

Transmission Corridors Work Group

MEETING #6 (JUNE 8-9, 2022) SUMMARY

Day 1 – June 8

Opening

Rob Willis, Ross Strategic Facilitator, welcomed Transmission Corridors Work Group (TCWG) members to the session and requested all public participants join via the livestream. Meeting objectives included:

- Confirm the TCWG’s understanding of the outcomes of the Transmission Corridors Work Group, including the Final Report, and resulting recommendations to the Legislature.
- Inform TCWG members about updates to principles based on discussion at the April meeting and subsequent task group work; discuss and vet TCWG recommendations with respect to the Final Report.
- Discuss next steps to continue conversation on transmission corridors and ongoing work.

Kathleen Drew, Chair of Washington Energy Facility Site Evaluation Council (EFSEC), opened the meeting by thanking everyone for their participation during the last workgroup meeting. Rob guided TCWG members through the agenda and planned discussions for the day.

Members in attendance during the two days are listed in [Appendix A](#).

New Principle Presentations

Regional Planning in the Northwest with 20-year Outlook: Arne Olson

Arne Olson, with E3, provided an overview of transmission planning and key challenges. Olson walked members through four transmission use cases emerging from deep decarbonization including connection of remote renewables, load and resource diversity, reliability and grid strengthening, and electrification. Olson shared that transmission planning and development can be subject to a mix of state and federal jurisdiction and emphasized the role of state jurisdiction in transmission line siting and need determination. As a result, two key barriers to interregional transmission include need determination and cost allocation.

Olson further commented that current transmission planning process are almost entirely reactive and piecemeal as projects are often triggered by service requests rather than forward-looking plans. Many regional entities do not conduct independent, proactive, forward-looking transmission planning and do not have authority to allocate costs of new transmission projects to unwilling recipients. To increase cooperation, multi-state transmission planning requires coordination from multiple states. Informal coordination among states, utilities, BPA, and other stakeholders will be the best avenue for advancing promising transmission projects in the near term.

Following Olson’s presentation, TCWG members posed the following questions:

- Is California's system more governed under one structure than Washington?

- In California, 80% of the load is served by IOU's or CCA's. That is largely contiguous with the ISO footprint. There are some municipal utilities as well as informal coordination with the Los Angeles and Sacramento Department of Water and Power.
- Do you have thoughts on how BPA could be most effective on planning out the overall transmission system that reflects the clean electricity requirements?
 - BPA has the right footprint and have historically done most of the high voltage transmission planning for the PNW regions. If there is any entity that has the ability to transmission planning for a large footprint, it is BPA. But it is complex and has a range of customers with different needs. Some of the wholesale customers have loads outside of the Bonneville area.
- On the potential allocation of cost for overbuilding transmission for renewables - how does that cost get allocated in comparison to base load generation?
 - Developers will have to front costs. It is a pre-payment. As long as their payments for transmissions services exceed the cost of the line, then everyone is happy.
- Given your recommendation for informal coordination among states and FERC's notice of proposed rulemaking, how will this impact how RTO's plan on a system-wide basis?
 - FERC has acknowledged that the states are in roadblock and wants states to determine a way to agree cost allocation. To the extent that you need to get together and respond to FERC, that is the recommendation. Given FERC's limit of authority, I see this being as far as they can go. They are encouraging coordination to remove roadblocks.

State Coordination for Federal Transmission Funding: Sarah Vorpahl

Sarah Vorpahl, representing the Department of Commerce, shared an overview of the Transmission Facilitation Program (TFP) within the Infrastructure Investment and Jobs Act (IIJA) and its role in the states clean energy goals. The IIJA was passed on November 6th, 2021 and includes rural infrastructure investment and funding for energy and power. Federal financing tools within the IIJA include the Transmission Facilitation Program, Smart Grid Investment Grant Program, and grid resilience grants or states, tribes, and utilities. The Transmission Facilitation Program (TFP) contains three different mechanisms including capacity contracts, public-private partnerships, and loans. The TFP is funded through a \$2.5 billion revolving fund to facilitate the construction of electric power transmission lines and related facilities. Vorpahl shared that within the TFP program, investor-owned utilities, community-owned electric utilities, states, tribes, and independent transmission project developers are eligible entities. Beyond transmission requirements, TFP includes equity and labor requirements. As a result, projects must support the creation of good-paying jobs with the free and fair choice to join a union and address environmental and energy justice principles.

Following Vorpahl's presentation, TCWG members posed the following questions:

- On your recommendation "Develop a transmission planning road map," are such discussions underway? Who will be at the table?
 - There is a good design in how this could be done that happened with the hydrogen work. Commerce has been working across different entities to create the Pacific NW Hydrogen association that will be the entity that applies for that funding. The lead state entity will help coordination on these ambiguous jurisdiction issues. There is an analogous conversation on siting. There, the question is similar. We do not have a point person for siting clean energy projects in the state. We have a lot of new need and interest. We are trying to think across the state agency family how we make decisions.

- Would that lead need statutory authority?
 - I think there would need to be role definition for the "lead" entity as well. That would help best understand who would best be suited to fill the role.

Discussion of Potential Additions and Edits to the Draft Report

Susan Hayman shared an update regarding the report, detailing the modifications to the emerging principles. TCWG members spent time reflecting on language edits that will be fully captured in Final Report. Please see below for record of updated language suggested for principles.

Overarching Principles:

- Properly fund or provide authorization to receive funding to tribes and federal, state and local agencies providing essential project review (e.g., EFSEC, DAHP). The increased and accelerated workload required to expedite transmission system improvements must be properly funded and/or authorized by the WA State Legislature and the US Congress and staffed to ensure expectations and requirements for regulatory, environmental, and cultural reviews are met during all phases of transmission system development.

Principles for System Transmission Planning

- Interregional transmission capacity is key in enabling Washington, as well as other states, to build a diverse portfolio of clean and reliable electricity resources. A robust, interregional bulk power transmission network is necessary for achieving Washington's climate, energy, and economic objectives. Enhanced transmission capacity and diversity across the West, including Canadian provinces, will allow Washington's utilities to provide more clean and reliable electricity at a lower cost (diversity of resources enables selection of lower cost resources in real-time.)
- **Pursue practicable and cost-effective opportunities to site new generation near load and existing transmission.** Siting new generation near the load, where practicable and cost-effective, will help to minimize the need for transmission build-out. Such siting considerations must also recognize that these opportunities are limited by location-specific differences in performance of renewable generating facilities (such as wind in the Rocky Mountains and offshore or solar in the inland West) and the health, environmental and cultural impacts of operating power plants located near population centers or sensitive habitat are potentially greater and the costs are likely higher.
- **Establish transmission planning practices that include proactive, long-term, interregional assessments on a regular basis.** Washington, as well as other states, needs a better assessment of the transmission requirements to supports its clean energy transformation. A 20-year transmission plan should reflect the quantity and location of new clean energy resource requirements and the expanded demand for electricity in transportation, industry, and buildings. A multi-state approach using existing planning organizations is preferred.
- **Continue to explore creation of a regional transmission organization (RTO) and expanded participation in regional markets** that would allow efficient dispatch of least-cost resources given transmission and other constraints. Coordinating operations of the transmission system would create system efficiencies and help identify grid-critical transmission investments. Exploration should focus on documenting the regionally-specific costs and benefits of an RTO, challenges and opportunities, and the intersection points with Washington and Oregon clean energy policies and goals.

- **Explore opportunities to use transportation rights-of-way for co-locating new transmission lines.** It is important to consider the interplay of uses, transportation sustainability goals, and construction policies like “dig once” when co-locating transmission lines in transportation rights-of-way.

New Principles

- **Designate a lead within Washington State government responsible for coordinating participation in transmission development activities and long-term transmission planning.** This will help meet 2019 CETA requirements and to leverage federal funding by playing a role in regional transmission planning.
- **Leverage opportunities to access federal funding for transmission development and grid enhancement.** Several Federal programs, include many led by DOE related to BIL exist to encourage transmission development and help to build the electricity grid of the future. Developers of large-scale transmission projects (including BPA and the regulated utilities) should work together with the state of Washington, local, and Tribal governments to participate in these programs if possible.

Principles for Expediting Environmental Review and Permitting without Compromising Protections

- **Align and coordinate process, timing, and analysis methodologies within and across NEPA (and other federal laws), and SEPA during project planning.** Achieve efficiencies by combining NEPA and SEPA processes, where feasible. Coordinate in advance on methodologies for analysis when NEPA and SEPA are involved in transmission projects to avoid duplicative and unnecessary time-consuming work.

Kathleen Drew closed the session and thanked everybody for participation and taking on honest conversation and working with collaborative spirit.

Day 2 – June 9

Rob Willis, Ross Strategic Facilitator, welcomed Transmission Corridors Work Group (TCWG) members to the Day 2 session and guided participants through the agenda. Following Day 1, the facilitation team shared proposed changes and language to TCWG report with the working group. Slides provided included both original language and updated language capturing member discussion. On Day 2, TCWG members reflected on this new language and discussed any subsequent changes needed.

Round Robin

Rob invited members to share final thoughts and questions to close-out the meeting. TCWG members choosing to comment offered the following:

- One member commented that when the law passed in 2019, we recognized transmission would be important. That came out later through the state energy strategy work. Washington was fortunate to have this group to name and charge this work. I appreciate everyone's constructive engagement. It has been very informative to see the different levels of concern. There are so many good reasons why it is hard to build transmission and succeed at this. I feel thankful for the work of this group.

- A member shared that whether we are doing transmission or low carbon energy siting, these are hard conversations because we are trying to practice energy needs and environmental and cultural resources.
- Members mentioned that grids are often located on tribal lands. This process has been difficult for tribes, so I hope that when we see the draft, it will incorporate tribal inputs.

Public Comment

Justin Allegro, director of state government relations with The Nature Conservancy provided public comment. Allegro shared one task from the legislature was to identify areas where transmission facilities need to be constructed. We would like to encourage you to support transmission planning that identifies and prioritizes high resource quality and renewable energy generation areas. As the state is initiating least conflict electricity generation planning and considering planned action pre-review for generation of electricity, this group has important opportunity to create momentum for associated transmission grid modeling that accounts for priority generation areas in Washington. The TNC recently completed Power of Place West to model clean energy pathways and land use for economy wide decarbonizations across eleven states in the West. In July, we will be downscaling that to WA state snapshots that show state specific data by scenario, deployment rates, and locations. I would also like to strongly support the new principles in Section E stemming from Sarah Vorpahl's presentation.

Closing

Rob Willis thanked participants for their time and for sharing their expertise, perspective, and viewpoints in the path towards developing meaningful recommendations to the Legislature. Kathleen Drew thanked all presenters, sharing that such presentations have made the backbone of the working group's recommendations to the legislatures. Kathleen commented that success is showing a path forward, as well as representing the diverse points of view that make up the TCWG. This result will act as a guiding document to moving Washington state forward.

Rob shared that the TCWG will receive an updated report reflecting member discussion by June 23rd and requested feedback by July 7th. Following the meeting, TCWG members will be presented with the opportunity to review the final report and provide comment before it is submitted by EFSEC to the legislature. Members were asked to either indicate that the report accurately reflects the group's deliberations or submit a comment providing additional context or residual concerns necessary to include in the report.

APPENDIX A: MEMBERS/ALTERNATES IN ATTENDANCE

Affiliation	Member Name	Attendance
Department of Commerce	Glenn Blackmon	Y
	Sarah Vorpahl	Y
UTC	Elizabeth O’Connell	N
	Joel Nightingale	N
	Ann Rendahl	N
Department of Ecology	Brenden McFarland	Y
	Diane Butorac	Y
Department of Fish and Wildlife	Benjamin Blank	Y
Department of Natural Resources	Loren Torgerson	Y
Washington State Department of Transportation	Justin Zweifel	Y
Department of Archaeology and Historic Preservation	Allyson Brooks	Y
Military Department	(vacant)	N
Association of WA Cities	Julie Coppock	Y
	Clint Whitney	Y
Association of WA Counties	Kevin Shutty	Y
	Lindsey Pollock	Y
Public Utility Districts	Nicolas Garcia	Y
Sovereign Tribal Governments	Dana Miller	Y
	Steven Mullen-Moses	N
Affected utility industries	Lorna Luebbe	Y
	Sarah Leverette	Y
Statewide environmental organizations	Kelly Hall	Y
	Lauren Goldberg	N
Bonneville Power Administration	Anders Johnson	Y
Front and Centered	Mariel Thuraingham	N
U.S. Department of Defense	Steve Chung	N
	Kim Peacher	Y
International Brotherhood of Electrical Workers Union (Labor Rep)	Will Power	Y
Washington State Building and Construction Trades Council (Labor Rep)	Mark Riker	N
Energy Project Developer	Katie Ware	Y
Other (Columbia River Inter-Tribal Fish Commission)	Rob Lothrop	N

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