



DOE Guidance Public Webinar:

Maintaining and Enhancing Hydroelectricity Incentives (EPA Act 2005 Section 247)

May 24, 2023



Webinar Logistics

- ▶ The webinar is being recorded and a transcript of the webinar may be made available on DOE's website.
 - ▶ If you have audio issues, try calling into the webinar via phone.
 - ▶ If you'd like to ask a question, please raise your hand using the Zoom function.
- Comments will be taken in order of raised hands.



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 Maintaining and Enhancing Hydroelectricity Incentives (EPAAct 2005 Section 247).
- ▶ The purpose of this webinar is to provide clarity on the guidance application document and out intention is not to solicit consensus advice. We are unable to comment on or provide any eligibility determinations outside of reviewing a completed and submitted application during an open solicitation window.
- ▶ Any content within this presentation that appears discrepant from the guidance language is superseded by the guidance language.
- ▶ All applicants are strongly encouraged to carefully read the guidance document.



Webinar Notice Continued

The goal of this session is to provide clarity on the guidance application document and not solicit consensus advice regarding topics presented. If advice is rendered, we caution members to provide, based on your personal experience, your individual advice, information, or facts regarding this topic. It is not the objective of this session to obtain any group position or consensus. Rather, the Department of Energy is seeking to clarify any questions regarding the guidance application document. To most effectively use our limited time, please refrain from passing judgment on another participant's recommendations or advice, and instead concentrate on your individual experiences.



DOE Public Webinar Agenda

Maintaining and Enhancing Hydroelectricity Incentives (EPAct Section 247)

- ▶ Introduction: Luciana Ciocchi, Stakeholder Engagement
- ▶ Opening Remarks: Maria Robinson, Director, Grid Deployment Office
- ▶ Overview: Tim Welch, Hydroelectric Incentives Program Manager
- ▶ Public Question Period:
 - General Questions
 - Grid Resilience
 - Dam Safety
 - Environmental Improvements
- ▶ Next Steps & Closing Remarks: Tim Welch



Grid Deployment Office

Mission Statement: The Grid Deployment Office (GDO) works to provide electricity to everyone, everywhere by maintaining and investing in critical generation facilities to ensure resource adequacy and improving and expanding transmission and distribution systems to ensure all communities have access to reliable, affordable electricity.

Generation Credits Division

The Generation Credits Division works with existing generation facilities to ensure resilience and reliability.

Transmission Division

The Transmission Division supports innovative efforts in transmission reliability and clean energy analysis and programs, and energy infrastructure and risk analysis in support of the Administration's priorities to enhance grid resilience.

Grid Modernization Division

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



Bipartisan Infrastructure Law

\$753.6 million provided by BIL for Hydroelectric Incentives

- ▶ **\$125 million: Hydroelectric Production Incentives** (EPA 2005 Section 242)
- ▶ **\$75 million: Hydroelectric Efficiency Improvement Incentives** (EPA 2005 Section 243)
- ▶ **\$553.6 million: Maintaining and Enhancing Hydroelectricity Incentives** (EPA 2005 Section 247)



Hydroelectric Incentives Program

- ▶ **Hydroelectric Production Incentives** (EPAAct 2005 Section 242)
 - A record of **76** applications received for electricity generated and sold in **CY21 and CY22**
- ▶ **Hydroelectric Efficiency Improvement Incentives** (EPAAct 2005 Section 243)
 - Submit applications by 5:00 p.m. ET, **June 20, 2023**
- ▶ **Maintaining and Enhancing Hydroelectricity Incentives** (EPAAct 2005 Section 247)



Maintaining & Enhancing Hydroelectricity Incentives (EPAAct 2005 Section 247)

- ▶ Application period opened and guidance released on May 8, 2023
- ▶ Guidance reflects stakeholder feedback
 - Request for Information (RFI) released on June 30, 2022
 - Draft Guidance released on February 8, 2023



Maintaining & Enhancing Hydroelectricity Incentives (EPAAct 2005 Section 247)

Funds capital improvements at qualified facilities

- ▶ Federal Energy Regulatory Commission (FERC) licensed
- ▶ **\$553,600,000** to remain available until expended
- ▶ Incentive payments under this section shall not exceed **30%** of the costs of the applicable capital improvement
- ▶ Not more than **\$5,000,000** to any facility in any fiscal year
- ▶ Up to **25%** reserved for small projects:
 - nameplate capacity of **10 MW** or less owned or operated by a small business, Indian Tribe, municipality, nonprofit organization, or electric cooperative



Maintaining & Enhancing Hydroelectricity Incentives (EPAAct 2005 Section 247)

Receive support to enhance existing facilities in three main areas:



► **Grid Resilience**



► **Dam Safety**



► **Environmental Improvements**

Improving Grid Resilience



- ▶ Adapting more quickly to changing grid conditions
- ▶ Providing ancillary services
- ▶ Integrating other variable sources of electricity generation
- ▶ Managing accumulated reservoir sediments

Improving Dam Safety



- ▶ Maintenance/upgrade of spillways or other appurtenant structures
- ▶ Dam stability improvements, including erosion repair and enhanced seepage controls
- ▶ Upgrades/replacements of floodgates or natural infrastructure restoration or protection to improve flood risk reduction

Environmental Improvements



- ▶ Adding or improving fish passage
- ▶ Improving water quality
- ▶ Promoting downstream sediment transport processes and habitat maintenance
- ▶ Improving recreational access

Maintaining & Enhancing Hydroelectricity Incentives (EPAAct 2005 Section 247)

Summary of changes from draft guidance to final guidance

- ▶ Extended application window from 60 to 150 days
 - Addition of a **Letter of Intent** period (**45 days**)
 - **Full Application** period (**105 days**)
- ▶ Allowance for capital improvements that have begun, but have not yet completed permitting or NEPA processes, with awards conditioned upon successful completion of permitting
- ▶ Initial payment of **1/3 of total incentive payment** upon FERC authorization
- ▶ Addition of FAQs to provide additional clarity



Maintaining & Enhancing Hydroelectricity Incentives (EPA 2005 Section 247)

In the event of oversubscription, DOE will follow the below process

- ▶ **It is our intent to fully fund as many eligible projects as possible**
- ▶ Scoring criteria rubric to prioritize which capital improvement applications are awarded funding
- ▶ Top scoring applications will be selected in each of the three capital improvement categories (i.e., grid resilience, dam safety, and environmental improvements) for small projects and remaining eligible projects
- ▶ Applications with the same ranking will be ranked by nameplate capacity



Maintaining & Enhancing Hydroelectricity Incentives (EPA Act 2005 Section 247)

Info to Apply

- ▶ Submit **Letters of Intent** by 5:00 p.m. ET, **June 22, 2023**
- ▶ Submit **full applications** through 5:00 p.m. ET, **October 6, 2023**
- ▶ To be eligible to file a full application, prospective applicants must first file a Letter of Intent
- ▶ Submit through the Clean Energy Infrastructure Funding Opportunity eXCHANGE



Clean Energy Infrastructure Funding Opportunity eXCHANGE

- ▶ Submit applications through the Clean Energy Infrastructure Funding Opportunity eXCHANGE <https://infrastructure-exchange.energy.gov/>
- ▶ An applicant must create an account within the system. It is recommended that entities create their account in a timely manner
- ▶ Contact:
 - InfrastructureExchangeSupport@hq.doe.gov
 - hydroelectricincentives@hq.doe.gov



Clean Energy Infrastructure Funding Opportunity

eXCHANGE – Letter of Intent

- ▶ The name of the hydroelectric facility or other official designation.
- ▶ The name, mailing address, telephone number, and email address of a point of contact.
- ▶ Short (less than 200 words) description of the capital improvement project.
- ▶ If applicable, a clear statement noting the application is requesting funding as a Small project
- ▶ Clear statement designating one category (i.e., grid resiliency, dam safety, or environmental improvements).
- ▶ Brief description of the current status of the capital improvement project and the expected remaining project steps in planning, developing, or constructing the project.
- ▶ If the capital improvement project is not complete, the current status of FERC authorization for the project, including status of any filed applications and associated NEPA compliance.
- ▶ Expected or actual total capital costs for the capital improvement and the amount of requested incentive payment.



Clean Energy Infrastructure Funding Opportunity eXCHANGE – Letter of Intent

Clean Energy Infrastructure Funding Opportunity Exchange

Funding Opportunities

[Printable Version](#)

Funding Opportunity

Funding Archive

My Submissions

Submission Management

FOA Manager Review

Manage Reviewers

Track Reviewer Progress

Reviewers Awaiting Approval

Assign Reviewers to FOA

Reviewer NDA Management

View Reviewer Conflicts

Assign Reviewers

Reviewer Comment Management

My Account

Logout

Reports

Manuals

Questions & Answers

View Areas of Expertise

Teaming Partners

LETTER OF INTENT DETAILS FOR FOA #DE-FOA-0003088 SECTION 247: MAINTAINING AND ENHANCING HYDROELECTRICITY INCENTIVES

General

Submission Status: New

Project Title:

Abstract: 4000 Max Characters

Topic:

UEI Number: ☐ N/A

Organization Type:

Lead Organization: Please do not use acronyms

Lead Organization Percent Effort (1-100): %

The seal of the United States Department of Energy, featuring an eagle with wings spread, perched on a shield with a sun and a gear, surrounded by the words "DEPARTMENT OF ENERGY" and "UNITED STATES OF AMERICA".

GDO
GRID DEPLOYMENT OFFICE

20

Qualified Payment Steps

- ▶ Obtain a Tax Identification Number for the qualified hydroelectric generation facility
 - Applying is a free service offered by the Internal Revenue Service <https://www.irs.gov/businesses>

- ▶ Create or update your Federal System for Award Management (SAM) account
 - Entities registering in SAM.gov are assigned a Unique Entity ID (UEI)
 - Note: Due to the high demand of Unique Entity Identifier (UEI) requests and SAM registrations, entity legal business name and address validations are taking longer than expected to process. Entities should start the UEI and SAM registration process as soon as possible.
<https://sam.gov>

Community Benefits Plan

- ▶ Four Goals
 - Community and Labor Engagement
 - Investing in the American Workforce
 - Advancing diversity, equity, inclusion, and Accessibility (DEIA)
 - Justice40 Initiative
- ▶ Community Benefits Plan Objectives Summary (template)
- ▶ About Community Benefits Plans (DOE webpage)

Clarifying Question Period: Maintaining & Enhancing Hydroelectricity Incentives (EPAct 2005 Section 247)

General Questions

Clarifying questions are welcome at this time on the
application guidance

(30-minute Question Period)



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5-minute Break



Clarifying Question Period: Maintaining & Enhancing Hydroelectricity Incentives (EPAct 2005 Section 247)

Grid Resilience

Clarifying questions are welcome at this time on the
application guidance

(30-minute Question Period)



Clarifying Question Period: Maintaining & Enhancing Hydroelectricity Incentives (EPAct 2005 Section 247)

Dam Safety

Clarifying questions are welcome at this time on the
application guidance

(30-minute Question Period)



Clarifying Question Period: Maintaining & Enhancing Hydroelectricity Incentives (EPAct 2005 Section 247)

Environmental Improvements

Clarifying questions are welcome at this time on the
application guidance

(25-minute Question Period)



Tentative Schedule - Section 247 Maintaining & Enhancing Hydroelectricity Incentives

* Dates are subject to change

Milestone	Date
Draft Guidance Public Comment Period	February 8, 2023 – February 28, 2023
Issue Final Guidance & Open Solicitation	May 8, 2023 – October 6, 2023
Notification of Selectees/Conditional Selectees	February 2024
Issue Initial Payments	Upon FERC Authorization
Issue Final Payments	Upon Completion of Work



Thank you for joining us!

► **Maintaining & Enhancing Hydroelectricity Incentives (EPA Act 2005 Section 247)**

- Submit **Letters of Intent** by 5:00 p.m. ET, **June 22, 2023**
- Submit **full applications** through 5:00 p.m. ET, **October 6, 2023**
- To be eligible to file a full application, prospective applicants must first file a Letter of Intent
- Submit through the Clean Energy Infrastructure Funding Opportunity eXCHANGE

► **Hydroelectric Efficiency Improvement Incentives (EPA Act 2005 Section 243)**

- Submit applications by 5:00 p.m. ET, **June 20, 2023**
 - Submit through the Clean Energy Infrastructure Funding Opportunity eXCHANGE
- Additional Frequently Asked Questions have been added for each incentive. Check back frequently for additions.
- **Sign up for the Grid Deployment Office Newsletter to receive updates. Be sure to select the Hydroelectric Incentives topic.**

