*>> Luciana Ciocci:* Good afternoon. Thank you for joining the Maintaining and Enhancing Hydroelectricity Incentives Public Informational Webinar. I'm Luciana Ciocci, the stakeholder engagement lead for the Hydroelectric Incentives Program, and I will be facilitating today's webinar. So, we'll get started with webinar logistics. This webinar is being recorded and will be made available on DOE's website. If you do not wish to have your voice recorded, please do not speak during the webinar or disconnect now. If you do not wish to have your image recorded, please turn off your camera or participate by phone. If you do speak during the webinar or use a video connection, you are presumed to consent to the recording and to the use of your image. If you have audio issues, please try calling in via phone. And we will have a question period. If you would like to ask a question, please raise your hand using the Zoom function, and comments will be taken in the order or raised hands.

The purpose of today's webinar is to provide clarity on the guidance application document for the Maintaining and Enhancing Hydroelectricity Incentives Program. We are unable to comment on or provide any eligibility determinations outside of reviewing a completed and submitted application during an open solicitation window. The guidance document supersedes any content that is within today's webinar, and we strongly encourage applicants to read the guidance document carefully. I'll need to read this notice in its totality. 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 judgement on another participant's recommendations or advice and instead concentrate on your individual experiences. OK, and we'll move on with the agenda.

As I mentioned, I'm Luciana Ciocci, stakeholder engagement lead for the Hydroelectric Incentives Program, and I will be facilitating today's session. We have Maria Robinson with us, the director of the Grid Deployment Office, and she will provide opening remarks. Tim Welch, the Hydroelectric Incentives Program manager, will provide an overview. And we'll move on to the public question period, starting with general questions then going to grid resilience, dam safety, and environmental improvements. We'll end with next steps and closing remarks. With that, I will pass it over to Maria. Maria, thank you very much for joining us.

*>> Maria Robinson:* Thank you so much, Luciana. Welcome. Good morning, good afternoon, depending on what time zone you are currently in. It's wonderful to be with you here again. As mentioned, I'm Maria Robinson, head of the Grid Deployment Office here at the Department of Energy. I want to welcome everyone for joining today's webinar on the Hydroelectric Incentives Program, obviously focusing on the application guidance for the Section 247 Maintaining and Enhancing Hydroelectricity Incentives that we released on May 8th. While you may know the Grid Deployment Office from some of our other programs, such as Transmission Facilitation Program or the Grid Resilience and Innovation Partnerships Program, we're here to discuss hydroelectric incentives. As I'm sure that many of you here know, the Bipartisan Infrastructure Law invested historic funding for the hydropower industry at nearly $554 million in total funding for this incentive, and over $750 million overall across the three different incentives within the Hydroelectric Incentives Program. We recognize the essential role that hydropower will play in accomplishing President Biden's ambitious climate goals, and we want to ensure that the existing fleet is able to continue to provide clean and affordable electricity, while improving the ability to integrate more renewables, as well as reduce environmental impacts.

Section 247 Maintaining and Enhancing Hydroelectricity Incentives we're here to discuss today was created to support the implementation of capital improvements to maintain as well as to enhance our existing hydropower facilities. I want to thank all of you for the feedback that we received on our request for information and on our draft application guidance. We thoroughly considered all of the responses received in the development of the application guidance. It was really helpful to have that feedback from all of you, so we're incredibly grateful. We're also grateful for you to be here today for this session. We hope that you find it informative, and we thank you for taking part in today's webinar. I'm going to turn it over to Tim Welch, who will provide an overview on the incentive and solicitation. Over to you, Tim.

*>> Tim Welch:* Thank you, Maria. Just to begin, I thought I would give a little bit of context on our incentives program as a whole. As many of you know, it consists of three separate hydroelectric incentives that were borne out of EPAct 2005 and funded by the Bipartisan Infrastructure Law. The first, which has been around for quite some time, is the Hydroelectric Production Incentives Section 242 Adding Power to Nonpowered Dams. That recently closed about 2 weeks ago, and we had a record 76 applications. That's almost 20 applications more than we received last year, and it's for electricity generated and sold in both of two calendar years, calendar year ’21 and ’22. One incentive that is currently open and on the street will be accepting applications: the Hydroelectric Efficiency Improvement Incentives Section 243, and the deadline for submitting applications for 243 is 5 p.m. on June 20th of this year. The efficiency improvement incentives is to improve generation efficiency by at least 3% or more, so that is currently open for applications.

Today, as Maria said, we will be talking about Section 247, which is Maintaining and Enhancing the Hydroelectricity Incentives. So, a little bit of background … The application period opened in the beginning of the month, and the guidance was released back on May 8th of this month, just a couple of weeks ago. Now, this guidance is a reflection of stakeholder feedback that we got in two ways: first, a request for information back last summer, released on June 20, 2022, and then, as Maria mentioned, the draft guidance that we sent out for public comments that was released back on February 8, 2023. We took comments and gathered information from both of those vehicles to come up with the final guidance that we released back in early May and that we're going to talk to you about today.

OK, so background on 247. It funds capital improvements at qualified facilities. What is a qualified facility? That's basically a FERC-licensed project. The total amount of funding provided by the Bipartisan Infrastructure Law was $553,600,000 to remain available until expended. The incentive payments here should not exceed 30% of the total cost of the applicable capital improvement and not more than $5 million to any facility in any fiscal year. We created a special carve-out, 25%, reserved for small projects that has a nameplate capacity of 10 megawatts or less, owned or operated by a small business, Indian tribe, municipality, nonprofit organization, or electric cooperative.

The Section 247 incentive enhances existing facility in these three main areas: grid resilience, dam safety, and environmental improvements. Each of these areas have subareas. And for improving grid resilience, we'll be looking at projects that result in adapting more quickly to grid conditions, provide ancillary services, integrating other variable sources of electricity generation, and managed reservoir sediments. Under dam safety, we'll be looking at maintenance; upgrades of spillways or other pertinent structures; dam stability improvements, including erosion repair and enhanced seepage controls; upgrades or replacement of floodgates or natural infrastructure restoration; or protection to improve [inaudible] flood risk reduction. Finally, environmental improvements fall under these four categories: adding or improving fish passage, improving water quality, promoting downstream sediment transport and habitat maintenance, and improving recreational access.

What are the changes that we made from the draft guidance to the final guidance? The first and probably most important and most prominent thing, we extended the application window quite a bit from the proposed 60, and we increased it to 150 days. In addition to that, we also added a requirement to file a letter of intent. That's just a short, brief description of your project and how much funding you'll be seeking, and that will be within the first 45 days. The full application period will be the next 105 days, for a full application period. Now, to allow for capital improvements that have begun but not yet completed permitting or NEPA, awards that will be conditioned upon successful completion of permitting. Now, to provide some seed funding to begin projects, we will make an initial payment of one-third of the total qualified incentive payment upon FERC authorization. We also want to direct you to the addition of some frequently asked questions based on a lot of questions that we got in only the 2 weeks that the final guidance has been on the street to provide additional clarity beyond the guidance itself.

What happens if we're oversubscribed? This is something that we are anticipating. How do we decide what projects will be funded? Now, first of all, and most importantly, it is our intent to fully fund as many eligible projects as possible, so hopefully we are going to expend all of the money. Now, in order to do this, we developed a scoring criteria rubric so we can make prioritization on which capital improvement applications are awarded funding. The top-scoring applications will be selected in each of the three capital improvement categories: the grid resilience, the dam safety, and the environmental improvements for both small projects and remaining eligible projects. They will not compete against each other, but we will evaluate them in the event of oversubscription in two separate categories. Any applications with the same ranking, in other words, ties, will be ranked by nameplate capacity. At this point, on the information to apply, I will turn things back over to Luciana.

*>> Luciana Ciocci:* Thanks, Tim. In terms of applying, letters of intent must be filed by prospective applicants prior to filing a full application. Letters of intent are due June 22nd by 5 p.m. ET, and full applications are due October 6th by 5 p.m. Eastern. The letters of intent as well as the full applications are to be submitted within the Clean Energy Infrastructure Funding Opportunity eXCHANGE. This is the same system that we used this year for 242 and 243. As I mentioned, submit applications within the Clean Energy Structure Funding Opportunity eXCHANGE. The link is within the chat as well as available on the website. An applicant will need to submit an application within the system or create an account, and we recommend that be done in a timely manner. If you have technical issues, please contact InfrastructureExchangeSupport@hq.doe.gov, and questions related more to the program, the guidance, should be sent to the HydroelectricIncentives@hq.doe.gov email address.

In terms of submitting a letter of intent, the information on this slide is included within the guidance. This is the general facility information description of the capital improvement project designating whether you're applying as a small project in selecting the category, as well as authorizations, the current status of the project, and the expected or actual capital cost. This information is also included within eXCHANGE within an instructions document located under Documents. When submitting a letter of intent, this is the screen that you will see within eXCHANGE. The information that I just highlighted a moment ago should be entered within the Abstract field. The other fields should be completed, and an individual would then click the Create Letter of Intent. Once that is done, the letter of intent has been submitted.

In terms of qualified payment steps, this is similar to 242 and 243, as well. An applicant will need to obtain their tax identification number, as well as create or update their Federal System for Award Management account, which will then generate their unique entity ID, and we recommend that this process be started as soon as possible. We have received some questions on the Community Benefits Plan. The template for this plan was recently uploaded within the 247 webpage as well as DOE has created an About Community Benefits Plans webpage that includes information on community benefits plans, as well as frequently asked questions. The Community Benefits Plan has four unique sections to it—or goals: community and labor engagement; investing in the American workforce; advancing diversity, equity, inclusion, and accessibility; as well as the Justice40 Initiative. For 247, the submittal of the template will be required, so we just wanted to make sure that we highlighted that.

OK, we are ready to start the general question period. We've designated 30 minutes for this section of the question period. If we do run over but we have time at the end of the webinar, we can go back to general questions, and so we'll take questions in the order of raised hands. OK, Jeanie Finger?

*>> Jeanie Finger:* Hi. Thank you. Two questions for you. One is regarding the small project criteria. I wanted to ask if that will be strictly about the nameplate or, for instance, we have a nameplate capacity that's larger than 10 megawatts but actual generator output, because of river constraints and whatnot, is actually around that 10-megawatt level. Can you comment on if that will be strictly applied as nameplate only?

*>> Tim Welch:* We'll be looking at the nameplate capacity for that 10 megawatts.

*>> Jeanie:* OK. The second question is about what constitutes FERC authorization. Would that be an email or a letter with a general agreement on the need for the project? Or is it a letter authorizing construction, like after the construction package has been reviewed and approved by the FERC? Or is it a point before that stage that constitutes—?

*>> Tim:* It can take a variety of forms depending on the particular projects. If it's something that requires strict FERC approval, some sort of order, whether it be a delegated order or a letter order authorizing it, or in instances that you do not believe FERC authorization is necessary, some sort of documentation from FERC supporting your position there.

*>> Jeanie Finger:* OK. Yeah, because the timing matters. The deadline for the application may come before we get approval of the construction package, but some other type of approval of the project in general would be acceptable is what I think I hear you saying.

*>> Tim Welch:* Yes.

*>> Jeanie Finger:* Thank you.

*>> Luciana Ciocci:* Edward Brennan? Edward, we can't hear you.

*>> Edward Brennan:* How about now?

*>> Luciana Ciocci:* Yes.

*>> Edward Brennan:* Sorry about that. Yeah, the slides on the letter of intent gave more clarification, but I'm guessing that it is a separate letter of intent per planned application submittal as opposed to, if you have multiple applications that you're planning to submit under Section 247, you can't have one letter of intent that covers them all.

*>> Tim Welch:* That's right. It's a letter of intent per application.

*>> Edward Brennan:* OK. And then I would just suggest you consider when you next update the frequently asked questions to add that clarification.

*>> Tim Welch:* Thank you.

*>> Luciana Ciocci:* Jeff Lahey?

*>> Jeff Lahey:* Hey there. Can you hear me?

*>> Luciana Ciocci:* Yes.

*>> Tim Welch:* Yes. Go ahead, Jeff.

*>> Jeff Lahey:* OK, great. Two quick questions, one on the Community Benefits Plan template. Having seen it for the first time, there have been some questions for companies that have done community benefits responses, plan responses for other DOE programs, is this specific to the hydro programs, or is this sort of a general template that all of DOE is moving to? I ask considering also, too, that you referenced that sort of DOE-wide website on community benefits plans, so is this something that people should be expecting not only in these programs but potentially in other programs coming out from DOE?

*>> Tim Welch:* It's a DOE-wide template.

*>> Jeff Lahey:* OK. Thank you. One quick question with regard to SAM … I've heard what you've said on this call, as well, that it is taking longer to get the required updates or new accounts through that process. In some cases, I'm hearing it's taking several weeks. I think that needs to be in place prior to the application. For 247, that gives us a lot of time but, as you mentioned, Tim, 243 is coming up within a matter of weeks. Is there something that can be done if people have made applications for SAM but they don't have all the information back before the deadline for the application comes up?

*>> Tim Welch:* I'm not really sure, Jeff. Do you have to have SAM prior to filing the application or prior to payment? I'm asking my—

*>> Jeff Lahey:* I think when Luciana went through the LOI, I think … Luciana, when you went through the LOI, there was a unique entity identifier line there, too, and so that's sort of what sparked that question.

*>> Tim Welch:* OK. Anything from my team?

*>> Maddon:* Yeah. I would say the UEI is truly crucial to the payments. I wouldn't let it stop you from submitting an LOI or an application; just let us know that that's what's going on. You can take a screenshot that it's in process, but it's not on your end that it's slow, and then we can help you work around it so you don't get timed out for that.

*>> Jeff Lahey:* Thank you. That's helpful. I certainly have been expressing to people to do that, but depending on the backlog …

*>> Maddon:* Yeah.

*>> Jeff Lahey:* Thank you.

*>> Luciana:* Cathy Hoberman?

*>> Cathy Hoberman:* Great. Thank you. If someone is applying for a 242 grant, would that affect their success under this 247?

*>> Tim Welch:* No, there is no link between those two incentives.

*>> Cathy Hoberman:* OK, super. And then if I am not an owner—I would essentially be an owner representative—can I use my SAM—my company's SAM to do an application on behalf of an owner, or does the owner have to possess the SAM?

*>> Tim Welch:* Maddon?

*>> Maddon:* Sorry. Can you repeat that real quick? Is it like an issue of parent companies?

*>> Cathy Hoberman:* No, I would essentially be like a contractor—the engineer sort of thing. Could we apply for the grant using our SAM, or does the owner of the dam have to have their own SAM?

*>> Maddon:* The SAM account and the UEI number, that would determine who ends up with the money if you're successful, and so if you, as not the owner of the dam, are the applicant and that's the UEI number we have, you will receive the payment rather than the owner of the facility. I would defer to the guidance. I'm not sure if there is a preference, but that would just be my note, that whoever you're intending to end up with the payment should be the UEI number and the SAM account that is used.

*>> Cathy Hoberman:* OK. So, in the document, it says, "An owner or authorized operator," as far as who may apply, so I guess that's sounding like I couldn't apply for it on their behalf, and that you would actually want the owner, so they need to have their own SAM account for that.

*>> Tim Welch:* I think, generally, that would be our preference.

*>> Cathy Hoberman:* Yeah. OK. No problem. Thank you.

*>> Luciana Ciocci:* Jonathan Jacobs?

*>> Jonathan Jacobs:* Yes. A couple of questions: First of all, in terms of eligibility, would a project that was built between 1920 and 1959 in Alaska or Hawaii, before statehood but under territorial authority, be eligible for this grant program?

*>> Tim Welch:* Again, I would refer you to the guidance. I would read the guidance. It's very clear on eligibility, and if that's one of the carveouts—because the statute is very clear on it.

*>> Jonathan Jacobs:* OK. Second question: The guidance mentions a 25%—up to 25% set aside for small projects. Does that mean that you would approve grants to small projects preferentially up to 20% of the dollars or that there will be a set-aside amount that you have not yet determined but will be 25% or less of the total budget?

*>> Tim Welch:* It will be 25% set aside total amount of the funding.

*>> Jonathan Jacobs:* OK. Thank you.

*>> Luciana Ciocci:* Madeline Minot?

*>> Madeline Minto:* Hello. I have a couple of questions. First, is there a maximum date for plan start of construction for the project to be eligible? For example, if we have a project in relicensing and there will be required fish passage improvements but those are not planned to be implemented until a couple of years after relicensing is complete, so that would be, say, 5 years from now, can we still apply for a grant even though we're not planning to start construction until—?

*>> Tim Welch:* Madeline, that’s a great question, and we are in the process of developing a frequently asked question to provide clarity there. Our preference is that the project would commence within 3 years of when the award is made and when there is final FERC approval.

*>> Madeline Minot:* OK. So, in this case, final FERC approval would be the new license, correct?

*>> Tim Welch:* Let me check on that, if you're correct, Madeline—

*>> Madeline Minto:* That's how I would interpret it.

*>> Tim Welch:* Yes. Luciana, I thought it was 3 years from the award or from the eligibility determination.

*>> Luciana Ciocci:* Three years after the selection.

*>> Tim Welch:* Right. OK.

*>> Madeline Minot:* OK. Understood. And then I just wanted to confirm that one could apply for both a Section 243 and Section 247 grant for the same capital improvement, if it both improved efficiency by 3% and improved dam safety, for example, and you could get both grants?

*>> Tim Welch:* Yes.

*>> Madeline Minot:* OK. Thank you.

*>> Tim Welch:* You would have to make a case that it does both.

*>> Madeline Minot:* Understood.

*>> Tim Welch:* OK.

*>> Luciana Ciocci:* J.C. Robbins.

*>> J.C. Robbins:* Yes. I had a question. We're working on a project that we've talked to FERC at the beginning, and everything about the project is an exempted FERC project, but would you need a letter of determination for us to apply, or is us meeting all those things that exempt us sufficient?

*>> Tim Welch:* Some sort of documentation from FERC, please.

*>> J.C. Robbins:* OK. We have a write-up from the two lawyers that [inaudible], but I'm thinking do you want something more official than this memorandum that the lawyers wrote up?

*>> Tim Welch:* The FERC lawyers?

*>> J.C. Robbins:* No. It was our district lawyer that wrote it up in the conversation with the FERC attorneys, but that might not be an official enough statement.

*>> Tim Welch:* We would like something from FERC, please.

*>> J.C. Robbins:* OK. Understand. Thank you.

*>> Luciana Ciocci:* Jeffrey Peppy? You're on mute.

*>> Jeff Lahey:* He did put a question in the chat.

*>> Tim Welch:* Do we have it?

*>> Luciana Ciocci:* "Does it have to be a FERC or can it be a Mill Act State of Maine dam?"

*>> Tim Welch:* Again, I would refer you to the guidance, which follows the statute.

*>> Luciana Ciocci:* Michael Drane?

*>> Michael Drane:* Sorry. Had to find my unmute there. Am I allowed to ask more than one question?

*>> Tim Welch:* Sure. Of course—

*>> Michael Drane:* Good, because—

*>> Tim Welch:* —but not more than four.

[Laughter]

*>> Michael Drane:* OK. Here are my four—

*>> Tim Welch:* Oh no.

*>> Michael Drane:* At the start of the guidance, I mean, I keep hearing the $5 million per project, but the guidance says $5 million per project per fiscal year. If it's not oversubscribed, is there the potential that you could end up then getting more than the $5 million by going into the second fiscal year?

*>> Tim Welch:* I would say there was potential if we do another solicitation in another fiscal year.

*>> Michael Drane:* OK. All right. Thank you. Everything I'm hearing and most of what I read in the guidance suggests that you can not only apply for but maybe receive more than one award subject to the $5 million limit, but there is some language on page 1 of the guidance, under the Purpose and Scope, which says that all developments within a single license will be treated as a single hydropower facility and may receive one incentive payment subject to the above limitations. If you get more than one award, do you have to pick one or you'll just get one payment that covers more than one award?

*>> Tim Welch:* You'll get one payment, not more than $5 million.

*>> Michael Drane:* OK. I think I understand that. The definition of a capital project makes reference to capitalized in accordance with generally accepted accounting principles, so if there are certain types of things from a design standpoint that can be appropriately capitalized, that would be eligible to count towards the cost. It doesn’t just have to be a physical improvement?

*>> Tim Welch:* Again, I would refer you to the guidance.

*>> Michael Drane:* OK. All right. Well, I was quoting the guidance to see whether or not—

*>> Tim Welch:* Yeah.

*>> Michael Drane:* —[inaudible] on that. OK. And—

*>> Tim Welch:* Wow. You did have more than four.

*>> Michael Drane:* This is number four.

*>> Tim Welch:* Oh, OK.

*>> Michael Drane:* I heard you in response to another question say, “We need to see something from FERC.” Was that just with regard to the exemption, because my understanding is, in some cases, you can show that certain maintenance activities already by FERC regulation don't require you to get FERC approval, and so I wouldn't have to get a letter from FERC that says, "Yes, this is consistent with our regulations." We could just point you to the regulation that shows that it's a—

*>> Tim Welch:* Some sort of documentation.

*>> Michael Drane:* OK, not necessarily something from FERC that says—

*>> Tim Welch:* Something from FERC would be helpful.

*>> Michael Drane:* Are their own regulations sufficient or something from FERC specific to the particular—?

*>> Tim Welch:* Yeah. I think just pointing out the regulation, and if we have any questions regarding your interpretation of the regulations, then we'll go to FERC.

*>> Michael Drane:* Oh, OK. So, you might come back and then maybe ask FERC a question.

*>> Tim Welch:* Yes—

*>> Michael Drane:* OK. Thank you.

*>> Tim Welch:* —or ask you.

*>> Michael Drane:* Got you. Yeah, and will ask them.

*>> Tim Welch:* Yeah. Thanks, Michael.

*>> Luciana Ciocci:* Ryan Grandin?

*>> Ryan Grandin:* Hi, Luciana. I was wondering, under the environmental improvements category, previously I had seen mention of dam removal as qualifying, and I don't see it in the guidance. Does it qualify, or does it not qualify?

*>> Tim Welch:* That's a good question. It qualifies with respect to fish passage, but if you are removing a dam as part of the project, dam removal could be considered some sort of a fish passage enhancement, but the project would still have to generate electricity and remain intact.

*>> Ryan Grandin:* OK. All right.

*>> Tim Welch:* If you're surrendering your project completely, I would say no.

*>> Ryan Grandin:* OK. Thank you.

*>> Luciana Ciocci:* Brandon Robinson?

*>> Brandon Robinson:* Yes. Hi. Thank you for your time. My question is with respect to the Davis-Bacon requirements. I see in the guidance projects that were completed prior to the application period may still be eligible after November 2021 but must still comply with Davis-Bacon, and the guidance says waivers are not available for Davis-Bacon Act requirements. I certainly understand the purpose of Davis-Bacon being to ensure that laborers and construction workers are paid prevailing wages. I guess my question is with respect to some of the other Davis-Bacon Act requirements, such as weekly payroll. One can show that prevailing wages were paid retroactively, but you kind of can't un-ring the bell with some of these other requirements, like weekly payroll. I was wondering if DOE has considered how it might interpret or apply those other Davis-Bacon Act requirements to completed projects, and if there are partial waivers or some sort of flexibility beyond the prevailing wage requirement.

*>> Tim Welch:* Brandon, if I understand your question here, there are no waivers and there are no exceptions for Davis-Bacon.

*>> Brandon Robinson:* Thank you.

*>> Luciana Ciocci:* Brian Stone?

*>> Brian Stone:* Yes, I had a quick question about the taxpayer identification number. We're a company that owns several qualified hydroelectric facilities, and we plan to do at least one project on more than one of those facilities. Do we need to create a taxpayer identification number for each facility? I guess that's the question. It doesn't seem to make sense, but that's the question.

*>> Tim Welch:* Maddon, could you help me out here a little bit?

*>> Maddon:* No, you do not need an individual—

*>> Tim Welch:* Oh, I thought you said you weren't going to help me.

[Laughter]

*>> Maddon:* No, I'm sorry.

*>> Tim Welch:* Go ahead, Maddon.

*>> Maddon:* Well, I don't know as it pertains to projects and eligibility and all that, but it's fine to have just one taxpayer ID for the company. Does that make sense?

*>> Brian Stone:* That makes perfect sense. Thank you.

*>> Maddon:* Yeah.

*>> Luciana Ciocci:* Jeff Lahey?

*>> Jeff Lahey:* Thank you. Using the Mike Drane rule, I'm going to have a couple of questions but under four.

[Laughter]

*>> Tim Welch:* We wanted to put a FAQ of No More Than Four Questions Per Person.

*>> Jeff Lahey:* Tim, a very quick question: I just wanted to confirm that with the new guidance that, outside FERC's project boundary, activities are covered under, for example, like environmental improvement, like a fish hatchery, that may be a part of what you do for the project but is located outside the project boundary—the FERC project boundary—that would still qualify, something like that.

*>> Tim Welch:* Yes, but you have to have a nexus to the project.

*>> Jeff Lahey:* Right. There was a question with regard to, and this goes back to a question somebody else asked, what if you submit multiple applications and they get ranked and they're at the same facility and you get capped out? Is DOE going to determine that the money goes to the projects as they are ranked? Or does the applicant get to say, "I'm going to use the money to any of the projects that I applied for"? In other words, does the money go to the projects as they are ranked regardless of if you have multiple applications in at the same facility, if you get my—

*>> Tim Welch:* Yeah, that's a good question. We will fund the projects as they are ranked.

*>> Jeff Lahey:* Right. That's what I kind of thought would be the case, is you don't get to choose; it's how they are ranked.

*>> Tim Welch:* That's correct.

*>> Jeff Lahey:* OK. Thank you for that. And then the last one: If there was a change in the final guidance that talked about the fact that, if you're going through the FERC or any other NEPA process that results in significant modifications of the proposed improvement, that you might have to resubmit an application, is there a way to expand upon that? Because it would seem like the timing of that might not necessarily work out, that if something like that was to happen, it could happen months to a year after the awards are made, in which case you're asking them to go back and do another application. I didn't understand how that would work.

*>> Tim Welch:* Well, remember, we're looking at any changes that FERC might make, so we would not have made the award yet, so yes, I realize there is a time area here but—

*>> Jeff Lahey:* Well, right. So, for example—

*>> Tim Welch:* —that won't happen very often.

*>> Jeff Lahey:* Right. So, for example, if you filed for your permit, your license amendment, in late September, and you're making the awards, let's say, before the end of the year, and, at the beginning of the year, there is a change, then, at that point, what you're saying is that you would have to sort of reapply to ensure that you would get the award.

*>> Tim Welch:* You would have to amend your application so that the project that we're funding—we know what we’re funding.

*>> Jeff Lahey:* OK. Thank you.

*>> Luciana Ciocci:* David Huxley-Cohen?

*>> David Huxley-Cohen:* Yeah, I had a question to follow up on the one payment of $5 million. I know that there can only be one award per facility, but if we've identified two related projects and some of that award is less than $5 million, could we both include those in an application?

*>> Tim Welch:* Yes. We would prefer two applications.

*>> David Huxley-Cohen:* Two applications, but would only one of them be awarded, so let's say one of the awards was—?

*>> Tim Welch:* We could choose two. We could choose both of them.

*>> David Huxley-Cohen:* Thank you.

*>> Luciana:* Cathy Hoberman?

*>> Cathy Hoberman:* Yeah. Hi. Another question here: The small business definition … Does the applicant have to have an official designation as that? Or, as long as they meet the definition within the announcement, that-that would be sufficient?

*>> Tim Welch:* Just meet the definition and file documentation that indicates that you meet the definition.

*>> Cathy Hoberman:* OK. Super. Thank you.

*>> Luciana Ciocci:* John Ragonese?

*>> John Ragonese:* Yes. Hi. Hey, Tim and Luciana. I'm going to repeat things I guess that may have been said, but I just want to sort of get a confirmation, because I've been hearing different things. By the time of the application, there has to be some sort of initiation or full authorization initiating for some kind of proof of authorization at the time of application. To Jeff's point, or something related to Jeff's, by the time the award is done, does there need to be proof that that authorization has been granted or is that still sort of pending?

*>> Tim Welch:* It would be a conditional award, John—

*>> John Ragonese:* OK. All right. Yeah—

*>> Tim Welch:* —so we would expect that you would let us know as soon as possible after FERC approval or authorization, but we'll be in contact with FERC, as well.

*>> John Ragonese:* Yeah. No. That makes sense. Thank you. OK, so, as I think I understood, then, if the project is to be completed within 3 years of the award, is part of your selection criteria essentially a likelihood or sort of a risk assessment as to whether or not the project will have authorization? Or is that 3 years a start or a completed? I didn't quite catch that.

*>> Tim Welch:* Yeah. Luciana, tell me the definition. We just wrote this up the other day, John.

*>> John Ragonese:* No, Tim, to be honest with you, I can kind of tell, but it's fine.

[Laughter]

*>> Luciana Ciocci:* DOE expects projects to be started and completed within 3 years after projects are selected for an incentive payment in permitting is complete.

*>> John Ragonese:* OK. I'm not sure what the last criteria, you know, what that means. It sounds like you're saying the project needs to be completed within 3 years of the award. I'm just trying to decipher that.

*>> Tim Welch:* Right, understanding that there are many factors at play here.

*>> John Ragonese:* OK. So, I guess that maybe leads to my Part B. We have a number of DOE grants that we're participating in, and for reasons somewhat out of our control, things get delayed. Is there an extension? Or is that 3 years a hard and fast rule that's in the program? Or is that more an extension because of something?

*>> Tim Welch:* We are always open to discussions on extensions.

*>> John Ragonese:* OK. All right. So, it's adaptable and flexible, for lack of a better word.

*>> Tim Welch:* Yeah.

*>> John Ragonese:* But the criteria question I had: If you had a project that was started since 2021, and it's partly underway, you've got the FERC approval, versus a project that you would like to get funding for, you still have to either amend your application that's in relicensing, or you've got to file for an amendment that who knows when it's all going to happen, is there a risk assessment in your criteria?

*>> Tim Welch:* I mean, we are developing our own metrics for risk assessment, but I don't know if there is any risk assessment criteria.

*>> John Ragonese:* Well, I meant risk of the project actually using the award is really what I'm saying.

*>> Tim Welch:* Oh, there is always risk of that, John. So, we will be monitoring these projects post-award to determine if they are in fact moving forward, and, if not, we may have to reevaluate.

*>> John Ragonese:* I get it. But I guess I'm just trying to … Let me try this. If you have enough applications, or a large majority of your applications are already projects that are underway or have FERC approval, are they going to have a preference over ones that have no approval? They're conceptual. They—

*>> Tim Welch:* Yeah. And the answer to your question is: No.

*>> John Ragonese:* OK. Thank you.

*>> Tim Welch:* Thanks. I get what you're saying.

*>> John Ragonese:* Yeah. Thanks.

*>> Luciana Ciocci:* OK. So, we are at time. The last person to speak on general questions will be Tom Hickey, and then we'll move on. We will come back to general questions if we can later on. Next up is Michael Purdy.

*>> Michael Purdy:* Thanks, Luciana. You can hear me? Regarding the language in the document about permits—and I appreciate the change [inaudible] that you have to apply for your permits, that threshold is applying for your FERC changes, the changes to your license from FERC or any approvals from FERC?

*>> Tim Welch:* That's right.

*>> Michael Purdy:* OK. And so the documentation could be the standard form from elibrary that your application has been accepted for filing?

*>> Tim Welch:* Mm-hmm.

*>> Michael Purdy:* OK, great. Thanks.

*>> Luciana:* Tony?

*>> Tony:* Can you hear me?

*>> Tim Welch:* Yeah.

*>> Tony:* Thank you. My question is basically relating to documentation demonstrating compliance with NEPA. I guess what does that really entail? Because my issue is that we are a utility company that we are stewards to the Bureau of Reclamation, the All-American Canal, which is part of a Big Boulder Act, so we're stewards of a canal that we built on top of the dam. That should already be in place already because we're not the owners of the dam, we're just the stewards. In other words, do we still need to provide demonstrating compliance with NEPA even though we're not the owners?

*>> Tim Welch:* To be eligible for this award, you have to be an owner/operator and you have to be FERC-licensed.

*>> Tony:* Just providing the FERC license might be the solution here. Because I'm kind of having a little bit of an issue trying to find compliance. We're the operators, we are the defined operators of the dam, but it is on federal property and it's owned—

*>> Tim Welch:* Understood, and the FERC license holders would be the eligible entity.

*>> Tony:* OK. Thank you. That probably should answer it.

*>> Luciana:* Tom Hickey?

*>> Tom Hickey:* A similar question to the previous one related to the permits. We're clear on having FERC authorization but wondering about the additional, like if there is an Army Section 404 permit or a water quality certification. Those types of permits, do they have to be completed also?

*>> Tim Welch:* Yes.

*>> Tom Hickey:* The guidance says federal, state, or tribal. Sometimes there are county permits, county shoreline permits, or other local. Those are not—

*>> Tim Welch:* I would just refer to what the guidance says.

*>> Tom Hickey:* OK. Thank you.

*>> Luciana Ciocci:* OK. So, we will come back to general questions, if necessary, later. Right now, we will take a 5-minute break, so we will meet back at 2 Eastern. Thanks.

[Silence]

OK. We are back from the 5-minute break. Before we start with grid resilience, Tim would like to make a comment on one of the frequently asked questions that we've discussed.

*>> Tim Welch:* Thanks, Luciana. Yeah. A couple things that came up with respect to frequently asked questions, one regarding the commencement of the project … As I said and as John Ragonese correctly pointed out, this is something that is kind of ongoing and we're talking to our lawyers about, and so we will continue to develop that frequently asked questions, so please keep an eye out on our website and eXCHANGE, as well, for the answer to that particular question. It's sort of still in development. With respect to FERC and FERC authorization, if it wasn't clear before, I wanted to clarify that we have an ongoing dialogue with FERC. As a matter of fact, we have what we call our FERC DOE Coordination Plan, and so we will be working hand in hand with FERC with respect to not only authorizations themselves, but things that may not require FERC authorization as well as where people are in the FERC authorization pipeline, as well. It will be constant communication between DOE and FERC regarding these issues, and we've talked to them about this extensively. So, just a couple of clarifying things on that … OK. What's next, Luciana?

*>> Luciana Ciocci:* Thank you. Next is grid resilience. I'm not sure, Ryan Grandin, if you still have your hand up from general questions or … OK. And Tony? Do you have a question specific to grid resilience? Tony? Do we have any questions on grid resilience?

*>> John Ragonese:* Luciana, I'm trying to get my hand up. This is John Ragonese.

*>> Tim Welch:* I can hear you, John.

*>> John Ragonese:* Thank you. When I think of grid resilience, and as an independent hydro, it's hard to sort of figure out where grid resilience ends. Is it after the demarcation line between ourselves and a grid operator? Or is grid resilience a little bit of a broader, general term that could imply reliability improvements? Or are you specifically looking for changes that provide more of the responsiveness characteristics that a grid relies on hydro for? It's just one of these things where it's kind of like, "Well, what does resilience mean to a hydro operator, not a grid operator?"

*>> Tim Welch:* It really does mean hydro operator, John, and it falls under those three categories. We're going to be looking, prior to [inaudible]. What is the project doing to adapt more quickly to changing grid conditions, provide ancillary services, facilitate variable sources of generation? What specific enhancements, capital improvements you're making to the generation facilities to facilitate those types of—?

*>> John Ragonese:* Characteristics, operating characteristics. OK. Thank you.

*>> Luciana Ciocci:* David Tripp?

*>> David Tripp:* Yeah, just kind of a follow-up question similar to the last one. We've got a hundred-year-old hydro facility, and the electrical system within the facility is a hundred years old. If we're going to continue to operate the facility, we need to upgrade the electrical system just because of age and obsolescence of equipment. Does that quality as grid resilience by being able to continue the operation of the facility?

*>> Tim Welch:* David, I can't comment directly on eligibility. All I would say is if you can make a case that what you're doing at your plant enhances any one of those subareas, make the case in the application. That's all I can tell you.

*>> David Tripp:* OK. Thank you.

*>> Luciana Ciocci:* Do we have any other questions on grid resilience? OK. We can move on to dam safety. Madeline Minot?

*>> Madeline Minot:* Hi. I have a question about the requirement for the application that says that high-hazard dams would require a dam inundation map. Is that specific to the proposed improvement? We have a project, and we would propose to make an improvement to a penstock that goes under a building. It is a ways away from the dam itself, and we're not proposing to do anything with the dam; it is currently safe. There is a dam in the canal. The penstock goes under a building. We don't currently have a dam inundation model for this project, so we can do that but it would be a considerable expense, and it seems unrelated to what we're proposing to do.

*>> Tim Welch:* We are looking to score these projects for dam safety with respect to these four areas. You would have to demonstrate somehow that your dam is a high-hazard dam.

*>> Madeline Minot:* Yeah. This is a nonjurisdictional project, so we have that classification from the state dam safety office. What I'm asking about is it says it requires a dam inundation map, so I'm interpreting that to be a dam break model, but we don't have that done currently. That would be a considerable expense to have an engineer do that, and we're talking about a penstock that goes under a building is where we would actually be doing the improvement, so do you want a model specific to the penstock, or the dam—

*>> Tim Welch:* This is case by case, and I can't comment on your very specific—

*>> Madeline Minot:* All right.

*>> Tim Welch:* I'm really sorry, Madeline.

*>> Madeline Minot:* Well, no. It's OK. That's—

*>> Tim Welch:* I would be remiss if I just made some kind of general—

*>> Madeline Minot:* That particular requirement just seems odd to us, I guess, in the context of some of the particular specific improvements that could be funded from this, so maybe I'll email a specific question directly.

*>> Tim Welch:* OK.

*>> Luciana Ciocci:* Wilbur Wang?

*>> Wilbur Wang:* Yeah. Can you hear me all right?

*>> Luciana Ciocci:* Yes.

*>> Wilbur Wang:* Yea. This is a great presentation. My question would be if any portion of a capital improvement project be eligible if our construction would be happening in the next 3 years.

*>> Tim Welch:* Again, Wilbur, as I just previously mentioned, we are in the process of clarifying when the commencement of the selected project needs to be, so I can't give you that answer right now.

*>> Wilbur Wang:* OK. Thank you.

*>> Luciana Ciocci:* Do we have any other questions on dam safety?

*>> Jeff Lahey:* Luciana, this is Jeff. I'm sorry. I didn't raise my hand. Is that OK?

*>> Luciana Ciocci:* Yes.

*>> Tim Welch:* Go ahead, Jeff.

*>> Jeff Lahey:* Can you just confirm? I think the change that was made with regard to the dams that are in fair condition and the scoring, I think in the draft guidance document they were given one point in the dam safety condition classification ranking system. Now, in the chart, it says two, but in the writeup, it still said one, so I just wanted to confirm on this that it is two.

*>> Tim Welch:* It is two, so the chart carries the day, and we'll be clarifying that, Jeff.

*>> Jeff Lahey:* Yeah. Thank you.

*>> Luciana Ciocci:* Michael Drane?

*>> Michael Drane:* Thank you. My question also relates to the condition classifications. Is this something that you have to have … ? Well, let me put it this way. FERC will often—or inspectors will often say, "We believe the condition of the dam is X." Usually, you want it to be satisfactory or fair. If that is how it has been identified as of the last formal inspection but you've now got something that happened that you're hoping to fix with this, that that thing you're looking to fix would probably make the dam a worse condition—a satisfactory dam be fair or a fair dam be poor, do we just identify that condition that exists that's creating that dam safety condition classification? Or do we have to go to FERC or an inspector and have them confirm that, "Yes, because this just happened, and until it's fixed, your classification is somehow different"?

*>> Tim Welch:* Michael, we'll be looking at whatever the current classification is.

*>> Michael Drane:* Right. "Current,” meaning we can provide information explaining what it is? Or we're looking for a document from someone else that states that?

*>> Tim Welch:* Well, I would use whatever your last inspection was.

*>> Michael Drane:* OK. All right. Yeah. So, the issue I have, and I'm not asking you to rule on it, is we had an inspection, we're satisfactory, and something has now happened that we think makes it fair. That's the actual thing we would like to apply for the funds for to fix—

*>> Tim Welch:* I understand, but we need to know what it currently is now.

*>> Michael Drane:* OK. All right. So, we may have to get someone to review that classification. All right. Thank you.

*>> Luciana Ciocci:* Michael Swiger?

*>> Michael Swiger:* Hello.

*>> Tim Welch:* Hi, Mike.

*>> Michael Swiger:* Hi. My question is: The guidelines say that permits either have to be obtained or at least applied for to conduct the work. Are you talking about just federal permits or the full range of state, local, other potential permits?

*>> Tim Welch:* The state, federal, tribal.

*>> Michael Swiger:* State, federal, tribal. Thank you.

*>> Luciana Ciocci:* Alvin Butterfield?

*>> Alvin Butterfield:* Yeah. Previously you had mentioned that, for multiple projects going on at the same facility, to file multiple applications. I guess if all of the applications are going towards a common goal, such as flood prevention or just overall dam safety, can those be lumped into one application?

*>> Tim Welch:* We would be looking at projects at a particular development, one application, although you could file for other areas. Does that help?

*>> Alvin Butterfield:* Yeah. I think so.

*>> Tim Welch:* OK.

*>> Luciana Ciocci:* Vanessa Sedal?

*>> Vanessa Sedal:* Hi. Thank you. You got it right. I'm impressed. That's how I know a telemarketer is calling me is they say my last name wrong. I have a couple questions. My first one is on NEPA. The dam safety project that I am considering is typically exempt from NEPA. But I'm new to federal funding, so would stating or showing the categorical exemption show compliance with NEPA? Or is there something else I need to do to comply with the federal funding?

*>> Tim Welch:* A demonstration that it was categorically excluded and hopefully a FERC agreement, as well.

*>> Vanessa Sedal:* OK. One more quick question: Is this incentive stackable with other grants? Or would it prevent me from applying for a different grant in your—?

*>> Tim Welch:* All I will say is there is nothing in the statute associated with this particular program that would prevent you from doing that. That's not to say that other grants by other federal agencies might not have those requirements.

*>> Vanessa Sedal:* OK. Thank you.

*>> Luciana Ciocci:* Sherri Loon?

*>> Tim Welch:* Sherri?

*>> Luciana Ciocci:* Sherri, we can't hear you.

*>> Tim Welch:* Sherri, can we come back to you, perhaps? Yeah. OK.

*>> Luciana Ciocci:* John Ragonese?

*>> John Ragonese:* Hi, Luciana. I think Sherri may have written a note in the chat you can look over. She may be able to get on that way. But anyway, the question that was raised earlier about this sort of distinction, the language in the authorization or the program talks about projects not developments … I can understand where you might be doing a [inaudible] dam at one development and a grid resiliency thing at another development in the project and you would want separate applications. But, in the case where the project for dam safety purposes, something like improving your instrumentation at all your three high-hazard dams—

*>> Tim Welch:* I see what you're saying.

*>> John Ragonese:* Wouldn't that make more sense to have—that's the project that is improving dam safety at your high-hazard dams within the project. I'm just trying to limit the number of applications one has to—

*>> Tim Welch:* Yeah, John. Boy, there are so many iterations here.

*>> John Ragonese:* Yeah, no, I get it. I don't want to be—

*>> Tim Welch:* Yeah, take it case by case. I don't know, John. It's hard to say. I see what you're saying, where you're doing some kind of instrumental thing.

*>> John Ragonese:* But see, not knowing that, would that be something you would want to sort of identify in your letter of intent and then get feedback from you prior to the application?

*>> Tim Welch:* Yeah, yeah. Well, we're not responding to letters of intent, so I would just do what makes sense. Do what makes sense to you. But the important thing here is the $5 million cap per licensed project. That's the thing we're most concerned about.

*>> John Ragonese:* Yeah, I got it. Sounds good. Thanks, Tim.

*>> Luciana Ciocci:* OK. We'll go back to Sherri Loon's question. Ryan Grandin?

*>> Ryan Grandin:* Hi. My question is around the ranking of dam safety projects, specifically the dam safety condition classification. I'm a FERC licensee, and when I look on the National Inventory of Dams website, our dams are listed as not categorized yet. Is it only the National Inventory of Dams categorization that's accepted? If so, how do I go about getting the FERC to put the categorization on there?

*>> Tim Welch:* That's between you and FERC. Somehow, Ryan, you'll have to demonstrate what your condition classification is.

*>> Ryan Grandin:* It's not limited to just the published National Inventory of Dams classification?

*>> Tim Welch:* Are you on, Rajish?

*>> Rajish:* Yes, I am on, and Tim, you're right on. We will look at what you provide us. It is not necessary to link to, you know, yes, [inaudible] the NID, but it is upon the applicant to tell us what the condition is and kind of have documentation to prove that.

*>> Tim Welch:* Yeah. OK. Thank you.

*>> Luciana Ciocci:* Peter Martins? Peter, we can't hear you. Peter?

*>> Tim Welch:* We can go back to Peter, I guess. We'll try him again. Or is Peter the last one?

*>> Luciana Ciocci:* Peter is the last individual with their hand up. I cannot find Sherri's question within the chat.

*>> Sherri Loon:* Hi. Can you hear me now?

*>> Tim Welch:* Yay.

*>> Sherri Loon:* I had to switch microphones. Somebody had brought up nonjurisdictional. Are nonjurisdictional hydro projects eligible?

*>> Tim Welch:* Yeah. You have to demonstrate that you're a FERC-licensed project, or whatever the other portion of that part of the statute says pre-Federal Power Act.

*>> Sherri Loon:* OK. OK. So—

*>> Tim Welch:* Whatever it says in the guidance in the statute, that is the eligibility criteria.

*>> Sherri Loon:* OK. Thank you.

*>> Tim Welch:* I think another one just popped up there, Luciana.

*>> Luciana Ciocci:* Is that Alvin Butterfield? Oh, it looks like—

*>> Josh Adrian:* It's probably me, Josh Adrian.

*>> Tim Welch:* Yeah. I was going to say I thought it was you, Josh.

*>> Josh Adrian:* Hey. How are you?

*>> Tim Welch:* Good.

*>> Josh Adrian:* Thanks for this presentation. It's very helpful. I had a question about the scoring. I see that the most you could get, points-wise, for dam safety would be 14, but in scrolling back up to the other category, grid resiliency, the maximum points were 20 points. You had mentioned before that all of the applicants for each individual category are jockeying for position within that category, correct?

*>> Tim Welch:* Yeah, so it's within category, and you have to choose your category.

*>> Josh Adrian:* You have to choose your category. Is the funding then being evenly distributed between the three?

*>> Tim Welch:* Yeah, to the extent that we can. What we're going to do, once they're scored and ranked across the three categories, we will start with grid resiliency [inaudible] grid resiliency, dam safety, environmental improvements, environmental improvements, dam safety, grid resiliency, and we'll just go back and forth, back and forth, so we kind of get an even spread among the three categories.

*>> Josh Adrian:* Oh, OK. OK. So, would someone who is applying for dam safety then be a disadvantage to someone who is applying for … ? I'm sorry. Is someone who is applying for dam safety going to be at a disadvantage to someone who is applying for grid resiliency because the dam safety could get less points? It doesn't sound like it, based on the way you described it just now.

*>> Tim Welch:* No, it will be scored within the category—

[Crosstalk]

*>> Josh Adrian:* OK. Thank you.

*>> Tim Welch:* Yeah.

*>> Luciana Ciocci:* Next we have Frederic Raviz.

*>> Frederic Raviz:* Yes. [Inaudible]. I have a question I posted actually in the chat, but it is: Can the grant applicant [inaudible] be an entity not being the one directly having the FERC license [inaudible] exemption but an entity that has a development agreement with the hydro entity that actually has the permit, the FERC permit?

*>> Tim Welch:* No. It will be the entity that holds the permit.

*>> Frederic Raviz:* It has to be the entity that holds the permit?

*>> Tim Welch:* Yes.

*>> Frederic Raviz:* OK. And I'll take advantage of this small window as a tool to clarify one thing. Tim, you said that the project improvement can be outside of the project boundary if there is a nexus—

*>> Tim Welch:* A nexus to the project, yes.

*>> Frederic Raviz:* A nexus to the project. What does that mean? Is there any—

*>> Tim Welch:* That is for you to demonstrate to us what the nexus is, and then we'll make a judgement.

*>> Frederic Raviz:* OK. All right. Thank you.

*>> Luciana Ciocci:* Michael Drane?

*>> Michael Drane:* Thank you. Tim, you just gave an example in response to another question about you rank all the projects according to three categories, and you said you sort of just go back and forth, but not every project is going to be asking for the full $5 million. Are you saying you're going to try to evenly spread the number of awards between the three equally but not necessarily the number of dollars?

*>> Tim Welch:* The number of awards.

*>> Michael Drane:* OK. All right. Good to know. Thank you.

*>> Luciana Ciocci:* OK. We'll go to a question within the chat. "Are FERC-licensed dams that are not rated high-hazard eligible for funding?"

*>> Tim Welch:* Yes. They are eligible for funding.

*>> Luciana Ciocci:* OK. "Related to the dam inundation map requirement for high-hazard dams, how recent does the map need to be?"

*>> Tim Welch:* Rajish, can you help me out with that one a little bit?

*>> Rajish:* Our thinking here is that we do not want you to go back and spend unnecessary funds on this. Whatever you have most recent would be good with a good application, justification provided that this is what we have now. Your documentation should prove that what you have is what is present now.

*>> Luciana Ciocci:* Do we have any other questions on dam safety?

*>> Speaker:* Yeah, can you use simplified inundation maps, like maybe DSS-WISE Lite, like the FEMA software that was out?

*>> Tim:* Rajish?

*>> Rajish:* Yeah. Thank you, Tim. I would do the best you can provide to us. A good explanation of what you have done will be what we’ll be looking at. If it does not satisfy our requirements, we will get back to you.

*>> Luciana Ciocci:* John Tobin? John, we can't hear you. OK, we'll come back to you. Gerald Krueger?

*>> Gerald Krueger:* Hi. Thank you for all the information. We've got a project where the licensee has a FERC license but does not generate power, so, in that sense, probably doesn't have a nameplate. How could they be eligible for the small project category? Or could they?

*>> Tim Welch:* They would have a nameplate capacity of zero.

*>> Gerald Krueger:* Yeah. Right. But I'm not sure that … OK. That's obvious, but I don't know if they have the official documentation for that.

*>> Tim Welch:* Well, obviously they would have to document—

*>> Gerald Krueger:* Yeah, yeah.

*>> Tim Welch:* —[inaudible] zero.

*>> Gerald Krueger:* Yeah. The other question is on kind of the FERC status, so the improvements are for dam safety and seepage and stability. It has been discussed through [inaudible] and risk assessments, and FERC is in agreement with proceeding. By the time the applications are due, we may have a preliminary submittal of the design into FERC. Would that be sufficient for that process starting?

*>> Tim Welch:* As long as it's sufficient for FERC, it will be sufficient for us.

*>> Gerald Krueger:* OK. Yeah. Thank you very much.

*>> Luciana Ciocci:* John Tobin?

*>> John Tobin:* Thank you. I'm sorry about that a moment ago. Just a follow-up question on the dam inundation map: That seems to assume, and I'm not a very experienced hydro person in particular, that a high-hazard dam is designated as such because it could threaten things downstream. We have a high-hazard dam that is designated that way because of the upstream impoundment forms part of a local water supply, so we wouldn't have those kinds of maps, and it wouldn't really be related. I was just curious how that would impact our application. Thank you.

*>> Tim Welch:* Rajish?

*>> Rajish:* Yeah. That is kind of specific to your project. I hear what you're saying, and you're right, it does link to whatever is happening downstream, and this is something kind of exclusive to your project. Maybe there would be few projects like that. I would say, please explain what is going on and how it is high-hazard, or what other hazard category it falls into, and we will look at that and make a decision accordingly.

*>> John Welch:* OK. Thank you. Yeah. I just wanted to confirm that, if a certain thing wasn't met, it wouldn't be dismissed out of hand. I appreciate it.

*>> Rajish:* It will not be summarily dismissed. We will certainly look at your explanation. If there are any questions, we'll get back to you; otherwise, we'll make a determination on what is going on.

*>> John Welch:* Thanks again.

*>> Rajish:* Sure.

*>> Luciana Ciocci:* OK. And we will move on to environmental improvements. It looks like some folks might still have their hands up. But Tony, do you have an environmental improvement question? OK. Fredric Raviz, do you have an environmental improvement question? John Tobin?

*>> John Tobin:* Sorry. You answered my questions. Thank you.

*>> Luciana Ciocci:* Cathy Hoberman?

*>> Cathy Hoberman:* Yeah. Hi. Is there a minimum amount that you would be looking to fund, specifically thinking of a small project for something like fish passage? An eel pass could be something that is not that high of a cost but, still, everybody likes to get a little financial support, and then 30% of that would be a pretty small number. Is that OK? Or is there a bottom-out that you don't want to go under?

*>> Tim Welch:* There is no minimum. It's just 30% of the total cost. Yeah.

*>> Cathy Hoberman:* Thanks.

*>> Luciana Ciocci:* John Ragonese?

*>> John Ragonese:* Hi, Luciana. You may not be able to answer it, but generally speaking, if you had a project that both qualified in, say, dam safety, let's just think of some sort of crest control project or improved crest control project that actually did have environmental benefits by not losing boards and draining a reservoir during spawning season or whatever, you know, it has environmental benefits, how do you put them in your buckets? Or if you apply to both buckets, do you get $10 million?

*>> Tim Welch:* You have to choose the bucket.

*>> John Ragonese:* OK. Well, I figured that.

*>> Tim Welch:* Choose your bucket.

*>> John Ragonese:* Do you like to see things that might have both benefits—?

*>> Tim Welch:* We're not giving any kind of bonus points for multiple categories or anything.

*>> John Ragonese:* OK. Got it. Thank you.

*>> Luciana Ciocci:* Josh Adrian?

*>> Josh Adrian:* Yeah. Thank you again. I have a quick question about the recreation. I see that one of the categories, at least in the scoring of points, is that it's recreation opportunities outside the FERC license or exemption or water quality certificate authorization. I'm curious if you need to apply to FERC to have that new recreational amenity that you're proposing to build included within the license?

*>> Tim Welch:* That's between you and FERC. We're just looking at things that are beyond the license, I mean that aren't required just by their license.

*>> Josh Adrian:* OK. So, you wouldn't need a FERC authorization or even to apply to FERC—?

*>> Tim Welch:* That would be up to you.

*>> Josh Adrian:* OK. Thank you.

*>> Luciana Ciocci:* Do we have any other questions on environmental improvements? OK. Then, I think at this point, we can go back to general questions. Michael Drane, I see you have your hand up.

*>> Michael Drane:* Thank you. My question is about the community plan. When I look at the scoring matrices, when I read the guidance, it looks like the Community Benefits Plan, it's a yes-no. "Did you provide an adequate Community Benefits Plan as part of your application?" But I don't see that the information from that goes into the various scoring matrices, except I suppose possibly the one on recreation. There are some points for if it benefits a disadvantaged community, but otherwise, I don't see that. But if I go to DOE's About Community Benefits Plans page that the guidance references, too, the very first frequently asked question says, "The four categories of the Community Benefits Plan are equally scored." Then, later on, it says, "The only way to receive all Community Benefits Plan points is to have strong commitments in each of the four categories." One document is making it sound like the benefits plan contributes to your ranking, but the guidance looks more like it's a requirement to apply. I didn't know if some clarification could be provided on that.

*>> Tim Welch:* Yeah. I would follow the guidance for this particular incentive.

*>> Michael Drane:* OK. Thank you.

*>> Luciana Ciocci:* OK. Do we have any other general questions? David Hansen?

*>> David Hansen:* [Inaudible] question. This is related to how many projects can be addressed for a single hydroelectric facility. We have a project that has multiple developments, and we're contemplating a dam safety and a recreation project. I think I heard you say, Tim, that you can submit two applications, two full applications even though there is only one allowed for a project with multiple developments.

*>> Tim Welch:* No. There are multiple allowed, David, but it's a cap of $5 million.

*>> David Hansen:* Oh, OK. So potentially two projects could win if they didn't exceed the $5 million?

*>> Tim Welch:* That's correct.

*>> David Hansen:* OK. Thank you.

*>> Luciana Ciocci:* Randy Stetz?

*>> Randy Stetz:* Yes. Good afternoon. I'm sure you've answered this already, but could you elaborate on the timing of receiving an award? Also, are you only invited to submit an application after you have been scored on the letter of intent?

*>> Tim Welch:* Well, I'll take your second question first. I just want to correct some language. We're not going to be scoring letters of intent, but you must provide a letter of intent in order to be eligible to file an application. Then, the timing … Luciana, what is our latest schedule on the timing? Early 2024?

*>> Luciana Ciocci:* That's correct. February 2024 notification of selectees.

*>> Tim Welch:* We will notify you if you're eligible. So, remember, you may be eligible, if you so choose, for 10% up front, but the remainder of the funding will not be distributed until the project is completed.

*>> Randy Stetz:* OK. Thank you.

*>> Luciana Ciocci:* Jeff?

*>> Jeff Lahey:* Hey. A couple of quick questions: You've discussed multiple times, Tim and Luciana, that there will potentially be multiple frequently asked questions responses uploaded in the coming days and weeks. Is there any sort of additional templates or forms that we could expect that DOE would put out to assist in, generally speaking, applications? Or is what we have—what we have with the Community Benefits Plans template and what you included in the appendix to the guidance document?

*>> Tim Welch:* I don't know, Luciana, correct me if I'm wrong, but I think the community benefits template is the only template remaining that we had to put out.

*>> Luciana Ciocci:* That's correct. The template should be completed. Any supporting documentation will not be included and can be uploaded separately, so it won't count against your page count, but that's all that we have to make available at this point.

*>> Jeff Lahey:* Thanks. And I'm just going to ask this question in this forum, though I've asked it in other forums, and I think I know what the answer will be, and you may not even give one, but I'll ask it anyway. With the letters of intent, you'll know whether or not you'll be oversubscribed. Will the application remain, the application and all the requirements of it, if you find out that the program is undersubscribed and, therefore, no ranking—

*>> Tim Welch:* Yeah. Even if we're undersubscribed, Jeff, the requirements and the guidance will remain the same.

*>> Jeff Lahey:* OK. Thank you.

*>> Luciana Ciocci:* Kevin Quillien?

*>> Kevin Quillien:* Hello. Thank you. I have two questions about the payments. Assuming that the project that was approved was completed prior to the February 2024 announcement date, and so the operator was able to provide all of the completion documentation right then, do you anticipate having that completion process open in February 2024, and how long would it take to receive the actual payment were the operator to be on the ball and be able to provide you all that information right away? That's my first question.

*>> Tim Welch:* Yeah. Kevin, I couldn't give you a specific timeframe on that, but if everything has been completed, you would be eligible for the entire award.

*>> Kevin Quillien:* OK. And related to that, the next question is demonstration of costs that are done by employees of the company that has the FERC license. They talk about invoices for showing costs of projects. Is there a preferred way that you would cost projects that are done by your employees?

*>> Tim Welch:* I’m not sure I understand your question.

*>> Kevin Quillien:* If I have a third-party contractor do some concrete work, it's easy for me to show that I paid them $100,000 for that work. If I have my employee [inaudible] a round number is $100 an hour to do a project, how do I show the cost for that? And are there some [inaudible] for that? Because I pay him $100 an hour in salary and I also provide medical care, insurance, and all these other benefits. Is there some kind of system that you have for which we would use to demonstrate costs that are incurred by our own employees?

*>> Tim Welch:* Boy, oh boy. All I can say is it's the cost of the capital improvement. You would have to provide an invoice demonstrating the cost of that capital improvement. Sorry.

*>> Kevin Quillien:* I guess … I mean, is that saying that costs that are incurred by your own employees are not eligible since you can't provide—

*>> Tim Welch:* I would refer to the guidance—the cost of the capital improvement.

*>> Kevin Quillien:* OK.

*>> Tim Welch:* Sorry.

*>> Luciana Ciocci:* Tom Hickey?

*>> Tom Hickey:* On the Davis-Bacon topic, eligible projects—or eligible capital improvements can be for costs incurred after November 15, 2021, so that's in the past. For private contracts between an investor-owned utility and a private contractor, there is not a Davis-Bacon process in place. Is it possible to get some guidance on how compliance can be met for activities that happened in the past for a project that isn't—

*>> Tim Welch:* Yes. Tom, I realize that that's a difficult thing. All I can say is it's DOE's policy that you have to comply or have complied with the Davis-Bacon requirements.

*>> Tom Hickey:* OK. And I see a submittal to the contracting officer, a compliance report. Similarly, there is no contracting officer in this arrangement, so would that be our internal procurement official?

*>> Tim Welch:* Anyone on my team?

*>> Rajish:* Yeah, this is Rajish. I think your question is a little unclear, so it will be best for you to provide that question to us, and we will formally reply to that question.

*>> Tom Hickey:* OK. Thank you. Second question: Do you anticipate giving an indication on over or undersubscription after the letters of intent?

*>> Tim Welch:* No. We hadn't planned on doing that. As I said, the requirements won't change.

*>> Tom Hickey:* OK.

*>> Luciana Ciocci:* Madeline Minot?

*>> Madeline Minot:* I have a follow-up question that is maybe clarifying the previous one related to Davis-Bacon compliance. If we were planning on starting a project this summer and planning on applying for the grant by October, should we just go ahead and send weekly payroll reports—to whom?—so that we are compliant with Davis-Bacon? My understanding is that we have to submit a weekly certified payroll report, if we had received the grant, to the funding agency. But since we're planning on starting the project this summer, we should submit weekly payroll reports while the project is ongoing to DOE just in case we get the grant?

*>> Tim Welch:* No. There is no just in case. You would start when you're selected, but then, if you were claiming costs prior, then you would have to submit that.

*>> Madeline Minot:* So, we just hold onto the payroll reports, and, if we get the grant, we give—

*>> Tim Welch:* Yes.

*>> Madeline Minot:* OK. Perfect. Thank you. That was my question.

*>> Tim Welch:* There we go.

*>> Madeline Minot:* Perfect.

*>> Luciana Ciocci:* OK. We'll go back to the chat. "Will the size of the up-to-25% set aside for small projects be determined before scoring the applications?"

*>> Tim Welch:* I would say: Yes. I mean, we will have to know what our pool of resources is before we start selecting projects.

*>> Luciana Ciocci:* "Will the planning study portion of a capital improvement project be eligible for 247?"

*>> Tim Welch:* Any member of my team here? We'll have to get back to you on that one.

*>> Luciana Ciocci:* This was already asked. "If we have a project that includes grid resiliency, dam safety, and environmental improvements, are three separate applications in each area required? Or can they be combined into a single application?"

*>> Tim Welch:* It would be a single application submitted under one of those categories.

*>> Jeff Lahey:* Wait a minute, Tim. This is Jeff. Can I clarify with that?

*>> Tim Welch:* Please.

*>> Jeff Lahey:* I understood the question that Luciana just said is that they have multiple capital improvements at a single project and they're under different categories. I thought the guidance said that you can: A) submit multiple—

*>> Tim Welch:* Oh, yes. Jeff, I misunderstood that question. I thought they were saying, "Can we file them under multiple categories?" You're saying you think the question is they have one for grid resiliency, one for dam safety, and one for environmental improvements?

*>> Jeff Lahey:* That's how I understood it. I mean, maybe I'm wrong, but—

*>> Tim Welch:* OK. Then it would be three applications under each one of those things but capped at $5 million.

*>> Jeff Lahey:* Right. And if they're at, again, the per-project number cap is $5 million, but you could submit multiple applications—

*>> Tim Welch:* Correct. Yeah.

*>> Jeff Lahey:* —and you also have to submit individual applications even if they're at the same project if they're in different categories.

*>> Tim Welch:* Right.

*>> Luciana Ciocci:* Yeah, they're talking about a project includes grid resiliency—

*>> Tim Welch:* OK. Got it.

*>> Luciana Ciocci:* Let's see here. The last one that we have: "To clarify, for a proposed project that is outside of the boundary of the FERC permit of the hydro, the nexus to the hydro implies that the project needs to be directly interconnected to the project, for example, a battery system."

*>> Tim Welch:* OK. You would have to show us what the nexus is.

*>> Luciana Ciocci:* I believe Mike … Go ahead. Would you like to clarify?

*>> Frederic Raviz:* Tim, in this case, if we have a battery system that is outside of the boundary of the project, it doesn't need to be directly interconnected into the hydro itself, it can go [inaudible] to a substation? As long as there is the nexus resilience for—

*>> Tim Welch:* Yeah. Again, I hesitate to determine eligibility of projects here, because they're all very nuanced. You just have to demonstrate that your project has a nexus to the hydro project, and however you determine that nexus, you have to demonstrate that to us, and we’ll make our judgement based on that.

*>> Frederic Raviz:* OK. Great. Thank you.

*>> Luciana Ciocci:* OK. And the last question … Mike Drane.

*>> Michael Drane:* Thank you. And just a bit of a clarification on the $5 million, something that Jeff either asked or someone answered on it … We're not prevented from making application for stuff that would exceed the $5 million; it's just that we will be awarded no more than the $5 million, right?

*>> Tim Welch:* That's correct.

*>> Michael Drane:* Then, if we get more than one award, do we get prioritized more than one?

*>> Tim Welch:* Yeah, we'll fund the priorities—

[Crosstalk]

*>> Michael Drane:* Do you know—?

*>> Tim Welch:* —project first, fully, and whatever is left over, we can award you for the other. If it's not worth it, you can always—

*>> Michael Drane:* Got it. That's why I [inaudible].

*>> Tim Welch:* —project it.

*>> Michael Drane:* I just wanted to clarify. Thank you.

*>> Luciana Ciocci:* OK. I think that we are ready to move on to—

*>> Tim Welch:* I think Josh might have snuck in under the wire.

*>> Josh Adrian:* OK. Thanks. I did have a quick question. I think you're right, Tim. You're going to be [inaudible] with applications come October 6th, which means FERC is going to be probably [inaudible] with many applications around that time, which means that resource agencies are going to be [inaudible] with draft applications 60 days or 30 days in advance of that deadline. Really, if you're complying with FERC regulations about getting consultation done with state and federal agencies, then as [inaudible] on the call, I think you have to have your applications into the agencies for review August 6th, which is only, what, 8, 9 weeks away? I’m wondering, if you end up applying to FERC for the amendment of license but haven't given the agencies a full period of consultation but FERC doesn't reject the application, then I think the application is still in good standing. But if FERC were to reject the application for failure to consult or provide enough time to consult, even if you agreed to kind of provide FERC with a supplemental application to show the consultation you've done after the fact, how would you all wrestle with that? It sounds like you're in communication with FERC to some extent about these applications.

*>> Tim Welch:* Yeah.

*>> Josh Adrian:* OK. So, you would be in consultation with them as to how to handle applications that might be, on their face, deficient or AIRs, or that kind of thing on applications?

*>> Tim Welch:* Yeah. We'll be talking to FERC about status of applications, absolutely, Josh.

*>> Josh Adrian:* Great. OK. Thank you.

*>> Tim Welch:* But they rule the day.

*>> Josh Adrian:* OK. Thanks.

*>> Luciana Ciocci:* Thank you. We're ready to move on to schedules.

*>> Tim Welch:* Oh, OK. OK. I think we talked a little bit about this. Here is our schedule and kind of where we are. We issued the final guidance and opened the solicitation on May 8th, so our application will be due on October 6th. Right now, we're scheduled to notify selectees and conditional selectees of eligibility hopefully in February 2024 or, at least, early 2024. Then, as I mentioned for 247, the initial payments is once you receive your FERC authorization and you have all your permits that are needed, we can issue the one-third payment to begin. And then, of course, our final payments will be your demonstration upon completion of work. In between there, we will be working with you with respect to milestones and monitoring. We may be doing some site visits. But we will hopefully work with you so that we have assurance that the projects are moving forward accordingly.

*>> Luciana Ciocci:* OK. Thank you for joining us. We would like to highlight again for Maintaining and Enhancing Hydroelectricity Incentives Section 247, letters of intent are due June 22nd, and full applications due by 5 p.m. Eastern on October 6th. In order to be eligible to file a full application, you must file the letter of intent through the Clean Energy Infrastructure Funding Opportunity eXCHANGE. We would also like to remind folks of the Hydroelectric Efficiency Improvement Incentives Section 243 solicitation that is still out. Applications are due June 20th by 5 p.m. Eastern, and applications should be submitted through the same eXCHANGE system. We have added frequently asked questions to each of the incentive webpages, and please continue to check back frequently for additions. We also recommend that you sign up for the Grid Deployment Office newsletter. Last week, we sent an alert out that reminded folks of this webinar, and also alerted folks to the fact that we had added frequently asked questions, so we recommend that you sign up. A link should be within the chat. We thank you for joining us.

*>> Tim Welch:* Yes. Thank you very much, everyone. Actually, really good and provocative questions. And those of you that we couldn't give a really clear answer to, we will be pondering those questions, so I would recommend that you still look at our frequently asked questions for anymore updates and clarifications. Feel free to ask us more questions using the hydro incentives mailbox, and we'll try to get to as many of your questions as we possibly can. Again, thanks for joining us, and appreciate it. Is that it, Luciana? Are we OK?

*>> Luciana Ciocci:* Yeah. That's it. Thank you.

*>> Tim Welch:* Thanks, everybody.

*[End of audio]*