



**GDO**

GRID DEPLOYMENT OFFICE

# National Interest Electric Transmission Corridors (NIETC) Designation Process *(pronounced \NIT-see\)*

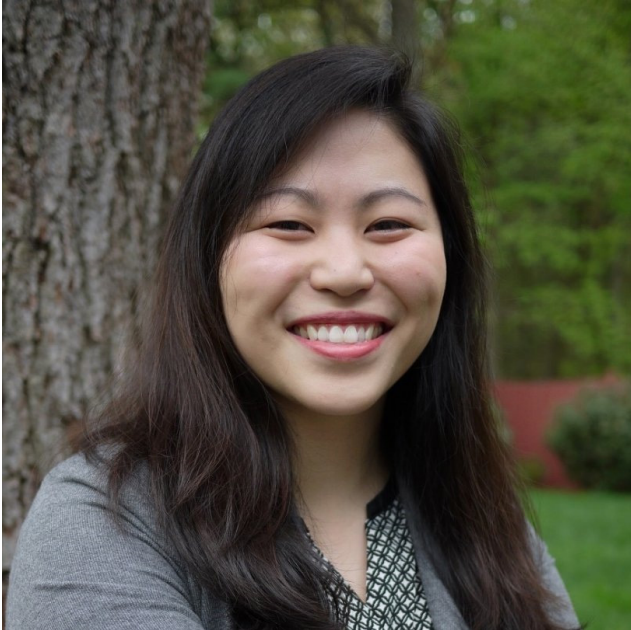
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**Grid Deployment Office's  
Transmission Division**

May 17, 2023



# Maria Robinson



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



# DOE's 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 and works to improve electricity markets at the wholesale and distribution level.

## 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.



# Jeffery Dennis



Deputy Director, Transmission Development,  
Grid Deployment Office,  
U.S. Department of Energy





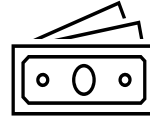
## Engagement and Collaboration

- Federal agencies
- States
- Tribal Nations
- ISOs/RTOs
- Stakeholders



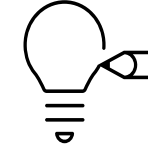
## Enhanced Transmission Planning

- **National Transmission Needs Study**
- National Transmission Planning Study
- Atlantic + Pacific Offshore Wind Transmission Studies



## Federal Financing Tools (>\$20B)

- Transmission Facilitation Program (\$2.5B)
- Transmission Facility Financing (\$2B)
- Grid resilience formula grants for states, tribes, and territories (\$2.5B)
- Grid Resilience and Innovation Partnerships (GRIP) Program (\$10.5B)



## Transmission Permitting Process

- Improve federal permitting regimes with federal agency partners
- **Designation of national interest electric corridors**
- Grants to siting authorities and affected communities (\$760m)



## Transmission Related R&D

- “Next generation” electricity delivery technologies
- Advanced Conductors/Reconductoring
- Grid Enhancing Technologies

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

- ▶ Federal Power Act Section 216(a) authorizes the Secretary to designate as a NIETC any geographic area that is:
  1. Experiencing electric energy transmission capacity constraints or congestion that adversely affects consumers; or
  2. Expected to experience such energy transmission capacity constraints or congestion.
- ▶ Designation of a NIETC is informed by the National Transmission Needs Study (Needs Study) and additional statutory factors:
  - Draft Needs Study issued February 2023 (review of public comments underway);
  - Needs Study must be completed before any NIETC can be designated;
  - Additional statutory factors Secretary may consider include whether the designation will promote economic growth and development in the corridor or end markets served by the corridor, interconnection of new generation, energy independence and security, and reduction of consumer electricity costs.





# What do NIETCs do?

- ▶ NIETCs unlock certain commercial facilitation and permitting tools for transmission facilities, including:
  - Public-Private Partnerships under the Infrastructure Investment and Jobs Act (IIJA) Transmission Facilitation Program
  - Transmission Facility Financing loans under the Inflation Reduction Act (IRA)
  - FERC backstop permitting authority under FPA Section 216(b)
- ▶ NIETCs (in conjunction with the Needs Study) focus the attention of federal, Tribal, and state policymakers, industry, and other stakeholders on most pressing national and regional transmission needs



# How NIETCs relate to DOE's National Transmission Studies



## Problem Identification

**Needs Study** identifies current and anticipated future transmission constraints and congestion adversely impacting consumers



## Solution Identification

### National Transmission Planning

**(NTP) Study** identifies long-term constraints and solutions based on wider view of possible load and generation futures



## Solving the Problem

**BIL + IRA commercial facilitation tools** and **DOE NIETC designation authority** can be utilized to implement industry- or DOE-identified solutions to transmission needs



# Permitting Authorities Under Section 216 of the Federal Power Act

## 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 National Transmission Needs Study
- 2) Based on results of Needs Study and additional criteria, including feedback from private industry, **DOE designates NIETC**

## 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 corridor in certain circumstances **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

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).**

# NIETC Schedule

Building a Better  
Grid NOI

Jan/Feb 2022

- Federal Register Notice
- Public webinar

NIETC NOI / RFI  
Release

May 9, 2023

- Federal Register Notice

PUBLIC  
COMMENT  
PERIOD

May 15, 2023 – June 29, 2023

- 45-day comment period after posting in Federal Register
- Written comments accepted
- Public webinar May 17

FINAL RFP Release

Fall 2023

- Application period begins

FINAL Needs Study  
Release

Fall 2023

# Steven Blazek



Program Manager, Transmission Development,  
Grid Deployment Office,  
U.S. Department of Energy



# NIETC – Notice of Intent (NOI) / Request for Information (RFI)

## Outline of the NIETC NOI/RFI:

- **Introduction**
- **Background**
  - Identification of Transmission Needs Through the National Transmission Needs Study
  - Purpose of Designating NIETCs
  - Statutory Requirements for Designation of NIETCs
  - NEPA and Environmental and Cultural Resource Responsibilities
  - Related Authorities of FERC and Other Federal Agencies
- **Notice of Intent**
  - Key Elements of Applicant-Driven, Route-Specific Designation Application Process
  - Evaluation and Designation Process and Decision
- **Request for Information**



# NIETC – “Applicant-Driven, Route-Specific”

DOE is designing an “applicant driven, route-specific” NIETC designation process.

- ▶ Application process will request proposals on where to designate a NIETC, which shall be sufficient for the construction, maintenance, and safe operation thereof in accordance with any applicable regulatory requirements.
  - New application approach builds on lessons learned from prior implementation of broad NIETC.
  - Intended to focus government resources on actual projects in development.
- ▶ In designating a NIETC, DOE does not intend to identify preference for specific projects within the Corridors, but rather the area where sited projects would be eligible for federal funding and possible FERC permits.
  - References to a specific project in a route-specific corridor proposal does not mean that, should DOE accept this proposal for designation, that DOE is thereby agreeing to grant funding to or otherwise approve development of the underlying specific project.
- ▶ However, DOE anticipates that NIETC proposed under this RFP are likely to be focused on specific transmission projects under development with routing needs.
- ▶ Proposals for designating NIETCs that would facilitate the development of future transmission projects (not yet under development) in the national interest are also welcome.



# NIETCs – Evaluation and Designation Decision Process

DOE's evaluation of NIETC applications may consider the following:

- ▶ The geographic boundaries of the proposed NIETC(s), and the rationale for those boundaries;
- ▶ How transmission within the proposed NIETC(s) would support the achievement of the national energy policy goals or other criteria in FPA section 216(a)(4), including but not limited to how the proposed NIETC(s) addresses findings in the Needs Study;
- ▶ Indication of the extent to which the proposed NIETC(s) could be made to align with existing rights-of-way, including utility rights-of-way, rail rights-of-way, highway rights-of-way, and multi-function energy corridors established on Federal lands under section 368 of EPLA 2005;
- ▶ Whether the potential transmission project(s) within the potential NIETC(s) would use innovative transmission technologies or combinations of technologies (e.g., dynamic line ratings, power flow control devices, new alloys for conductors, or integrated design of transmission and energy storage capacity);
- ▶ If applicable, the impact that the proposed NIETC(s) and any associated potential project(s) would have on encouraging strong labor standards, the growth of union jobs, and career-track workforce development in various regions of the country; improving energy equity and achieving environmental justice goals; maximizing the use of products and materials made in the US; and maintaining or improving energy security.





# NIETCs – Request for Information (RFI)

The NIETC RFI solicits public input on the following topics:

- ▶ The NIETC application process;
- ▶ Criteria that should inform the designation of NIETCs;
- ▶ The role of FERC upon close of this solicitation process;
- ▶ Other forms of outreach and/or consultation that should be included in this solicitation process;
- ▶ Post-designation procedures that should be included in this solicitation process;
- ▶ Whether DOE should release received applications for public review and input, subject to protection of business proprietary information.



# Federal Permitting Coordination, Part 1

Federal permitting coordination is directed by a number of different statutory authorities.

▶ **Federal Power Act Section 216(a)**

- Authorizes DOE to designate “as a national interest electric transmission corridor [NIETC] any geographic area that—(i) is experiencing electric energy transmission capacity constraints or congestion that adversely affects consumers; or (ii) is expected to experience such energy transmission capacity constraints or congestion.”
- Upon NIETC designation by DOE, enables the Federal Energy Regulatory Commission (FERC) to approve the siting of transmission facilities within the NIETC, provided that certain other statutory conditions have been met.
- Upon NIETC designation by DOE, FERC may issue “permits for the construction or modification of electric transmission facilities” in a NIETC if FERC finds the project meets six defined criteria. See *16 U.S.C. § 824p(b)*.



# Federal Permitting Coordination, Part 2

Federal permitting coordination is directed by a number of different statutory authorities.

## ▶ **Federal Power Act Section 216(h)**

- Authorizes DOE to act as the Lead Agency to coordinate Federal authorizations and related environmental reviews required to site an interstate electric transmission facility.
- Includes establishment of schedules and preparation of a single environmental document.
- Subject of a new MOU, per recent direction from President Biden to Federal agencies to come together under White House direction.
  - Updates and supersedes [2009 MOU](#)
  - GDO is building capacity to implement this directive and to develop new resources to make federal permitting more efficient



# Federal Permitting Coordination, Part 3

Federal permitting coordination is directed by a number of different statutory authorities.

- ▶ **Title 41 of Fixing America's Surface Transportation Act (FAST-41)**
  - Created a new governance structure, set of procedures, and funding authorities to improve the Federal environmental review and authorization process for covered infrastructure projects on the Federal infrastructure Permitting Dashboard.
  - Project sponsors (usually private entities) apply for and receive FAST-41 coverage for their projects.
  - FAST-41 coverage entitles project sponsors to a comprehensive, integrated Federal permitting timetable that is publicly posted on the Permitting Dashboard and which contains all Federal environmental reviews and authorizations needed to begin construction of the project.
  - FAST-41 requires that agencies collaboratively establish and maintain these permitting timetables and consult with the project sponsor on any proposed permitting timetable changes.
  
- ▶ **Section 368 of the Energy Policy Act of 2005 (EPAAct 2005)**
  - Directs several agencies, including DOE, to designate corridors on Federal lands in the 11 contiguous Western States (Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming), to perform any required environmental reviews, and to incorporate the designated corridors into relevant agency land use and resource management plans or equivalent plans. Section 368 also directs the agencies to consider the need for upgraded and new infrastructure and to take actions to improve reliability, relieve congestion, and enhance the capability of the national grid to deliver energy



# NIETC Process and Tools

## Pre-NIETC Designation

Needs Study Release

Fall 2023

## NIETC Designation

NIETC RFP Release

Fall 2023

DOE designates a route-specific, applicant driven NIETC(s)

### DOE to consider:

- Results of Final Needs Study
- Statutory criteria in FPA 216(a)(4)
- National energy policy goals
- Results of applicant-driven, route-specific RFP
- Environmental impacts

## Opportunities for Projects within NIETCs

### DOE/FERC statutory tools & funding

- FERC backstop siting under FPA 216(b)
- DOE funding: Public-Private Partnerships under Transmission Facilitation Program
- DOE funding: Transmission Facility Financing loans

### POST NIETC: Federal permitting coordination opportunities

- EPCRA 2005 § 368 corridors may leverage NIETCs
- NIETC project sponsors may apply to be considered FAST-41 covered project
- NOTE: FPA 216(h) does not apply in NIETC (delegated to FERC)



# We want to hear from you!



Submit comments through the Federal Register by June 29, 2023 to [www.regulations.gov/document/DOE\\_FRDOC\\_0001-4665](http://www.regulations.gov/document/DOE_FRDOC_0001-4665)



Visit our website to learn more: [www.energy.gov/gdo/national-interest-electric-transmission-corridor-designation-process](http://www.energy.gov/gdo/national-interest-electric-transmission-corridor-designation-process)



Send questions to [NIETC@hq.doe.gov](mailto:NIETC@hq.doe.gov)