

NIETC Designation Process and Timeline -Potential Southwestern Grid Connector Corridor



January 15, 2025 3 PM Eastern

HOUSEKEEPING

- Webinar will be recorded and posted to the NIETC website (<u>https://www.energy.gov/gdo/national-interest-electric-</u> <u>transmission-corridor-designation-process</u>)
- Chat function and microphones will be disabled
- Q&A function will be accessible; questions will be collected and used to develop an FAQ document
- Live transcript (closed captioning) is available. To enable:
 - Using 'More' button at bottom of screen, select 'closed captioning'



AGENDA

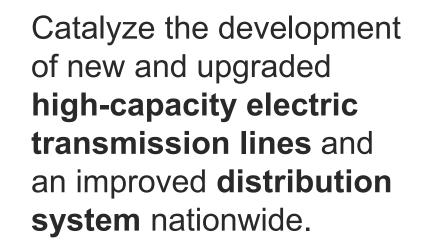
- Introduction
- What is GDO?
- NIETC Process
- Description of the Potential Southwestern Grid Connector Corridor
- Public Engagement & Feedback



WHAT IS GDO?



Ensure resource adequacy by supporting critical generation sources and expanding and enhancing electricity markets.





Prevent **outages** and enhance the **resilience** of the electric grid.



WHAT IS A NIETC?

A National Interest Electric Transmission Corridor (NIETC) is an area of the country where inadequate transmission harms consumers (currently or in the future) and that DOE has designated as a NIETC.

A NIETC focuses public and policymaker attention on greatest areas of transmission need and unlocks statutory tools to advance transmission deployment, including:

- Transmission Facilitation Program
- Transmission Facility Financing program
- Federal siting and permitting authority (carried out by the Federal Energy Regulatory Commission (FERC) under a separate process)



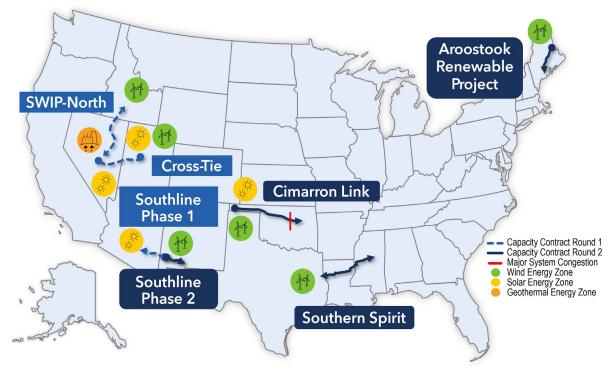
TRANSMISSION FACILITATION PROGRAM

BIPARTISAN INFRASTRUCTURE LAW § 40106

What is it?

- \$2.5 billion revolving fund borrowing authority
 - Provides federal support to overcome financial hurdles associated with developing large-scale new transmission lines, upgrading existing lines, and connecting microgrids in Alaska, Hawaii, and U.S. territories to the grid
- Three tools: (1) capacity contracts; (2) public-private partnerships; and (3) loans





TRANSMISSION FACILITY FINANCING

INFLATION REDUCTION ACT § 50151

Authorizes DOE to provide direct loans for transmission designated by the Secretary to be necessary in the national interest

Appropriates \$2 billion to carry out program, which can be used for the credit subsidy cost of loans

Preliminary list of potential NIETCs announces TFF minimum eligibility criteria

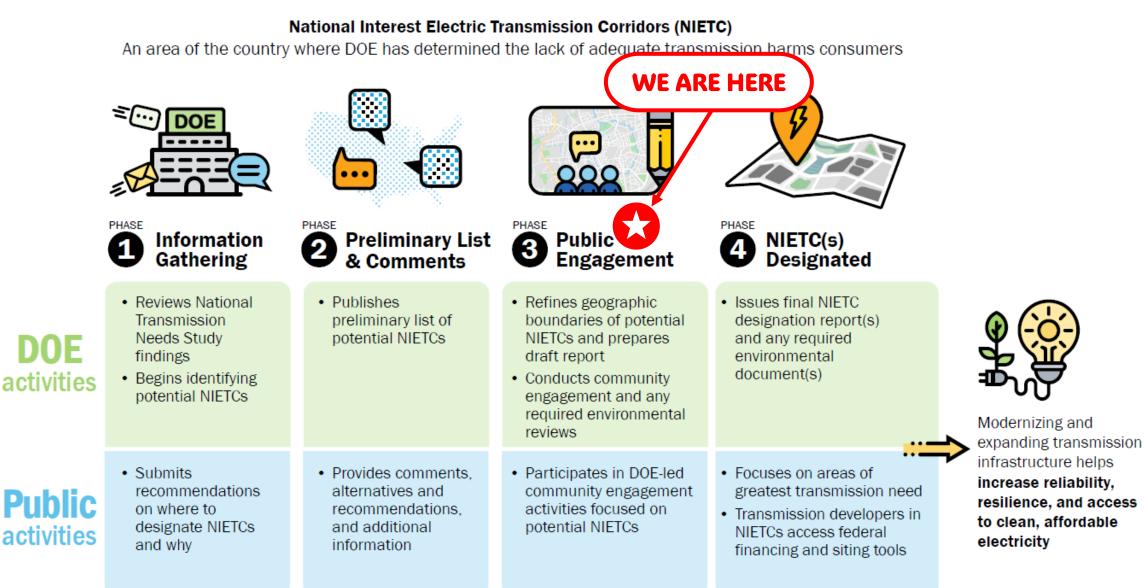
- Non-federal borrower, constructing or modifying transmission, located within a NIETC, that addresses transmission need within the NIETC, and
- Loan must satisfy statutory requirements (for term, percentage of costs, and no subordination to other financing)

DOE invites input and will use data gathered to inform formal TFF application and evaluation process – opening in 2025

• Encourage any questions be sent to TFF email TFF@hq.doe.gov



NIETC Designation Process





PHASE 3 POTENTIAL NIETCS

Each potential NIETC -

- Supports critical transmission development to address needs unmet through existing planning processes
- Addresses key findings in DOE's 2023 Needs Study + aligns with other DOE priorities
- Demonstrates clear utility of NIETC designation to further transmission in the near term in these areas (i.e., timely deployment of tools unlocked within NIETCs)
- Contains sufficient information to narrow boundaries to facilitate timely environmental review (if required)
- Balances DOE resources to achieve timely, durable designations that follow from robust public engagement



POTENTIAL SOUTHWESTERN GRID CONNECTOR CORRIDOR

• Geographic Description

- Includes parts of Colorado, New Mexico, and the western edge of the Oklahoma panhandle
- Follows existing transmission line rights-of-way for parts of its path
- Ranges from 5-15 miles wide

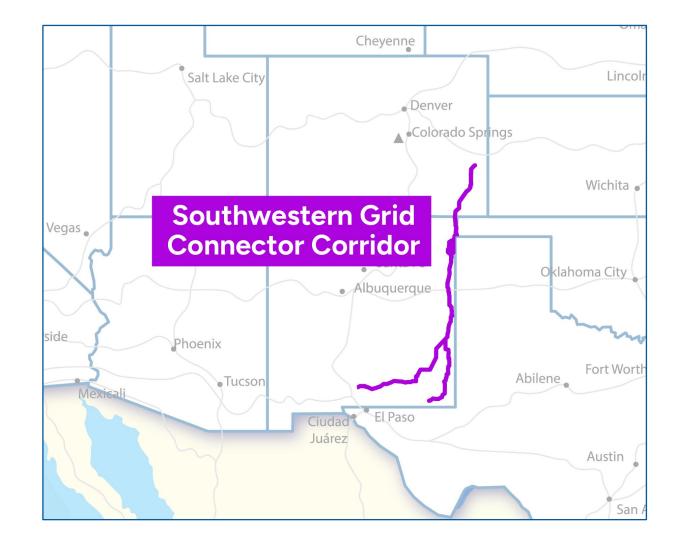
• Transmission in this potential corridor could:

- Maintain and improve reliability and resilience
- Alleviate congestion
- Increase integration of new energy supplies and meet future demand growth
- Provide cross-interconnection and interregional connections between the Southwest Power Pool (SPP) and WestConnect regions

\circ $\;$ In this potential corridor, DOE is aware of:

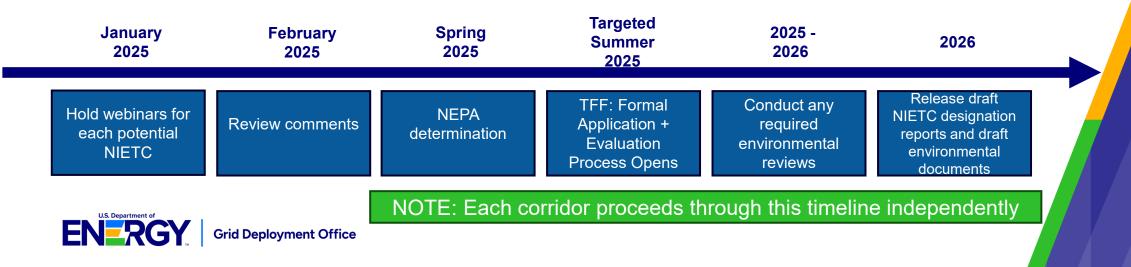
- Heartland Spirit Connector project
 - By NextEra Energy Transmission, LLC
- Southline Phase 3 project
 - By Grid United



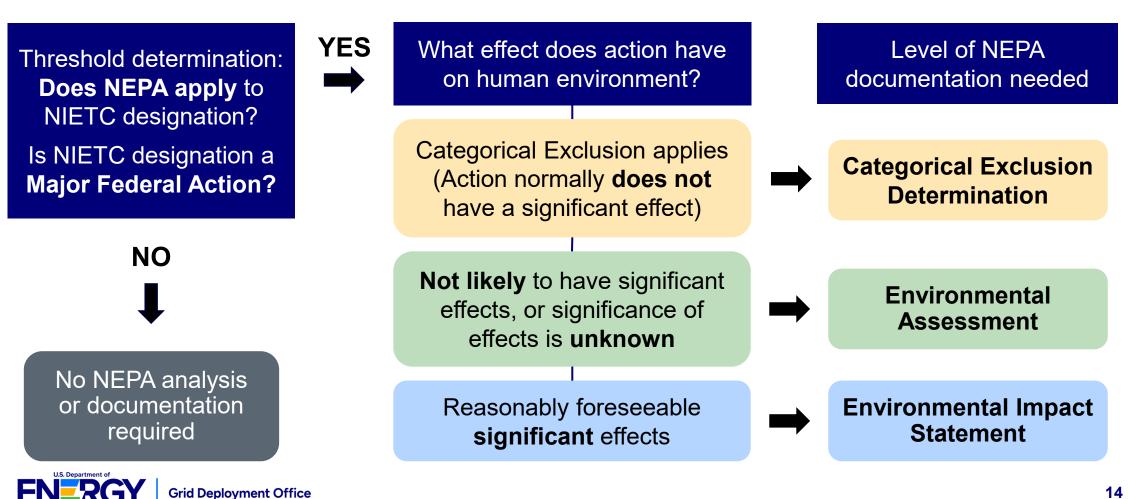


TIMELINE AND NEXT STEPS

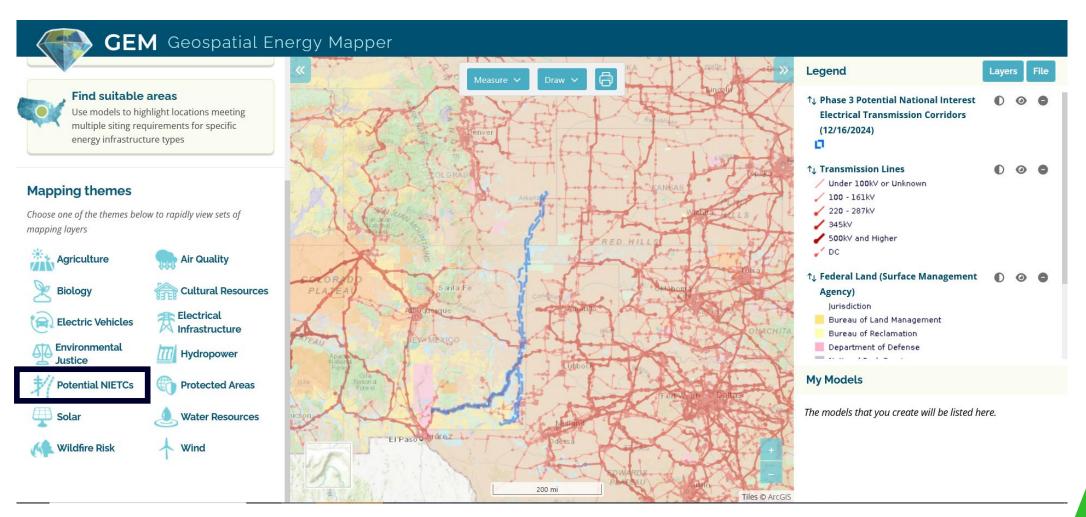
- Collect, consolidate, and consider comments received during the early engagement comment period.
- Determine whether NEPA applies to corridor designations and, if so, then determine the appropriate level of NEPA analysis for each corridor and begin such analysis.
- Conduct additional public engagement on transmission need and potential environmental impacts to inform designation report and environmental documents.



NEPA DETERMINATION PROCESS SUMMARY



GEOSPATIAL ENERGY MAPPER (GEM)





PUBLIC ENGAGEMENT & FEEDBACK

On December 16, 2024, GDO published a Notice in the Federal Register seeking comment on the next steps of analysis and public engagement for NIETC. Comments are due February 14, 2025.

GDO is seeking input and comments on the possible scope of analysis for each of the potential NIETCs, including:

- environmental, cultural, or socioeconomic effects that may occur should DOE designate any of the potential NIETCs,
- the contents of DOE's proposed public engagement framework, and
- the unique public engagement and governmental consultation factors that DOE should account for in each potential NIETC.

GDO is accepting meeting requests as well; email <u>NIETC@hq.doe.gov</u>. NOTE: DOE may not have capacity to accept all requests and may organize group meetings based on topic, geography, or other common feature.



HOW TO SUBMIT COMMENTS

Mail: U.S. Department of Energy, Grid Deployment Office, 1000 Independence Ave. SW, Suite 4H-065, Washington, DC 20585.

Email: NIETC@hq.doe.gov

Regulations.gov

- General: DOE-HQ-2024-0096- Potential Designation of Tribal Energy Access, Southwestern Grid Connector, and Lake Erie-Canada National Interest Electric Transmission Corridors
- Southwestern Grid Connector Corridor: DOE-HQ-2024-0089—Potential Designation of the Southwestern Grid Connector National Interest Electric Transmission Corridor

