



July 31, 2023

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

RE: Request for Information - Designation of National Interest Electric Transmission Corridors

Dear Director Robinson,

The National Association of State Energy Officials (NASEO) appreciates the opportunity to submit comments in response to the U.S. Department of Energy’s (DOE) Request for Information (RFI) on the National Interest Electric Transmission Corridor (NIETC) Designation Process. NASEO represents the governor-designated State Energy Offices from each of the 56 states, territories, and the District of Columbia. NASEO supports State Energy Offices in transmission planning activities that facilitate grid resilience, reliability, and affordability; the integration of additional clean energy resources; and improved energy access. Importantly, the NIETC process must integrate with State Energy Office planning activities across the spectrum of necessary policy approaches, so that these corridors are developed and implemented in a manner that supports our national energy objectives, rather than the historic approach of utilizing “stovepipes” rather than holistic approaches.

In response to the RFI, NASEO encourages DOE to consider the following:

1. State Energy Offices Should be Eligible to Apply For Designation of a NIETC

State Energy Offices are actively engaged in facilitating transmission upgrades and expansion through their policy, analysis, and program activities in support of their governors and legislators. For example, eight Northeastern states, led by the State Energy Offices, submitted a request to the U.S. Department of Energy (DOE) to form a Collaborative on Interregional Transmission. This partnership has the potential to bring together the State Energy Offices, state regulators, federal government, and three regional transmission organizations in the Northeast to work together and identify opportunities for deploying new transmission resources, including for offshore wind, in the region. Other State Energy Offices, such as the Utah Office of Energy Development, have led transmission planning studies for their states. The Utah study provided an analysis of the state’s transmission system and identified areas where transmission buildout could address capacity constraints in the state, along with providing potential economic benefits. Through the *Infrastructure Investment and Jobs Act* (IIJA) Section 40109, there is also a requirement for State Energy Offices to engage in transmission planning activities. This will lead to enhanced coordination on the local, state, and regional levels. NASEO encourages DOE to add State Energy Offices to the list of eligible applicants as they are engaged in transmission planning

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and have the tools, resources, and knowledge to identify potential corridors that would benefit their states, regions and the nation.

2. Maintain the Route-Specific Scope for NIETCs

NASEO supports DOE's narrowing of the NIETC scope to specific geographic corridors. This will help ensure designation occurs in areas that need transmission development the most. Many of these areas have already been identified through the Transmission Needs Study or other analyses that demonstrate current or future capacity constraints or congestion. Additionally, a route-specific corridor will be helpful in streamlining the permitting and review process. FERC and DOE coordination with states will be critical in this respect. In addition, NASEO supports the narrowing of the NIETC designation to specific geographic areas as this will provide the opportunity for localized workforce opportunities and potential training programs that can train a next generation of workers where projects are actually being built.

3. Enhanced Coordination Between States, Federal Government, and Private Sector is a Priority

NASEO encourages DOE to prioritize enhanced coordination with State Energy Offices and other appropriate state agencies throughout the NIETC application and designation process. Coordination should occur among local, state, and federal governments; RTOs/ISOs; investor- and consumer-owned utilities; developers; communities; and other key stakeholders. Because State Energy Offices generally do not have a regulatory role that could impede coordination across different electric transmission and market stakeholders, State Energy Offices' role means that they are often conveners of these entities and have expertise in facilitating information exchange and peer-sharing on key energy issues. These convenings can provide a platform to facilitate a state working group or task force that can help identify potential areas of the state or region for transmission buildout through public hearings, the development of a state roadmap or study, or collaboration on federal funding applications. In California, the California Energy Commission, California Public Utilities Commission, and California ISO frequently collaborate, including on the development of a 2022 study on a 20-year transmission outlook for the state. Certain states also have state transmission authorities that State Energy Offices can coordinate with. For example, the New Mexico Energy, Minerals and Natural Resources Department, Energy Conservation and Management Division works closely with the New Renewable Energy Transmission Authority. State Energy Offices already engage with FERC, DOE (including the Office of Electricity, the Grid Deployment Office, and the Office of Cybersecurity, Energy Security, and Emergency Response) and other federal agencies on transmission-related policy and programming and see the value in an open feedback loop that can lead to robust and holistic transmission planning and development. While enhanced permitting reform is still needed, coordination between State Energy Offices and state siting authorities can streamline the process. For example, the Oregon State Energy Office implemented the Oregon Renewable Energy Siting Assessment project that developed a report and mapping tool to provide an understanding of the opportunities and constraints that come with transmission development in Oregon. Developers should also be required to work with states to ensure projects align with state goals and needs. This can help to reduce the risk, for example, of potentially stranded assets due to a lack of early dialogue on potential siting concerns or constraints where states have more knowledge. Overall, NASEO encourages DOE to consider the importance of requiring enhanced state collaborations, deference and coordination throughout the application and designation process.

4. DOE Should Consider Existing Transmission Planning Efforts in the Designation Process

NASEO supports DOE's commitment to consider projects identified as needed in the DOE National Transmission Needs Study as a significant and primary driver of NIETC designation. NASEO also encourages DOE to consider projects where upgrades to existing transmission lines (such as reconductoring or dynamic line-rating) have exhausted efficiency and capacity gains. Additionally, NASEO encourages DOE to consider state efforts, such as those in Wisconsin and Minnesota, to colocate transmission with the highway right-of-way. These efforts involve strong coordination between State Departments of Transportations, State Energy Offices, Public Utilities Commissions, and utilities to

support project development in areas with minimal impact on nearby communities. Most State Energy Offices are aware of activities and planning processes for transmission and distribution systems and have unique visibility on emerging issues such as electric vehicle infrastructure buildout, the integration of DERs, energy storage, and other pertinent issues that can affect transmission corridor identification. States may also have insights on potential locations and community concerns. Further, appropriate integration and consideration of existing transmission planning efforts can alleviate affordability and cost challenges that may arise from new transmission buildout. Although designated corridors will be eligible for federal investment, costs that are not covered by federal dollars will be recovered for these investments from the states' ratepayers. State Energy Offices are prepared to utilize their planning, policy, and programmatic expertise to identify and support transmission projects that also support local and state affordability, decarbonization and reliability goals. NASEO encourages DOE to consider the importance of leveraging State Energy Office expertise in this area.

5. Workforce, Economic Development, and Energy Justice Should be Emphasized Throughout the Application and Designation Process

NASEO encourages DOE to require applicants to include information on how they will address and support workforce, economic development, and equity considerations. Transmission buildout relies heavily on local community buy-in, and NASEO encourages DOE to leverage existing State Energy Office activities in this area. Equity-focused stakeholder engagement strategies State Energy Offices can engage in to inform their policies and programs include providing opportunities for community-driven planning and education workshops. For example, the Hawaii State Energy Office leads a program, Clean Energy Wayfinders, that recruits community members to receive training on energy and community engagement to bring resources back to their communities and establish trust between the state and local residents as the Wayfinders will share information on available programs and resources, potential clean energy projects, and workforce opportunities. Additionally, the Minnesota Department of Commerce – Clean Energy Division utilizes the Spectrum of Community Engagement to Ownership in their programming to ensure meaningful engagement occurs with Tribal nations, Black, Indigenous, and People of Color communities. State Energy Offices can also support workforce programs and research and analysis on workforce needs and opportunities. For example, State Energy Offices in Rhode Island and Vermont funded clean energy industry reports that looked at, among other things, employment by technology (including transmission). This data and analysis are incredibly valuable for providing a statewide overview of current employment which can be used to predict future trends and identify potential gaps or transition opportunities.

6. Applicants Should be Required to Provide Information on How They are Considering Cyber and Physical Security of Potential Projects

When considering the merits of corridor designation applications, NASEO strongly encourages DOE to require applicants to include detailed information related to cyber and physical security of the proposed transmission projects in applications. Physical and cyber events are occurring more frequently which can impact the resilience and reliability of transmission infrastructure. Applicants should have data and information on what the potential risks are and what mitigation steps are being proposed. DOE can engage with State Energy Offices and the CESER Office to get additional information on current data collection practices for information on how states are already approaching efforts to mitigate cyber and physical threats to energy infrastructure. State Energy Offices lead the update of the State Energy Security Plans which serve as the foundation of resilience planning by identifying threats, hazards, and vulnerabilities as well as outlining mitigation efforts, all in consultation with Public Utility Commissions, electric and natural gas utilities (regulated and unregulated), petroleum and delivered fuel providers, and mission critical facility operators (e.g., water).

We appreciate the opportunity to provide comments and to continue to engage with DOE on the expansion and modernization of America's transmission system.

Best regards,

A handwritten signature in black ink, appearing to be 'DTerry', with a long, sweeping flourish extending to the right.

David Terry
President, NASEO