Americans for a Clean Energy Grid

FERC'S BACKSTOP SITING RULE

HISTORY OF BACKSTOP SITING AUTHORITY

Transmission siting authority is fragmented across federal, state, and local governments. This cumbersome process requires a line to receive approval from every jurisdiction in its path — a real challenge for lines that can be hundreds of miles long — resulting in permitting timetables that can last over a decade. This is a problem because in the next 30 years, more than 140,000 miles of transmission lines will need to be built simply to maintain the system, let alone the lines that will need to be developed to meet new challenges to the grid.

In 2005, Congress sought to solve this fragmented siting jurisdiction by giving the Federal Energy Regulatory Commission (FERC) authority to issue permits for transmission facilities in DOE-designated corridors where a state failed to complete siting. Later court decisions created gaps in the law, rendering it ineffective.

WHAT IS A NATIONAL INTEREST ELECTRIC TRANSMISSION CORRIDOR?

If the Department of Energy (DOE) finds that the national interest would be served by a National Interest Electric Transmission Corridor (NIETC or corridor) for purposes of economic growth, energy independence, and national security, among other reasons, it can designate a corridor to develop transmission capacity. By studying a corridor, the facilities can be consolidated in an area to minimize environmental impact.

The bipartisan Infrastructure Investment and Jobs Act (IIJA) in 2021 strengthened FERC's siting authority when a state has denied a transmission project's permit application. Now, FERC is moving to implement these changes.

WHAT TRIGGERS FERC'S BACKSTOP SITING AUTHORITY?

FERC can grant a permit for a project in a corridor when:

- A state lacks the authority to site transmission facilities or to consider their interstate or interregional benefits;
- The applicant is a transmitting utility that is not eligible to seek state approval because it does not serve customers in the state; or
- A state fails to decide on an application within one year, or approves a line under conditions that aren't feasible.

WHAT DOES FERC'S NEW BACKSTOP SITING RULE DO?

FERC's new backstop siting rule — Order No. 1977 — aligns the rules with the IIJA:

- Outlines how developers should communicate and negotiate with landowners and communities along a transmission line's path;
- Requires submission of a Project Participation Plan early in the pre-filing process, in which a developer explains how it has reached out to landowners; and
- Updates the backstop siting pre-filing process, including by requiring Tribal, environmental justice, and noise and air resource reports.

HOW WILL THIS RULE HELP IMPROVE THE GRID?

Order No. 1977 strengthens the permitting process for transmission projects in the national interest that might not otherwise be able to move forward due to a lack of state approval. By allowing such projects to move forward, the rule will accelerate the development of new transmission infrastructure to serve broad swaths of the country.

Additionally, FERC's oversight fosters regional coordination and planning for transmission expansion within corridors. By overseeing the approval process, FERC can ensure that transmission projects are strategically sited to reduce transmission congestion, thereby enhancing overall transmission capacity and reliability.

WHAT HAPPENS NEXT?

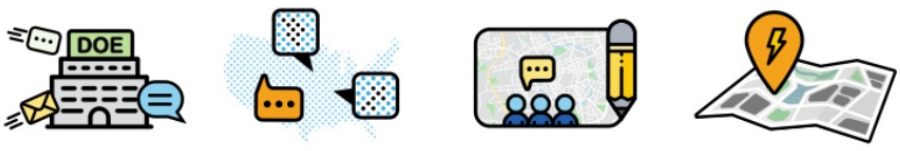
There are currently no designated corridors, so DOE must complete this process before backstop siting can become an effective tool for transmission development. DOE released a preliminary list of potential corridors in May 2024, moving one step closer to official designation.

FERC's revised backstop siting process provides for early community engagement and thorough environmental protection review. Effectively implemented, this will allow for the development of transmission projects that would otherwise not be approved.

SCAN THE BARCODE TO READ THE FINAL RULE

NIETC Designation Process

National Interest Electric Transmission Corridors (NIETC)
An area of the country where DOE has determined the lack of adequate transmission harms consumers



	PHASE 1 Information Gathering	PHASE 2 Preliminary List & Comments	PHASE 3 Public Engagement	PHASE 4 NIETC(s) Designated
DOE activities	• Reviews National Transmission Needs Study findings • Begins identifying potential NIETCs	• Publishes preliminary list of potential NIETCs	• Refines geographic boundaries of potential NIETCs and prepares draft report • Conducts community engagement and any required environmental reviews	• Issues final NIETC designation report(s) and any required environmental document(s)
Public activities	• Submits recommendations on where to designate NIETCs and why	• Provides comments, alternatives and recommendations, and additional information	• Participates in DOE-led community engagement activities focused on potential NIETCs	• Focuses on areas of greatest transmission need • Transmission developers in NIETCs access federal financing and siting tools

Modernizing and expanding transmission infrastructure helps **increase reliability, resilience, and access to clean, affordable electricity**

Source: Grid Deployment Office