



Department of Energy's New National Interest Electric Transmission Corridor (NIETC) Designation Process

(pronounced \NIT-see\)

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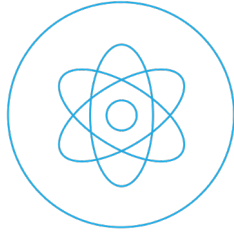


Webinar Notice

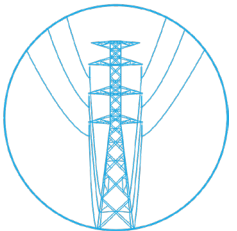
- ▶ None of the information presented herein is legally binding.
- ▶ The content included in this presentation is intended for informational purposes only relating to the Guidance on Implementing Section 216(a) of the Federal Power Act to Designate National Interest Electric Transmission Corridors (NIETC Guidance).
- ▶ Any content within this presentation that appears discrepant from the NIETC Guidance is superseded by the NIETC Guidance language.
- ▶ The purpose of this webinar is to provide an overview of the NIETC Designation Process.



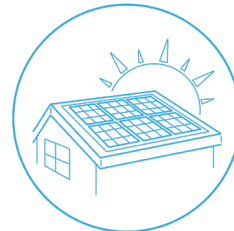
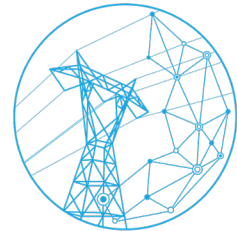
GDO Mission and Goals



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



Catalyze the development of new and upgraded **high-capacity electric transmission lines** and an improved **distribution system** nationwide.



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

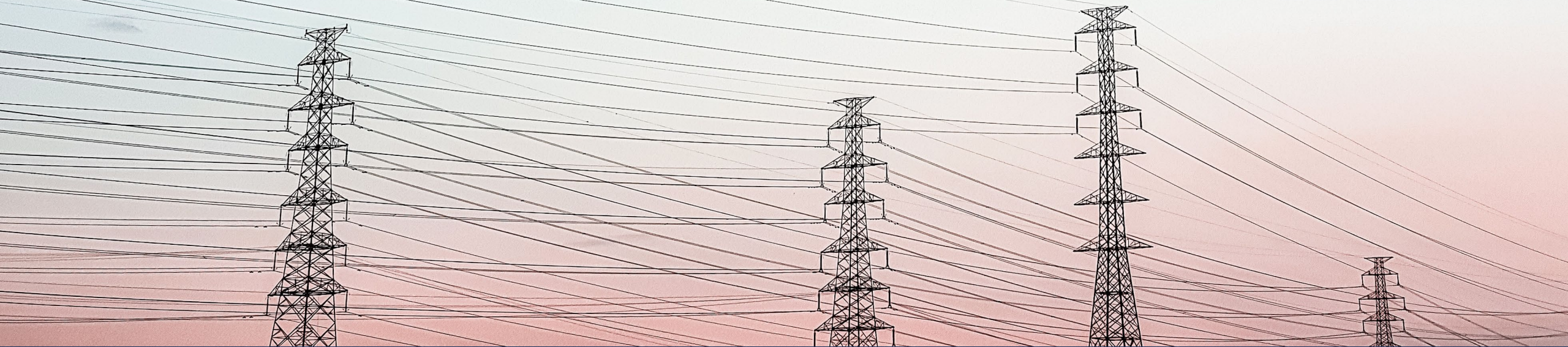
Agenda

- What is a NIETC?
- What is the impact of NIETC Designation?
- What is DOE doing in the Guidance and why?
- What are the benefits of DOE's new approach?
- What is the Four-Phase NIETC Designation Process?
- 2023 National Transmission Needs Study: Regional Findings
- Interaction Between NIETC Designation and State and Federal Siting and Permitting Processes



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

- ▶ An area of the country where inadequate transmission harms consumers (currently or in the future) and that DOE has designated as a NIETC.
- ▶ Development of new transmission in a NIETC is needed to address consumer harms, including:
 - Economic harms;
 - Reliability;
 - Resilience; and
 - Access to clean, diverse, and affordable electricity supply.



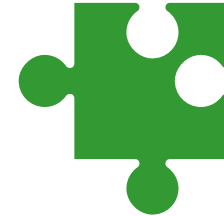


Impact of NIETC Designation

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

- Public-Private Partnerships under the Bipartisan Infrastructure Law's **Transmission Facilitation Program**
- Direct loans under the Inflation Reduction Act's **Transmission Facility Financing** program
- **Federal siting and permitting authority** under section 216(b) of the Federal Power Act for the Federal Energy Regulatory Commission (FERC) in certain circumstances



Note: NIETC designation is **not** a route determination for a specific transmission project, **not** an endorsement of specific transmission solutions, and **not** selection of or preference for a specific transmission project for any purposes.



What is DOE doing in the Guidance and why?

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- DOE issued *nonbinding guidance* to describe a *new process* that DOE plans to follow to designate NIETCs in response to:
 - ***Comments*** received on DOE's May 2023 Notice of Intent and Request for Information
 - ***Lessons learned*** from DOE's 2007 designations
 - ***Congressional action*** in the Bipartisan Infrastructure Law to revise DOE's statutory authority





What are the benefits of DOE's new approach?

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The new process helps DOE *independently identify* — using *best available information* — *targeted, high-priority areas* for NIETC designation where there is *pressing need*.

Narrow Geographic Areas

- **Concentrates attention** on where new transmission is most likely to be built within a NIETC
- Allows for **more efficient** preparation of **environmental documents**
- Leads to **more useful environmental documents** for permitting agencies (including FERC)

Public Engagement

- **Meaningful engagement** early and throughout the process
- Engagement with a **diverse set of interested parties** (States, Indian Tribes, reliability entities, communities, siting authorities, federal agencies, developers, planners...)
- Allows DOE to **leverage best available information**

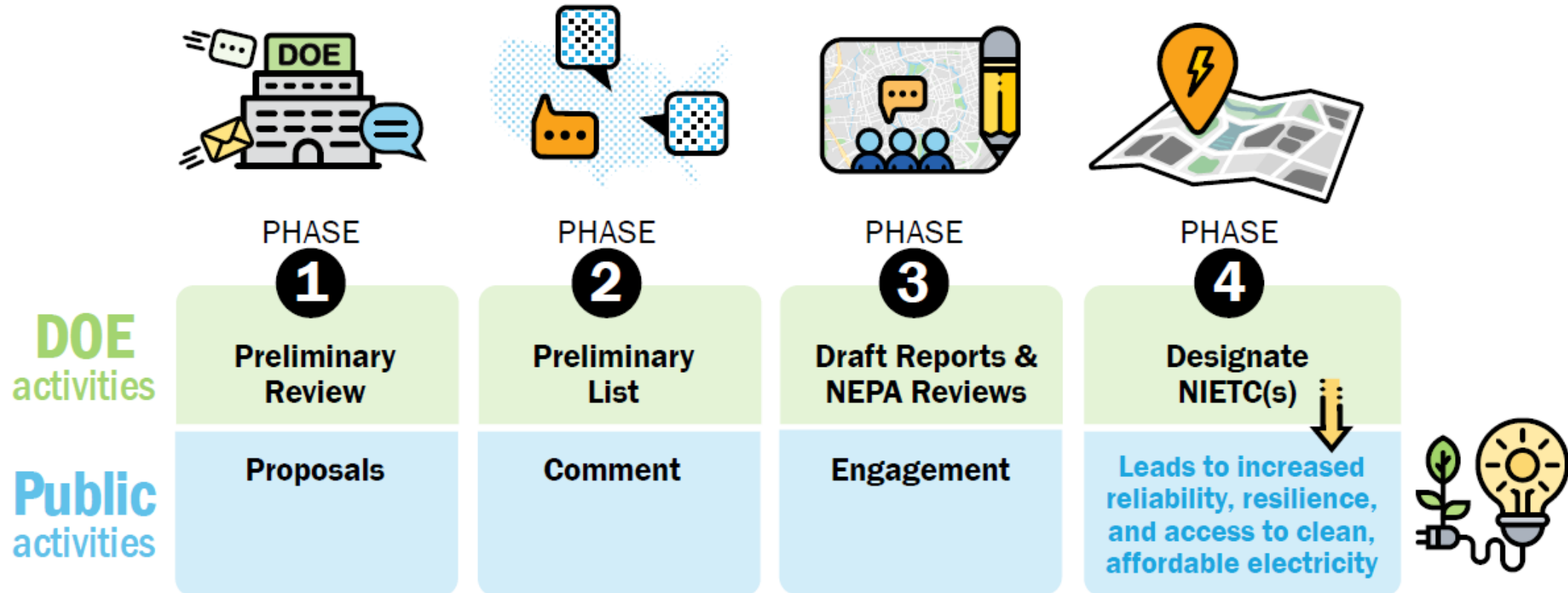




Four-Phase NIETC Designation Process

NIETC Designation Process

DOE designed a four-phase process to create **multiple opportunities for public input**, from initial proposals to feedback on an increasingly narrow list of potential NIETCs.

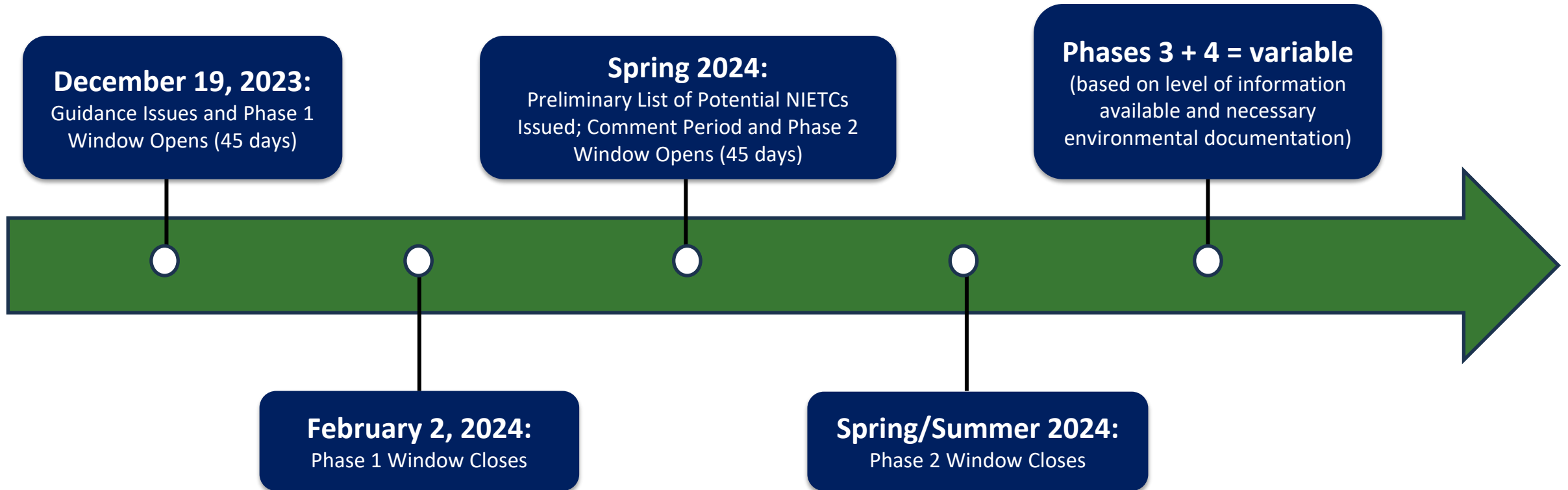


Key Considerations for List of Potential NIETCs

- ▶ The presence of **pressing transmission needs** within the geographic area:
 - Based on findings from the 2023 National Transmission Needs Study and DOE's resulting preliminary finding and other information (including information on state policies driving transmission needs, the results of RTO/ISO planning processes, etc.)
- ▶ Significance of **adverse effects on consumers** – e.g., high costs, more and longer power outages
- ▶ **Relevant discretionary factors** from the list in FPA section 216(a)(4), including whether a NIETC would further national energy policy goals, maximize existing rights-of-way, minimize impacts on sensitive resources, etc.
- ▶ Whether the NIETC designation would **promote multi-driver transmission planning**
- ▶ The utility of NIETC designation for **resolving barriers to transmission development within the area**
- ▶ Relative **completeness of information** available on geographic boundaries and permitting
 - Priority for potential NIETCs where there is sufficient information to facilitate DOE's environmental review to designate a NIETC as efficiently and effectively as possible
- ▶ **Public engagement** – affected landowners, communities of interest, States, Indian Tribes, state and local governmental bodies (including siting authorities), regional transmission planning entities, regional reliability entities, other federal agencies



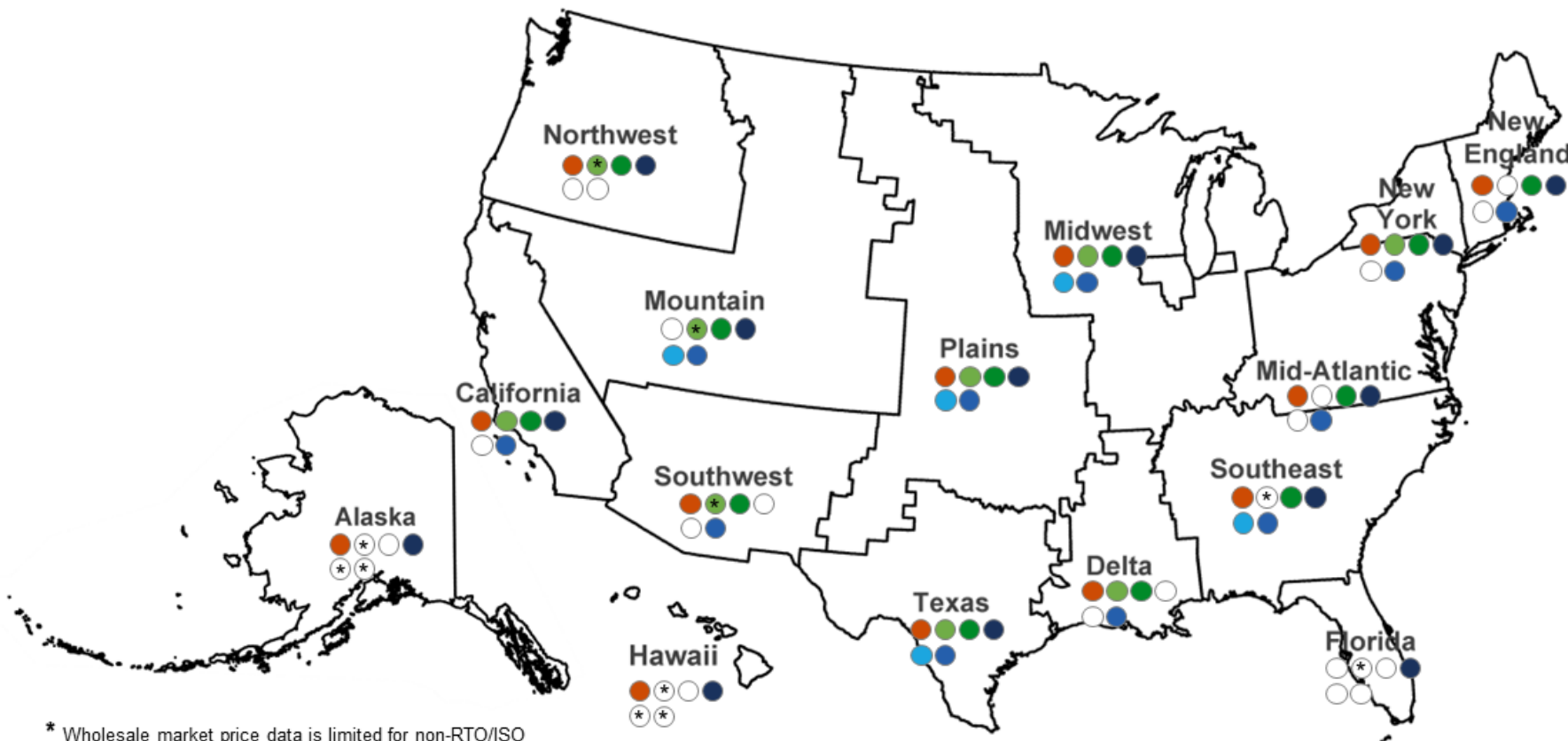
Timeline





2023 National Transmission Needs Study: Regional Findings

Executive Summary provides visual summary of national and regional findings of need.



Current or Anticipated Need:

Improve reliability and resilience

Alleviate congestion & unscheduled flows

Alleviate transfer capacity limits between neighbors

Deliver low-cost generation to high-priced demand

Anticipated Need:

Meet future demand with within-region transmission

Meet future demand with interregional transfer capacity

* Wholesale market price data is limited for non-RTO/ISO regions and capacity expansion modeling data is limited for Alaska and Hawaii. Absence of data does not necessarily indicate that there is no need for new transmission.



Interaction Between NIETC Designation and State and Federal Siting and Permitting Processes

NIETC: Opportunities for State Input + Engagement



- Submit **proposals** for where to designate a NIETC and why (Phase 1)
 - Potential for collaboration among states and/or with traditional developers, load serving entities, etc.
 - State policies drive transmission needs and are therefore key inputs to the NIETC designation process
- Submit **comments** on the preliminary list of potential NIETC designations (Phase 2) and on draft NIETC designation report(s) (Phase 3)
- Submit information requested in one or more resource reports (Phase 2) and/or participate in DOE's **environmental review** process (Phases 3-4)
- Participate in **public meetings/workshops** (Phase 3)
- Use public engagement and environmental analysis DOE completes for NIETC designation to **facilitate state siting and permitting** efforts
- **Focus attention** on areas of greatest need (provide inputs to transmission planners, encourage use of DOE financial tools, encourage deployment of advanced technologies)



Permitting Authorities under Section 216 of the FPA

216(a)

National Transmission Needs Study &
National Interest Electric Transmission
Corridors (NIETCs)

Department of Energy (DOE)

- 1) DOE collects and releases data on **regions most in need of increased transmission capacity** through the National Transmission Needs Study
- 2) Based on results of Needs Study and additional criteria, including feedback from the public, **DOE designates NIETCs**

216(b)

FERC Backstop
for NIETC Projects

Federal Energy Regulatory Commission
(FERC)

After DOE designates a NIETC, **FERC has the authority** to issue permits within a corridor in certain circumstances **where states lack authority to site the project, have not acted on an application after more than one year, or have denied an application.**

Projects in NIETCs not seeking permits from FERC under this section are still eligible for coordination under Section 216(h), if appropriate.

216(h)

DOE-Led Federal Authorizations
for Transmission Projects

Department of Energy (DOE)

DOE coordinates all Federal authorizations and environmental reviews (i.e., NEPA) for certain transmission projects to ensure timely and efficient review and decision-making.

- Establishes binding schedules for all Federal reviews
- Prepares a single environmental review document

Will not apply to projects seeking permits from FERC under Section 216(b).

Other Interactions Between NIETC + State/Federal Processes

- NIETC designation is **not a route determination** for a specific transmission project, **not an endorsement of specific transmission solutions**, and **not selection of or preference** for a specific transmission project for any purposes.
 - Market participants, transmission planning entities, state and local authorities, Tribal entities, and potentially FERC determine the appropriate solutions to needs within NIETCs.
 - Separate DOE processes determine whether a project in a NIETC will receive funding under relevant programs.
- DOE will **coordinate with FERC** to the maximum extent practicable to minimize redundancy and promote efficiency where transmission developers seek permits from FERC.
 - DOE intends to conduct environmental review in a manner to facilitate the ability of siting and permitting authorities—federal and state—to tier off or build on DOE’s environmental document.
- NIETC designation **aims to complement—not disrupt or supplant—existing transmission planning processes**.
 - NIETC designation may identify valuable areas for transmission development that existing processes are not identifying (e.g., interregional, multi-driver).
 - DOE requests information on existing processes to leverage for NIETC designation.



Thank You!

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[2023-12-15 GDO NIETC Final Guidance Document.pdf \(energy.gov\)](#)

