What activities would a siting authority need to undertake to participate in regulatory proceedings at FERC or a State regulatory commission to determine applicable rates and cost allocation for a covered transmission project?
- 10. What other measures and actions could be undertaken with grant funding to a siting authority that may improve the chances of, and shorten the time required for, the issuance of permits or other necessary approvals for a covered transmission project? What unique measures and actions would allow communities to support the timely review process by siting authorities of a covered transmission project? For any measure or action recommended, please explain how it would improve the chances of, and shorten the time required for, siting authority approval of a covered transmission project.
- 11. How could grants to siting authorities be used to support the ability of individual communities and community members to participate in transmission siting processes? For example, what do individual communities and community members need to effectively participate and bring their perspectives and concerns regarding a covered transmission project early in those processes to avoid later delays in completing siting approvals or decisions? Are there access or education needs for communities and community members that are not being met that could be supported by grants to siting authorities?
- 12. What stages of the review process need the most support through the grant funding and why?
- 13. What factors, if any, should be applied to prioritize grants to siting authorities for eligible activities with respect to a covered transmission project? For example, should certain transmission project characteristics (e.g., technology types employed, etc.), functions (e.g., provides reliability or resilience, supports deployment of low-cost or low-carbon generation resources, etc.), or planned dates to commence construction or enter service (e.g., planned to commence construction before December 31, 2027) be prioritized for grant support? What types of constraints, bottlenecks, and challenges are authorities encountering that grant funding would enable authorities to resolve?

b. Economic Development Activities for Affected Communities

- 14. What types of economic development activities for communities that may be affected by the construction and operation of a covered transmission project could be supported by a grant?
- 15. What best practices exist for supporting economic development in communities affected by the construction and operation of electric transmission or other energy infrastructure? Additionally, what best practices exist specific to supporting economic development in disadvantaged,

- underserved, and frontline communities, or "energy communities⁶" that have been or may be impacted by the construction and operation of a covered transmission project? Should DOE prioritize grant awards to proposals that would utilize these best practices? How should these grants be evaluated or scored, including relative to siting grants?
- 16. What approaches (e.g., partnerships and business models) to providing economic development services should be prioritized for grants to siting authorities, or other State, local, or Tribal government entities for economic development activities for communities that may be affected by the construction and operation of a covered transmission project? What successful approaches have you observed and/or undertaken in providing such services that have specifically benefited States, U.S. Territories, Tribes, workers, and communities that should be considered when providing grants for economic development support under Section 50152(b)(2)? Is there precedent or community interest in using the funding to support a community in investing in an equity stake in the transmission project to provide long-term, sustainable financial benefit from project construction?
- 17. In what ways, if any, could efforts to mitigate ecosystem, natural resource, or environmental damage be considered eligible economic development activities under the program?
- 18. In what ways, if any, could efforts by transmission project developers to reroute, underground, or increase line capacity to avoid repeat or future disruptions from project development, or otherwise implement project designs to limit impacts on communities and landowners be considered eligible economic development activities under the program?

c. Equity, Energy, and Environmental Justice

- 19. What equity, energy, and environmental justice concerns or priorities are most relevant to the siting of interstate or offshore electricity transmission lines? How have/can these concerns or priorities been/be addressed?
- 20. What strategies, policies, and practices can siting authorities deploy to ensure that the goals of Justice40 are achieved? How should these be measured and evaluated?
- 21. What approaches (e.g., partnerships, business models, or ownership models) would secure economic development opportunities in disadvantaged, underserved, and frontline communities, or "energy communities"? Of these approaches, should any be prioritized in providing grants to siting authorities, or other State, local, or Tribal government entities, for economic development activities

⁶ See Interagency Working Group on Coal & Power Plant Communities & Economic Revitalization, "Priority Energy Communities" Resource Page, available at https://energycommunities.gov/priority-energy-communities/.

- for communities that may be affected by the construction and operation of a covered transmission project? What successful approaches have you observed and/or have you undertaken in providing such services that have specifically benefited such communities and advanced Justice40 principles?
- 22. What approaches (e.g., partnerships and business models) would you recommend for providing services and technical assistance in need areas of expertise to disadvantaged, underserved, and frontline communities, or "energy communities"? What successful approaches have you observed and/or undertaken in providing such services and technical assist to these communities?
- 23. How can applicants ensure community-based stakeholders/organizations (especially in underserved communities) are engaged and included in the planning, decision-making, and implementation processes (e.g., including community-based organizations on the project team)?
- 24. Which regional and location-specific metrics should DOE track to estimate the environmental, social, and economic impact related to the siting of interstate and offshore electricity transmission lines?
- 25. How can transmission planning best support communities with goals to increase the resilience of power delivery to those communities and/or transition from fossil fuels?
- 26. What consultations, studies, and analyses could siting authorities conduct that would help them better understand the impacts of a covered transmission project to Indian tribes, as defined in the Infrastructure Investment and Jobs Act (42 U.S.C. § 18701)?
- 27. What consultations, studies, and analyses could siting authorities conduct that would help them better understand the impacts of a covered transmission project on historic properties, as defined in the National Historic Preservation Act (54 U.S.C. § 300308)?
- 28. What measures, including economic development activities, could be taken to mitigate the impact of the construction and operation of a covered transmission project to Indian tribes, as defined in the Infrastructure Investment and Jobs Act (42 U.S.C. § 18701)?
- 29. What measures could be taken to mitigate the impact of the construction and operation of a covered transmission project on cultural resources, in particular those determined to be historic properties as defined in the National Historic Preservation Act (54 U.S.C. § 300308)? Mitigation measures could include economic development activities that have a nexus to the potential impacts to historic properties.

Disclaimer

This is solely a request for information and is not a grant announcement. DOE is not accepting applications to this RFI, nor will DOE reimburse any of respondents' costs in preparing a response. DOE may or may not elect to issue a grant announcement in the future based on or related to the content and responses to this RFI. There is no guarantee that a grant announcement will be issued as a result of this RFI. Responding to this RFI does not provide any advantage or disadvantage to potential applicants if DOE chooses to issue a grant announcement regarding the subject matter. Any information obtained as a result of this RFI is intended to be used by the Government on a non-attribution basis for planning and strategy development; this RFI does not constitute a formal announcement for applications or abstracts. Your response to this notice will be treated as information only. DOE will review and consider all responses in its formulation of program strategies for the identified materials of interest that are the subject of this request. DOE will not provide reimbursement for costs incurred in responding to this RFI. Respondents are advised that DOE is under no obligation to acknowledge receipt of the information received or provide feedback to respondents with respect to any information submitted under this RFI. Responses to this RFI do not bind DOE to any further actions related to these topics.

Confidential Information

Because information received in response to this RFI may be used to structure future programs and grants and/or otherwise be made available to the public, respondents are strongly advised NOT to include any information in their responses that might be considered business sensitive, proprietary, or otherwise confidential. If, however, a respondent chooses to submit business sensitive, proprietary, or otherwise confidential information, it must be clearly and conspicuously marked as such in the response. Responses containing confidential, proprietary, or privileged information must be conspicuously marked as described below. Failure to comply with these marking requirements may result in the disclosure of the unmarked information under the Freedom of Information Act or otherwise. The U.S. Federal Government is not liable for the disclosure or use of unmarked information and may use or disclose such information for any purpose.

Consistent with 10 CFR 1004.11, DOE requires that any information submitted that a respondent believes to be confidential and exempt by law from public disclosure should submit via email two well marked copies: one copy of the document marked "Confidential Commercial and Financial Information" including all the information believed to be confidential, and one copy of the document marked "non-confidential" with the information believed to be confidential deleted. DOE will make its own determination about the confidential status of the information and treat it according to its determination. The copy containing

confidential commercial and financial information must include a cover sheet marked as follows identifying the specific pages containing confidential, proprietary, or privileged information: "Notice of Restriction on Disclosure and Use of Data: Pages [list applicable pages] of this response may contain confidential, commercial, or financial information that is exempt from public disclosure." The Government may use or disclose any information that is not appropriately marked or otherwise restricted, regardless of source. In addition, (1) the header and footer of every page that contains confidential, proprietary, or privileged information must be marked as follows: "Contains Confidential, Commercial, or Financial Information Exempt from Public Disclosure" and (2) every line and paragraph containing proprietary, privileged, or trade secret information must be clearly marked with [[double brackets]] or highlighting.

Evaluation and Administration by Federal and Non-Federal Personnel

Federal employees are subject to the non-disclosure requirements of a criminal statute, the Trade Secrets Act, 18 USC 1905. The Government may seek the advice of qualified non-Federal personnel. The Government may also use non-Federal personnel to conduct routine, nondiscretionary administrative activities. The respondents, by submitting their response, consent to DOE providing their response to non-Federal parties. Non-Federal parties given access to responses must be subject to an appropriate obligation of confidentiality prior to being given the access. Submissions may be reviewed by support contractors and private consultants.

Request for Information Response Guidelines

Responses to the RFI must be provided in writing and submitted electronically to <u>GDOIRASection50152@hq.doe.gov</u> no later than 5pm EST on February 28, 2023. Include "RFI for Transmission Siting and Economic Development Grants" in the subject line of the email. Responses must be provided as a Microsoft Word (.docx) or PDF attachment to the email, and be no more than 25 pages in length, 12-point font, 1-inch margins. It is recommended that attachments with file sizes exceeding 25MB be compressed (i.e., zipped) to ensure message delivery.

For ease of replying and to aid categorization of your responses, <u>please copy and paste the RFI questions</u>, <u>including the question numbering</u>, <u>and use them as a template for your response</u>. Respondents may answer as many or as few questions as they wish.

DOE will not respond to individual submissions. A response to this RFI will not be viewed as a binding commitment to develop or pursue the project or ideas discussed.

Respondents are requested to provide the following information at the start of their response to this RFI:

- Company/institution name.
- Company/institution contact.
- Contact's address, phone number, and email address.