Grid Deployment Office U.S. Department of Energy 1000 Independence Avenue, SW Washington, DC 20585

RE: Comments of WIRES in Response to the Notice of Intent and Request for Information: Designation of National Interest Electric Transmission Corridors

## **COMMENTS OF WIRES**

WIRES submits the following comments in response to the Notice of Intent ("NOI") and Request for Information ("RFI"): Designation of National Interest Electric Transmission Corridors ("Notice") published by the Department of Energy ("DOE") on May 15, 2023¹ to establish a process to designate "route-specific" National Interest Electric Transmission Corridors ("NIETCs").²

## I. Introduction

WIRES is a non-profit trade association of investor-, publicly-, and cooperativelyowned transmission providers and developers, transmission customers, regional grid
managers, and equipment and service companies. Our members include many of the
largest transmission owners in the country. WIRES promotes investment in electric
transmission and consumer, environmental, and resilience benefits through development
of electric transmission infrastructure.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> 88 FR 30,956.

<sup>&</sup>lt;sup>2</sup> This filing is supported by the full supporting members of WIRES but does not necessarily reflect the views of the RTO/ISO associate members of WIRES.

<sup>&</sup>lt;sup>3</sup> For more information about WIRES, please visit www.wiresgroup.com.

WIRES has focused on promoting needed and beneficial transmission infrastructure that Congress has recognized is critical to establish a resilient, reliable, cost-effective, modern, and clean bulk power system. Electric transmission investment in the United States remains critical to realizing the benefits of efficient and reliable electric service while enabling the ongoing transition to new generating sources, sometimes located remotely from load, to power an increasingly electrified economy. As part of its effort to educate and inform policymakers on important transmission issues and the challenges facing the grid, WIRES has produced numerous studies showing the tremendous benefits transmission investment provides and that the need for new transmission has never been greater.<sup>4</sup> As a result, WIRES is uniquely positioned to address many of the issues raised by the DOE Notice and submits the following comments in response to some of the specific questions posed in the RFI.

## II. Comments

1. Please comment on the approach to NIETC designation discussed in the NOI. What are the potential positive and negative impacts of such an approach? How could this process, especially how applications for designation are structured, be altered or improved?

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<sup>&</sup>lt;sup>4</sup> See e.g., The Brattle Group, Employment and Economic Benefits of Transmission Infrastructure Investment in the U.S. and Canada (May 2011); The Brattle Group, The Benefits of Electric Transmission: Identifying and Analyzing the Value of Investments, (July 2013) (Brattle Benefits Report); The Brattle Group, Well-Planned Electric Transmission Saves Customer Costs: Improved Transmission Planning is Key to the Transition to a Carbon-Constrained Future (June 2016) ("Brattle Planning Study"); London Economics International, Inc., How Does Electric Transmission Benefit You? (Jan. 2018); The Brattle Group, Recognizing the Role of Transmission in Electric System Resilience (May 2018); The Brattle Group, The Coming Electrification of the North American Economy (Mar. 2019); ScottMadden, Inc., Informing the Transmission Discussion: A Look at Renewables Integration and Resilience in Selected Regions of the United States (Jan. 2020) ("ScottMadden Report"); London Economics International, Inc., Repowering America: Transmission Investment for Economic Stimulus and Climate Change (May 2021).

WIRES generally supports aspects of DOE's effort as an improvement over the current corridor designation approach. At the same time, however, WIRES urges DOE to protect against allowing the proposed approach to inject unhelpful uncertainty into regulated transmission planning processes, particularly in regions with ongoing transmission planning initiatives (such as MISO's Long Range Transmission Planning initiative). For instance, there is risk that NIETC designation could undermine current planning, creating uncertainty and inefficiencies, potentially elevating projects that are not being efficiently planned over those being considered in Federal Energy Regulatory (FERC)-approved planning processes. That situation could slow progress and erode stakeholder support for these plans and/or make it more difficult to move ahead with regionally planned portfolios that have been in the works for years.

To avoid such a counterproductive outcome, DOE should refrain from taking any action that would interrupt or otherwise impede ongoing transmission planning processes which are achieving positive results. Many transmission owners and developers currently participate in ongoing, collaborative processes with regional planners, state regulators, and other stakeholders to develop proactive and comprehensive transmission plans that reflect the unique characteristics of the different planning regions and customers' needs. Failure to recognize and respect existing planning processes could have the counterproductive result of setting back progress where it is happening, and along with it, needed expansion to meet the nation's grid development goals.

There are other areas where DOE should consider providing more guidance and specificity regarding a NIETC designation process. More clarity should be provided on how the NIETC corridor process and subsequent project proposals will be incorporated into the DOE Transmission Needs Study. Understanding this process will help applicants provide more project proposals to meet the needs identified in NEITC designation. A transparent process will also help clarify priorities for NIETC designation and provide visibility on how potential NIETC projects complement ongoing transmission planning processes.

DOE should recognize that there may only be a few cases where a project is in an advanced development phase enough to identify the detailed environmental information specified in the NOI. Some of these projects might be good candidates if they have met the statutory requirement for backstop siting and others might not (i.e., nearing completion in permitting process). Corridors that are in early/conceptual stages can use the criteria principles to develop projects that meet the criteria to later apply for NIETC consideration assuming they meet the statutory criteria. Applicants will then later be able to provide the environmental details specified in the NOI. Moreover, in project development, siting and routing details can be designed to minimize environmental impact, incorporate stakeholder input, and demonstrate compliance with the specified criterial. At the same time, identification of NIETCs in early/conceptual stage corridors should not supplant state and regional planning processes. The identification of NIETC projects at this stage should complement and facilitate those processes.

Finally, DOE should clarify that project proposals should be allowed to be filed redacted/confidential/CEII to the extent they include competitively sensitive, and potentially CEII information. However, in any case, DOE should establish a process that includes appropriate public notice of any NIETC application.

2. Please comment on the information DOE intends to request as part of an application in Section II.A.iii – are elements of these requests and/or supporting rationale overly burdensome on respondents?

WIRES believes that the information DOE intends to request is generally appropriate. The information listed in Section II.A.iii.vii is particularly important, as it will demonstrate whether the project is truly viable or merely speculative. However, the required information proposed in this section should be further refined such that only viable projects that are preferably regional or interregional and multistate in scope would be eligible to receive NIETC designation.

3. Is there other information or types of information not listed in Section II.A.iii that should be requested to inform the evaluation and designation of NIETCs?

WIRES suggests that rather than seeking just a "discussion" of whether a project has been included in a transmission plan, DOE should seek firm documentation that a project has met the relevant tariff criteria to be included in a transmission plan.

4. For any of the information listed in Section II.A.iii or suggested in response to the question above, what metrics and methods are available for evaluating how that information meets the statutory requirements for a NIETC described in Section I.C?

WIRES cautions that none of the statutory requirements are met if DOE creates a process that is an end-run around the FERC-approved planning processes. This will

create uncertainty and could actually set back transmission development on a broader scale. Thus, DOE should explicitly require that applicants have been approved for inclusion in a transmission plan in order to receive a NIETC designation.

- 5. When considering the merits of corridor designation applications, how should DOE evaluate and weight the impact that a proposed corridor and any associated potential project(s) may have on:
  - a. Alleviating congestion or transmission capacity constraints and/or responding to concerns identified in the Needs Study,
  - b. Grid reliability and resilience,
  - c. Reducing greenhouse gas emissions,
  - d. Generating host community benefits,
  - e. Encouraging strong labor standards and the growth of union jobs and expanding career-track workforce development in various regions of the country,
  - f. Improving energy equity and achieving environmental justice goals,
  - g. Maximizing the use of products and materials made in the United States, and
  - h. Maintaining or improving energy security?

How should DOE evaluate eligible projects that include benefits that may vary across any of the above set of preferred impacts? To what extent should DOE consider other related outcomes like cumulative impacts from a potential corridor? What information should DOE seek to inform such considerations? What metrics and methods are available for conducting such evaluations?

WIRES believes that DOE should focus primarily on items (a) and (b), as these items reflect the core purpose of the program. However, DOE should chiefly prioritize routes and projects which support grid reliability and resilience. This requires that DOE avoid awarding corridors to speculative projects which could interrupt or otherwise impede ongoing regional planning initiatives.

The other metrics can be optimized in the project development/project selection phase within the corridor. For instance, any project can be designed to generate host community benefits, encourage strong labor standards, and improve energy equity, or maximizing use of products made in the US – these dimensions are not location or use-case specific.

An additional metric to consider is stakeholder support for the corridor, including key stakeholders such as State regulatory agencies, ISO/RTOs, consumer groups and utilities.

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7. Should DOE accept proposals or recommendations for NIETCs on an annual basis, on some other defined frequency, or on a rolling basis? How long should defined request periods be open?

WIRES believes that the process for accepting proposals or recommendations for NIETCs should be done in a manner that lends itself to easier administration of the program for applicants and DOE. Accepting proposals or recommendations for NIETCs on a rolling basis would provide flexibility and would allow for designation of a corridor when transmission needs arise rather than by tying the process to an arbitrary periodic basis.

8. Should DOE explicitly seek NIETC corridor proposals that facilitate the development of certain kinds of transmission projects or that meet specific identified transmission needs (e.g., interregional transmission projects)?

WIRES believes that NIETC designation should be open to all routes and projects which have demonstrated inclusion in a transmission plan under the relevant tariff criteria.

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## III. Conclusion

WIRES appreciates the opportunity to submit these comments in response to the Notice as DOE considers further action with respect to establishing a NIETC designation process.

Respectfully submitted,

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