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To: U.S. Department of Energy (DOE) Grid Deployment Office (GDO)

From: Elise Caplan (caplan@acore.org/301.646.7130) and Kevin O'Rourke (orourke@acore.org/240.449.0990)

American Council on Renewable Energy, 1150 Connecticut Ave NW, Suite 401, Washington, D.C. 20036

ACORE greatly appreciates the opportunity to provide input on the Transmission Siting and Economic Development Grants Program. Accelerating the development of transmission through siting improvements is essential to achieving the full carbon emissions reductions of the Inflation Reduction Act and the associated significant increases in renewable energy development.

While there are many opportunities for improvements in Federal siting and permitting (such as those outlined in the White House Permitting Action Plan released last May),[1] there are also multiple needed improvements in the state and local siting and permitting processes. But these issues often cannot and should not be addressed solely by state and local agencies. Where possible, grants to expedite the pace of, and mitigate any concerns regarding, transmission development should be administered in a manner that fully involves the host community in the siting process and decisions about the distribution of economic development funds. To the extent that the funds for siting activities can be shared with community organizations, ACORE recommends that DOE prioritize such funding arrangements.

While ACORE responded to the specific questions within the framework established in the Inflation Reduction Act Section 50152, we propose an alternative approach to the distribution of the grants that reduces the burden on state and local agencies to submit detailed applications and accelerates the timeline for the distribution of the grants. Under this alternative approach, first, DOE could use at least a portion of the siting facilitation grant funding for the provision of studies, analysis, and other technical assistance to both siting agencies and community groups. Second, some amount of the siting facilitation and economic development grants could be administered by a formulaic approach, such as a dollar per mile of the transmission line and with a share set aside for distribution to community groups to conduct public communications and education on the line, as well as to provide input on the use of the economic development and mitigation funds.

ACORE also recommends that DOE interpret the term "interstate" within the definition of a covered project to also include those lines that cross two or more tribal entities even where the project is within a single state.

With these priorities and considerations in mind, ACORE addresses the specific questions below, with the bolded questions indicating that a response has been provided.

[1] *The Biden-Harris Permitting Action Plan to Rebuild America's Infrastructure, Accelerate the Clean Energy Transition, Revitalize Communities, and Create Jobs*, May 11, 2022, https://www.whitehouse.gov/wp-content/uploads/2022/05/Biden-Harris-Permitting-Action-Plan.pdf.

Eligible Siting Activities with Respect to Covered Transmission Projects

1. **What studies and analyses may be useful in identifying impacts from a covered transmission project?**

When determining the types of analyses that will be helpful in facilitating the completion of interstate transmission lines, the term "impacts" should also incorporate the multiple benefits of the line. Such an analysis is helpful not only in recognizing the beneficiaries of the line for purposes of cost allocation but also to communicate those benefits and gain greater public acceptance for the project. As noted above, these analyses could be made available for siting agencies and community groups without the necessity of a formal grant application.

The importance of a full benefits analysis was discussed at the February 2022 meeting of the Federal Energy Regulatory Commission's Federal-State Task Force on Electric Transmission, Commissioner Andrew French of Kansas emphasized the importance of identifying such benefits, noting that the benefit-cost ratios for transmission are likely to be greater than anticipated which "helps customers know they are getting a good deal."[2]

A positive example of the multi-benefits methodology and cost allocation approach for regional transmission is the Midcontinent Independent System Operator's (MISO) evaluation of the benefits for the first tranche of lines from its Long Range Transmission Planning portfolio, showing widespread benefits and justifying an allocation of the costs across all of the MISO Midwest load and exports on a per-MWh basis.[3] In addition, a recent example of the significant benefits of interregional transmission can be found in an analysis showing that an additional gigawatt (GW) of transmission capacity during Winter Storm Elliott could have saved electricity consumers nearly $100 million over the course of the five-day storm.[4]

While not directly related to cost allocation, analyses of the economic benefits of renewable projects facilitated by the transmission line could also be a valuable resource for communities.

2. **What barriers do siting authorities encounter in collaborating with other siting authorities (e.g., States and local governments), or participating in each other's processes, in considering siting, permitting, and other approvals for transmission lines?**

A frequent barrier to transmission development, as well as other clean energy infrastructure, is the complexity resulting from multiple state and local authority roles in siting and permitting,

[2] *Joint Federal-State Task Force on Electric Transmission*, February 16, 2022 Meeting Tr. at 39.

[3] Rob Gramlich, ACORE and Grid Strategies LLC, *Enabling Low-Cost Clean Energy and Reliable Service Through Better Transmission Benefits Analysis*, (August 2022), available at: https://acore.org/enabling-low-cost-clean-energy-and-reliable-service-through-better-transmission-benefits-analysis-a-case-study-of-misos-long-range-transmission-planning/.

[4] Michael Goggin, ACORE and Grid Strategies LLC, https://acore.org/the-value-of-transmission-during-winter-storm-elliott/.

along with conflicting siting standards and regulations between state and local agencies.[5] While there are four general categories of entities responsible for state coordination of transmission siting (public utility commissions, siting boards, other state agencies or alternatively, leaving all siting decisions to local governments), there is variation within each of these models among the states.[6] Such variation in decision-making and coordination both within and across states may create complexity for multi-state transmission lines.

In light of multiple and sometimes conflicting within-state roles, eight states have established siting boards to coordinate siting activities,[7] and three states have passed legislation that provides a state entity with centralized siting and permitting authority for renewable energy and associated transmission, including where local laws or ordinances conflict with state siting standards or renewable energy goals. For example, in 2020, New York created a single entity - the Office of Renewable Energy Siting, which may opt to not apply any local law or ordinance if it impedes the achievement of the goals of New York's Climate Leadership and Community Protection Act.[8] California passed similar legislation, which also gives the California Energy Commission authority for a consolidated permitting process.[9] Illinois also finalized a bill in January preventing a county from having a local ordinance more restrictive than the new state standards on the siting of wind and solar, along with supporting facilities, which include transmission.[10]

In addition, at least two states have sought to accelerate the expansion of needed transmission by establishing independent entities that can directly finance or acquire transmission lines, and that also play a role in facilitating siting, including:

> The New Mexico Renewable Energy Transmission Authority (NMRETA), which was created by the state legislature in 2007 to plan, finance, develop and acquire high voltage transmission lines and storage projects, including through the issuance of bonds. In

[5] See, e.g., Lori Bird & Katrina McLaughlin, World Resources Institute, *US Clean Energy Goals Hinge on Faster Permitting*, (February 9, 2023), available at: https://www.wri.org/insights/clean-energy-permitting-reform-us.

[6] William H. Smith, Jr., *Mini Guide on Transmission Siting: State Agency Decision Making*, Prepared for the National Council on Electricity Policy, administered by the National Association of Regulatory Utility Commissioners Center for Partnerships & Innovation (December 2021), available at: https://pubs.naruc.org/pub/C1FA4F15-1866-DAAC-99FB-F832DD7ECFF0.

[7] *Ibid.*

[8] See *New Renewable Energy Siting Process Webinar*, (April 29, 202), available at: https://ores.ny.gov/system/files/documents/2020/07/2020-04-29-ores-webinar.pdf.

[9] California Assembly Bill 205, June 2022, available at: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB205.

[10] See, e.g., Ryan C. Granholm, et al, *Illinois Enacts New Law to Standardize Local Permitting for Renewable Energy Facilities*, The National Law Review (January 30, 2023), available at: https://www.natlawreview.com/article/illinois-enacts-new-law-to-standardize-local-permitting-renewable-energy-facilities; see also, Illinois House Bill 4412, available at: https://www.ilga.gov/legislation/102/HB/PDF/10200HB4412lv.pdf.

addition, among other roles, NMRETA works "with state and federal agencies to streamline permitting, creating a predictable regulatory landscape to build transmission in less time."[11]

The Colorado Electric Transmission Authority (CETA), created by 2021 legislation, has the ability to issue revenue bonds; identify and establish intrastate electric transmission corridors; coordinate with other entities to establish interstate electric transmission corridors; exercise the power of eminent domain to acquire eligible facilities; and collect payments of reasonable rates, fees, interest, or other charges from persons using eligible facilities.[12]

Collaboration within and among states on interstate lines is essential. Therefore, one use of these grants could be to provide technical or legal assistance on the determination of potential reforms to better align state and local siting decisions, or for the convening of multiple local and state entities to cooperate on siting activities within and among states.

Two further barriers are insufficient funding and staff for state agencies and the need for greater engagement with community leaders, especially at an early stage of the process (as discussed further in response to Question 7).

3. What barriers do siting authorities encounter in collaborating specifically with federal siting authorities or participating in federal siting and permitting processes?

In addition to the multiple state and local entity roles in siting, a related barrier is the frequent absence of single lead federal agency to oversee and coordinate the siting and permitting process among federal and state agencies, including tracking compliance with the required permitting steps and serving as a single point of contact for feedback.

Not only does the absence of a single lead agency complicate such collaboration, but it may result in duplicative processes at multiple federal and state agencies, which impede the timely processing of permits.

4. What methods and tools are available to assist siting authorities in examining alternative siting corridors for covered transmission projects? How could DOE grants expand access to these tools, and how would that improve the chances for successful siting request processing or shorten the time required to reach a decision?

5. What studies and analyses are required to identify alternative siting corridors?

6. What impact would examining alternative siting corridors have on the time required for processing siting requests?

7. What methods and tools (e.g., technologies, collaborative resources, facilitation tools) are available to assist siting authorities in the collaborative processing of siting

[11] See *New Mexico Renewable Energy Transmission Authority Annual Report*, December 2022, available at: https://nmreta.com/wp-content/uploads/2022/12/NMRETA_Annual_Report_2022.pdf

[12] Summary of Colorado Senate Bill 21-072, available at: https://leg.colorado.gov/bills/sb21-072

authorizations at the national, regional, Tribal, State, or local level? How could grants from DOE expand access to these methods and tools, and how would that improve the chances of siting approval and/or shorten the time required for siting approval?

Local opposition can be a significant obstacle to transmission siting and permitting, especially for interstate lines where there may be a perception that the benefits are not being received by population where the transmission is being built. A key tool to improve the chances of, and shorten the time for, siting approval is early communications with and integration of input from community groups, along with the communication of the widespread nature of the benefits.[13]

A beneficial use of these grants would be for convenings of community groups to address their concerns, including the design of the economic development grants as discussed in the next section. But the relevant state or local siting authority may not be the best entity to conduct such convenings, and a more trusted community-based not-for-profit entity would be a preferred entity to carry out such activities.

For example, a recent white paper on transmission siting best practices found that it is "valuable to have voices that are familiar to the community and that are trusted. It is especially helpful to hire a local person as the outreach coordinator and to have a local office with a local phone number so people can stop by or call when they feel the need."[14]

Therefore, ACORE strongly recommends that applicants for grants that request funding to improve communications with local stakeholders also partner with such local entities and transmit a portion of the funds for staff and resources at such entities. DOE would then prioritize applicants including such plans when distributing the grants. Alternatively, DOE could allocate the grants via a formulaic approach with a disbursement to community groups using a streamlined application process.

As part of the preparation for this local engagement, the following material and analyses would be beneficial, and also eligible for grant funding:

- Open public access to relevant maps, data, and imagery on the planned transmission should be provided.
- Analyses and identification of opportunities for routing transmission lines along existing transportation corridors and other rights-of-way.

[13] See, e.g., Elise Caplan and Noah Strand, *ACORE Grid Forum Gathered Energy Leaders to Discuss Opportunities and Obstacles to Achieving a Fundamental Transformation of America's Grid*, available at https://acore.org/acore-grid-forum-2022/, noting the discussion among panelists of the importance of communications with local groups and demonstrating the benefits of transmission, and in doing so humbly.

[14] See, e.g., Americans for a Clean Energy Grid, *Recommended Siting Practices for Electric Transmission Developers* (February 2023) at 10, available at: https://cleanenergygrid.org/wp-content/uploads/2023/02/Recommended-Siting-Practices-for-Electric-Transmission-Developers-ACEG-February-2023.pdf.

- Landscape analysis of the route (including where it utilizes existing rights-of-way), which takes into consideration not only environmental issues, but environmental benefits (e.g. reduced air and water pollution from new generation enabled by the line) and any environmental justice issues as well.

8. **What activities would the siting authority need to undertake in order to participate in regulatory proceedings or negotiations in another jurisdiction that is also considering the siting or permitting of a covered transmission project?**

9. **What activities would a siting authority need to undertake to participate in regulatory proceedings at FERC or a State regulatory commission to determine applicable rates and cost allocation for a covered transmission project?**

As noted in response to Question 1, analyses of the full scope of the benefits of interstate lines are essential to determining the cost allocation for multi-state lines, and a study of those benefits would be useful as part of such proceedings. Moreover, providing siting authorities with access to technical expertise and other resources to improve their capacity to participate in FERC or state regulatory commission proceedings could help facilitate the siting of these lines.

10. What other measures and actions could be undertaken with grant funding to a siting authority that may improve the chances of, and shorten the time required for, the issuance of permits or other necessary approvals for a covered transmission project? What unique measures and actions would allow communities to support the timely review process by siting authorities of a covered transmission project? For any measure or action recommended, please explain how it would improve the chances of, and shorten the time required for, siting authority approval of a covered transmission project.

11. **How could grants to siting authorities be used to support the ability of individual communities and community members to participate in transmission siting processes? For example, what do individual communities and community members need to effectively participate and bring their perspectives and concerns regarding a covered transmission project early in those processes to avoid later delays in completing siting approvals or decisions? Are there access or education needs for communities and community members that are not being met that could be supported by grants to siting authorities?**

As noted in response to question 7, grants should be passed through to appropriate state or regional community organizations who can act as facilitator of conversations around community benefits and mitigation funding. The decisions regarding how mitigation funding is spent, if needed, is best decided by trusted community-based organizations.

12. What stages of the review process need the most support through the grant funding and why?

13. **What factors, if any, should be applied to prioritize grants to siting authorities for eligible activities with respect to a covered transmission project? For example, should certain transmission project characteristics (e.g., technology types employed, etc.), functions (e.g., provides reliability or resilience, supports deployment of low-cost or low-carbon generation resources, etc.), or planned dates to commence construction or**

enter service (e.g., planned to commence construction before December 31, 2027) be prioritized for grant support? What types of constraints, bottlenecks, and challenges are authorities encountering that grant funding would enable authorities to resolve?

As ACORE recommends, to avoid complexity and reduce the burdens on applications, DOE should consider a formulaic approach to any direct grants. Should there be a prioritization, however, a few options could be for those projects likely to complete construction within a certain window of time; produce multiple benefits, including improving reliability and resilience; facilitate new renewable energy development, which will assist in catalyzing the transition away from fossil fuel-generated resources; and where the project is utilizing existing rights of way.

Economic Development Activities for Affected Communities

14. **What types of economic development activities for communities that may be affected by the construction and operation of a covered transmission project could be supported by a grant?**

Community input is essential for the determination of the economic development activities and would help ensure that the economic development projects benefit communities affected by construction and operation and are aligned with the potential benefits of the transmission line. Such projects could include improvements to resiliency during extreme weather, such as battery storage projects and other projects that further reduce emissions, such as expanded renewable energy in the region, as well as local infrastructure projects, such as schools, public services and housing, especially when connected with such resilience projects and/or electrification of the buildings.

15. **What best practices exist for supporting economic development in communities affected by the construction and operation of electric transmission or other energy infrastructure? Additionally, what best practices exist specific to supporting economic development in disadvantaged, underserved, and frontline communities, or "energy communities" that have been or may be impacted by the construction and operation of a covered transmission project? Should DOE prioritize grant awards to proposals that would utilize these best practices? How should these grants be evaluated or scored, including relative to siting grants?**

Decisions for how economic development funds are spent should be made with significant input from the host communities and in fully a transparent manner. DOE should consider allowing a portion of these grants to flow through non-profit, community-based organizations or a regional collective of such entities to manage grant distribution or provide resources to coordinate the engagement of entities representing the host communities on the determination of the economic development grants. These non-profit organizations can also help structure a community benefits agreement for the use of the grant, which can address related issues, such as hiring practices and wages.

Models already exist for the development of economic development plans with widespread community input. For example, as part of the Clean Path NY infrastructure project, which includes both renewable energy projects and a 175-mile transmission line. As part of the project, a $270 million community investment fund was created and "will be governed by a board of

directors, including local stakeholder representation, to make direct investments in communities across New York focused on workforce development, education, community health, and environmental stewardship.[15]

16. **What approaches (e.g., partnerships and business models) to providing economic development services should be prioritized for grants to siting authorities, or other State, local, or Tribal government entities for economic development activities for communities that may be affected by the construction and operation of a covered transmission project? What successful approaches have you observed and/or undertaken in providing such services that have specifically benefited States, U.S. Territories, Tribes, workers, and communities that should be considered when providing grants for economic development support under Section 50152(b)(2)? Is there precedent or community interest in using the funding to support a community in investing in an equity stake in the transmission project to provide long-term, sustainable financial benefit from project construction?**

See the response to Question 15. On Tribal lands and ceded territory, tribal representatives should be fully incorporated into the decision making on the use of the economic development and a priority for land use activities.

17. In what ways, if any, could efforts to mitigate ecosystem, natural resource, or environmental damage be considered eligible economic development activities under the program?

18. **In what ways, if any, could efforts by transmission project developers to reroute, underground, or increase line capacity to avoid repeat or future disruptions from project development, or otherwise implement project designs to limit impacts on communities and landowners be considered eligible economic development activities under the program?**

One means to minimize future disruptions and to ease the siting process would be the use of existing rights-of-way, such as existing highways, combined with underground placement of the lines.[16] These options could be incorporated into the determination of economic development investments. In addition, partnerships with other infrastructure projects along the route of the line when using existing rights of-way should be explored, including the burying fiber optic cables along a highway right-of-way.[17]

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[15] See https://www.cleanpathny.com/community-benefits.

[16] See NextGen Highways Feasibility Study for the Minnesota Department of Transportation, available at: https://nextgenhighways.org/wp-content/uploads/2023/01/NextGen-Highways-Feasibility-Study-Minnesota-DOT.pdf.

[17] *Ibid.*

19. **What equity, energy, and environmental justice concerns or priorities are most relevant to the siting of interstate or offshore electricity transmission lines? How have/can these concerns or priorities been/be addressed?**

Siting of lines within, or within the same grid region as, underserved communities may provide broader benefits by facilitating the transition away from fossil fuels that disproportionately harm such communities. Yet such benefits may not be readily apparent. Therefore, to ensure community support for interstate transmission lines, the benefits from greater deliver of clean energy and for greater resilience needs to be translated into tangible community benefits, as described in response to Question 14.

20. What strategies, policies, and practices can siting authorities deploy to ensure that the goals of Justice40 are achieved? How should these be measured and evaluated?

21. What approaches (e.g., partnerships, business models, or ownership models) would secure economic development opportunities in disadvantaged, underserved, and frontline communities, or "energy communities"? Of these approaches, should any be prioritized in providing grants to siting authorities, or other State, local, or Tribal government entities, for economic development activities for communities that may be affected by the construction and operation of a covered transmission project? What successful approaches have you observed and/or have you undertaken in providing such services that have specifically benefited such communities and advanced Justice40 principles?

See response to Questions 14 and 15.

22. **What approaches (e.g., partnerships and business models) would you recommend for providing services and technical assistance in need areas of expertise to disadvantaged, underserved, and frontline communities, or "energy communities"? What successful approaches have you observed and/or undertaken in providing such services and technical assist to these communities? What successful approaches have you observed and/or undertaken in providing such services and technical assist to these communities?**

In underserved communities, participation in meetings and workshops can be difficult when residents may work long hours and have difficulty affording additional childcare. One option is to provide funding to community advocates who can represent these frontline communities through grants to locally influential community organizations. Moreover, holding meetings during times that avoid conflicts with work schedules, including take in consideration the schedules of seasonal workers; and providing virtual options, child care, transportation, and on-site translations or meetings that are conducted in other languages, are all essential to ensuring full community engagement. Lastly, as noted in responses to Questions 14 and 19, ensuing that the community organizations develop materials that clearly communicate the benefits of proposed transmission upgrades or expansions is critical.

23. How can applicants ensure community-based stakeholders/organizations (especially in underserved communities) are engaged and included in the planning, decision-making, and implementation processes (e.g., including community-based organizations on the project team)?

24. Which regional and location-specific metrics should DOE track to estimate the environmental, social, and economic impact related to the siting of interstate and offshore electricity transmission lines?

25. **How can transmission planning best support communities with goals to increase the resilience of power delivery to those communities and/or transition from fossil fuels?**

As previously discussed, local resiliency projects can be considered in parallel with the planning for the transmission projects and incorporated into the economic development plans.

26. What consultations, studies, and analyses could siting authorities conduct that would help them better understand the impacts of a covered transmission project to Indian tribes, as defined in the Infrastructure Investment and Jobs Act (42 U.S.C. § 18701)?

27. What consultations, studies, and analyses could siting authorities conduct that would help them better understand the impacts of a covered transmission project on historic properties, as defined in the National Historic Preservation Act (54 U.S.C. § 300308)?

28. What measures, including economic development activities, could be taken to mitigate the impact of the construction and operation of a covered transmission project to Indian tribes, as defined in the Infrastructure Investment and Jobs Act (42 U.S.C. § 18701)?

29. What measures could be taken to mitigate the impact of the construction and operation of a covered transmission project on cultural resources, in particular those determined to be historic properties as defined in the National Historic Preservation Act (54 U.S.C. § 300308)? Mitigation measures could include economic development activities that have a nexus to the potential impacts to historic properties.