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WHITNEY BELL: Hello, and welcome to the Transmission Siting and Economic Development funding opportunity announcement webinar. I'm Whitney Bell with ICF, and I'll be your host today.

We first have a few housekeeping items for today's webinar. This Webex meeting is being recorded and may be used by the US Department of Energy. If you do not wish to have your voice recorded, please do not speak during the call. If you do not wish to have your image recorded, please turn off your camera or participate by phone. If you speak during the call or use a video connection, you are presumed consent to recording and use of your voice or image.

All participants are in listen-only mode. If you do have any technical issues or questions, you may type them in the chat box and select Send to Host. We will not have any time to answer questions today, but you can submit questions about the FOA to NETL. The email address to use is in the chat now.

If you need to view the live captioning, please refer to the link that will appear in the chat now.

We will post a recording and a copy of today's presentation on the Transmission Siting Economic Development FOA webinar page in about two weeks. And we will notify you when that is live. I know that's a popular question, so just want to make sure that you all are aware that we will let you know when everything is up.

Finally, we would like to notify you that none of the information presented herein is legally binding. The content included in this presentation is intended for informational purposes only, relating to the funding opportunity announcement DE-FOA-003101. Any content within this presentation that appears discrepant from the FOA language is superseded by the FOA language.

All applicants are strongly encouraged to carefully read the FOA guidelines and adhere to them.

All right, with that, all the housekeeping is now out of the way. Let's go ahead and get started.

First, we'll hear from Maria Robinson, the Director of Grid Deployment Office, for her opening remarks.

Maria, I'll go ahead and turn this over to you.

MARIA ROBINSON: Thank you so much. Welcome, everyone. Good afternoon, or good morning for those folks on the other side of the country. As mentioned, I am Maria Robinson, the director for the Grid Deployment Office here at the United States Department of Energy. And I just wanted to welcome everyone to today's public webinar to learn about the funding opportunity that is now available through the Transmission Siting and Economic Development program, or as we prefer to call it, TSED.

Our office released an initial \$300 million funding opportunity announcement for the TSED program on August 29th of this year, 2023, which you will learn about during today's webinar. This new funding opportunity builds on the incredible investments that this administration has made to deploy the transmission we need to deliver clean, reliable, and low-cost energy across the country, while providing tangible benefits to communities, including economic growth.

The bipartisan infrastructure law and Inflation Reduction Act are historic opportunities to incentivize the deployment of clean technologies and lowering energy costs.

So here at the Grid Deployment Office, we are one of the new offices established to implement this bipartisan infrastructure law and Inflation Reduction Act funding, as well as our new authorities, in pursuit of clean, affordable electricity for all.

Here at GDO, we have about \$26 billion in funding available to support investment in critical generation facilities, the development of interregional transmission lines, and upgrades to our existing distribution and transmission system to support grid modernization efforts.

We're so proud to work with our public and private sector colleagues to ensure that we maximize regional and community benefits, including support of the administration's Justice40 initiative, which is aimed at ensuring 40% of benefits of certain federal investments flow to disadvantaged communities.

So today, we're excited to discuss this funding opportunity from the Inflation Reduction Act, the TSED program, which is total of \$760 million in investment. And of course, this program is designed to support states and local communities in the siting and permitting of interstate and offshore electric transmission lines, and to invest in American communities.

I want to thank you all for joining us today to learn about this new funding opportunity and this program.

WHITNEY BELL: Thank you so much, Maria.

Next, we're going to hear from Jeffery Dennis, the Deputy Director for Transmission Development with the Grid Deployment Office.

JEFFERY DENNIS: Thank you, thanks, Whitney. And thank you, Maria, as well.

Good afternoon, or good morning, depending on where you are. My name is Jeff Dennis, Deputy Director for Transmission in GDO. And I am going to spend just a couple of minutes today to give you a little bit of background on GDO's transmission division, as well as the Transmission Siting and Economic Development program, or TSED, and how it furthers the Grid Deployment office's work to address siting and permitting challenges for transmission facilities.

So we can jump to the next slide. GDO and its Transmission Division are taking a three-pronged approach to address our nation's transmission needs. First, we are focused on the enhanced planning of transmission, which includes both the national transmission needs study, and the national transmission planning study.

The needs study provides a robust assessment of current and anticipated national transmission needs. While the planning study employs newly developed modeling and analytical tools to examine future scenarios of generation and demand growth, challenges, and inform the identification of high value transmission solutions to meet those challenges.

Second, we are addressing the multifaceted challenge of efficiently and effectively siting and permitting transmission infrastructure. This includes DOE's long-standing presidential permitting program, as well as a number of new and revised initiatives designed to streamline and accelerate permitting processes, with a focus on strengthening coordination among government agencies, providing resources to state and local siting agencies, which we'll talk about today, and identifying best practices and efficiencies to improve siting and processes, while ensuring robust environmental and community impact review.

Finally, we are implementing tools to provide commercial facilitation support to new and upgraded transmission projects. These tools, which include the ability to enter into capacity contracts, and public-private partnerships, help to resolve commercial barriers that prevent the financing today of transmission projects we know will be needed by consumers in the future.

Next slide, please.

The Transmission Siting and Economic Development program that we are here to discuss today fits within that overall goal I discussed of supporting stronger and faster siting and permitting processes for electric transmission. Specifically, this new program creates a dedicated funding stream for DOE to financially support siting and permitting efforts at the local, at the state, tribal, and local levels.

The program aims to strengthen and accelerate transmission siting and permitting processes that can often become bottlenecks to the deployment of critically needed transmission facilities. In addition, this program is aimed at promoting economic growth in communities affected by major new or upgraded transmission lines.

Ultimately, this program will advance the department's overall goal of advancing a timely and equitable clean energy transition. With that, I would like to pass the floor to our program experts who will tell you about the details of this new funding opportunity.

WHITNEY BELL: Thank you so much, Jeff. We now welcome Jordan Meehan, policy advisor at the Grid Deployment Office, and Melissa Birchard, senior policy advisor, also with the Grid Deployment Office, for their presentation on the TSED FOA.

Jordan, I'm going to go ahead and turn this over to you.

JORDAN MEEHAN: Thank you, Whitney, and thank you, Jeff. I will first start by providing an introduction to the Transmission Siting and Economic Development program. After which, my colleague, Melissa, will dive into more of the program details. Then in the last few minutes, I will jump back in to provide some more guidance for prospective applicants on the application process, itself, and to let you know where you can look for additional information.

As you heard from Maria, in total, the IRA provides \$760 million for DOE to make TSED grants available to siting authorities, and to state, tribal, and local governmental entities to carry out eligible activities related to the siting of covered transmission projects. Through TSED, DOE will support two distinct categories of activities related to the development of new or upgraded interstate and offshore transmission lines.

First, activities carried out by state, tribal, or local siting authorities to strengthen and accelerate processes for the siting and permitting of electric transmission lines, and second, economic development activities in communities that are affected by the construction and operation of interstate and offshore transmission lines.

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Who is eligible to apply for funds through TSED? Eligibility differs depending on the type of activity for which the applicant seeks financial support. For siting and permitting activities, siting authorities are eligible for funding.

The Inflation Reduction Act defines siting authorities as state, tribal, or local governmental entities with the authority to make a final determination regarding the siting, permitting, or regulatory status of a covered transmission project. For economic development activities, eligible entities include siting authorities, or any other state, tribal, or local governmental entity that proposes to undertake an economic development project in a community affected by the construction or operation of a covered transmission project. This could include state energy offices, municipal governments, or other non-federal government entities.

In addition, eligible applicants can choose to partner with other types of entities. For instance, a state energy office could partner with a nonprofit organization to develop or implement economic development activities.

And next slide, please.

I want to importantly note that all activities supported by the program, whether siting and permitting activities, or economic development activities, must be connected to a covered transmission project as defined by the Inflation Reduction Act. Specifically, the Inflation Reduction Act at section 501-52 defines a

covered transmission project as a high-voltage interstate or offshore electricity line that is proposed to be constructed and operated at a minimum of 275 kilovolts AC or DC, if it's an onshore line, or at a minimum of 200 kilovolts, AC or DC, if it's an offshore transmission line.

In addition to qualify as a covered transmission project, an entity must have applied for, or informed a siting authority of its intent to apply for, regulatory approval for the project.

And now that we've defined the term, covered transmission project, you'll hear us use terms, transmission project, or qualifying transmission project, for convenience throughout this webinar. However, please refer back to this definition, which also appears in section one of the funding opportunity announcement.

Next slide, please.

This slide provides some additional information about the initial funding opportunity announcement that GDO issued on August 29 of 2023, including the schedule. As we've noted, the Grid Deployment Office is making up to \$300 million available in this initial funding opportunity announcement. And there are two important dates for applicants to take note of.

First, concept papers are due by 5:00 PM Eastern on October 31st of 2023, and second, full applications will be due by 5:00 PM Eastern on April 5th of 2024. Following review of the concept papers, DOE expects to notify applicants by or before the end of January 2024, whether the department encourages or discourages applicants to submit a full application.

We anticipate issuing selection notifications for funding recipients in the summer of 2024. We also anticipate making additional rounds of funding available through the TSED program in the future.

Now, I'll turn it over to my colleague, Melissa Birchard, who will provide some additional information about the TSED program.

MELISSA BIRCHARD: Thank you, Jordan. As Jeff and Jordan have described, GDO's new TSED program has two primary goals. This program will strengthen and accelerate siting and permitting processes by injecting funds into processes at the state, tribal, and local levels, while also supporting innovation and collaboration among siting authorities.

This program will also provide economic development benefits in communities that are affected by the construction and operation of new or upgraded qualifying transmission projects, by supporting local projects that address community needs.

Next slide, please.

The Inflation Reduction Act lays out five categories of siting and permitting activities that are eligible for funding through this program. These include studies and analysis of the impacts of a covered transmission project, examination of up to three alternate siting corridors where a covered transmission project could be sited, participation by the siting authority in regulatory proceedings or negotiations in another jurisdiction, participation by the siting authority in regulatory proceedings at the Federal Energy Regulatory Commission or at a state regulatory commission. And other measures and actions that may improve the chances of and shorten the time required for approval by the siting authority.

There are certain cost-share requirements for these activities that we will describe in a few minutes.

First, I'd like to address in more detail the last category on this list of siting and permitting activities, which is described as other measures and actions in the IRA. Next slide, please.

As we saw on the last slide, the Inflation Reduction Act does not define specifically what can qualify as other measures and actions that will be eligible for funding, other than to explain that they must be aimed at improving the chances of and shortening the time required for approval of a qualifying transmission project by the siting authority. In order to help applicants understand the types of activities that could

qualify under this category, GDO offers a short list of examples which are included in section one of the funding opportunity announcement.

These examples were developed in part in consideration of comments that we received in response to our request for information last January. So thank you very much to those who submitted comments. Some examples of other measures and actions that the department could consider are human resources capacity, such as hiring additional staff or consultants, coordination with other state, tribal, or federal jurisdictions, coordination among permitting authorities within the same state, robust engagement and communication with stakeholders, including affected communities. And lastly, other activities that improve efficiency and strengthen permitting processes.

However, we emphasize that these are only intended as examples of the types of activities that could be considered for funding through this program. This list is neither definitive, nor is it exhaustive. We do note that all activities proposed should contribute materially to improving the chances of and reducing the time required for needed approvals.

We also urge applicants to submit proposals that adopt innovative approaches, or that advance replicable best practices.

Next slide, please.

This slide provides some additional information specifically relevant to applicants for funds to support siting and permitting activities. The Inflation Reduction Act requires siting authorities who receive funding for siting activities to reach a final decision on an application for the applicable transmission project no later than two years after the funding is dispersed. The secretary may extend this timeline for good cause. Additionally, any funds not spent within two years of disbursement must be returned to the department.

Next slide, please.

Moving on, next to economic development activities, the program will also provide funds for economic development activities in communities that may be affected by the construction and operation of a covered transmission project. As we noted earlier, eligible recipients of these funds include either siting authorities, or any other state, tribal, or local government entity.

The department strongly encourages communities to reach out to their government representatives to identify local projects that would benefit their communities. In addition, we strongly encourage siting authorities and government entities to reach out to communities that they anticipate will be impacted by a qualifying transmission project to discuss how economic development funds can provide benefits and address impacts in local communities.

As we noted earlier, eligible applicants may choose to partner with community groups in order to develop or to implement projects.

Next slide, please.

Unlike siting and permitting activities, the Inflation Reduction Act does not provide any specific list of the types of economic development activities that are eligible for funding through the program. In order to assist potential applicants with ideas about what types of economic development activities DOE can consider for funding through this program, we have created a list of examples. I will provide this list, but I also note that you can easily find it in Section 1 of the funding opportunity announcement.

This list was developed in part in consideration of comments received in response to the request for information that GDO issued in January of this year. I do want to underscore that these are examples only. We are very much hoping that applicants will work closely with local communities to propose

activities tailored to local needs. Those may be unique activities or activities that simply don't appear on this list.

The examples we have developed include subgrant programs that enable communities to propose local activities, investments in local energy resilience, such as microgrids and solar. Affordable and sustainable housing, community infrastructure, such as broadband, public safety facilities, community centers, green spaces, or species habitat.

Job training and apprenticeship programs. And finally, low income energy funds to reduce energy costs for qualifying community members. Again, these are only examples that could be considered. The department recognizes that each community has its own needs and encourages communities to propose projects suited to those particular needs.

Next slide, please.

Next, let's talk about some important information for economic development applicants to be aware of. As we mentioned in the introduction, the Inflation Reduction Act requires all activities funded by this program to be connected to the siting and development of a covered transmission project, as that term is defined in the statute.

If you didn't catch that definition earlier, please don't worry because it appears in the first section of the funding opportunity announcement. As well as in all of our public information, you can find it there easily. Additionally, the department can make an award now for economic development activities, and then will provide the funds when the relevant transmission line receives its permit, or when construction begins. In other words, we can award funds now, but we cannot disperse the funds until certain milestones are hit in the development of the transmission project, itself.

Please refer to the funding opportunity announcement that provides more details about these requirements for the timing of disbursement.

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Next, I'd like to briefly describe the cost-share requirements of the program. By law, all TSED awardees are required to share some costs with the Department of Energy. However, the specific cost share requirements differ depending on the type of activity that is being funded.

The Inflation Reduction Act requires a higher 50% cost share for two specific types of siting and permitting activities. First, participation and regulatory proceedings, or negotiations, in another jurisdiction. And second, participation in regulatory proceedings at the Federal Energy Regulatory Commission, or at a state regulatory commission.

All other activities supported by the TSED program will require a lower 5% cost share. This 5% cost share applies to all economic development activities, it also applies to all siting and permitting activities, other than the two that I just listed.

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Regarding community benefits and environmental justice, IRA funded projects, including the TSED program, are expected to support meaningful community and labor engagement. Invest in the American workforce, advance diversity, equity, inclusion, and accessibility, and contribute to President Biden's goal that 40% of the overall benefits of certain federal investments flow to disadvantaged communities.

Ensuring that projects provide community benefits and align with Justice40 principles is a priority for all DOE programs, including the TSED program.

Now, I will turn the floor back to my colleague, Jordan, who will provide information about the application process for the program.

JORDAN MEEHAN: Thank you, Melissa. I want to highlight some important information about the application process, itself. And then, we will conclude.

As I mentioned earlier, there are two important dates for potential applicants to be aware of. First, concept papers will be due by 5:00 PM Eastern on October 31 of 2023. Concept papers are brief expressions of interest that should provide high-level information about the proposed project. These papers should be approximately four to six pages, and they are required of all applicants that are interested in submitting a full application.

The funding opportunity announcement includes a list of the information that should be included in concept papers. Our TSED web page also includes a handy concept paper checklist that you can either print out, or save to your computer. And this slide deck, which will be posted online, includes a link to that checklist.

The second deadline to be aware of is that full applications will be due by 5:00 PM Eastern on April 5th, 2024. And the department anticipates notifying all selectees in the summer of 2024.

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Next, I want to provide some important tips on the application process. If you have not already registered, applicants must register for a unique entity ID at SAM.gov. I mention this in particular because it can take some time. My advice is to get this process started early so that it will be completed by the time you are submitting your materials.

By registering, you can receive the unique entity ID that you will need to submit your application through the exchange website, which is where the funding opportunity announcement is hosted. The exchange website is also where you will need to submit all of your application materials.

Next slide, please.

This slide includes some important information on the funding opportunity announcement, or FOA. This includes a link to the FOA on the exchange website where applications should be submitted, as well as the email address to submit questions regarding the program funding opportunity announcement. And finally, the link to register to use exchange.

There's also an email address here where you can reach assistance if you have any technical problems with the exchange portal when you're working on your application. All of this information can also be found in the TSED funding opportunity announcement that is located on the Grid Deployment Office website.

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On this slide, we have some additional links, including links to short, helpful fact sheets that are also available on our website at energy.gov/gdo. We hope that those of you on the call today will help us get the word out more widely about this funding opportunity by sharing these fact sheets with others.

If you have any other questions, please start by taking a look at the list of frequently asked questions on our website. Again, energy.gov/gdo. These FAQs will be updated over time as we receive additional questions. You may also submit questions by email to the email address that I mentioned on the previous slide.

And next slide, please.

And lastly, we welcome you to learn more about all of the Grid Deployment Office's funding opportunities through a handy resource we've created called the Grid and Transmission Programs Conductor, which is located on the GDO website. This interactive tool and in-depth guide contains up to date information on all of GDO's funding opportunities and programs.

Again, thank you all very much for your interest in the TSED program. I'll now hand it back over to Whitney to conclude.

WHITNEY BELL: Thank you so much, Jordan and Melissa. This brings us to the end of today's webinar. A copy of today's slides will be available on the webinars landing page by Friday, and the recording will be available in about two weeks. We will send you an email when it is available, and you can find a link to that page in the chat now.

Thank you, Maria, Jordan, Jeff, and Melissa, for joining us today. And thank you to all of our attendees for participating today. Take care everyone, and we will see you next time.