

**Western Governors' Association
WGA Siting Task Force
Warwick Hotel: Millennium Ballroom
October 1– 2, 2012 Denver**

For those participating by conference call, please note that all times listed are in Mountain Daylight Time. Call in details: 800-704-9804 Participant Code: 525166#

Monday, October 1, 2012

- 12:00 p.m. **Lunch**
- 1:00 p.m. **Introductions, Kristi Parker Celico, Facilitator, Kearns & West**
- 1:15 p.m. **Role of Task Force, Linda Davis, WGA**
- Proposed approach
 - Discussion
- 1:55 p.m. **Agenda and Logistics Review**
- 2:00 p.m. **Federal Government Update, Laura Morton, Deputy Associate Director for Energy and Climate Change, CEQ**
- Brief update on the Interagency Rapid Response Team for Transmission (RRTT) activities
 - Overview on Federal Plan, with focus on Federal Plan Toolkit (http://permits.performance.gov/sites/all/themes/permits2/files/federal_plan.pdf)
 - Listening Session: Group to offer insight as to how states and other stakeholders would like to be involved in federal collaboration
- Handout: Excerpt from Federal Plan on Application Toolkit*
- 3:00 p.m. **Break**
- 3:15 p.m. **Beginning to Develop Templates**
- 1. MOU Template between Local, State, Tribal, and Federal Entities**
 - 2. Developing a Single Federal/State Pre-application Template**
- Handouts:** WGA MOU suggestions
- 5:00 p.m. **Adjourn Meeting**
- 5:30 p.m. **Happy Hour. Cash bar/ Appetizers provided by WGA. Location: Millennium Ballroom**
- 6:30 p.m. **No-Host Dinner at Ace's – a Ping Pong Diner**

Tuesday, October 2nd

8:15 a.m. **Continental Breakfast Available**

8:30 a.m. **Could developing state permitting roadmaps improve and expedite the process?**

Case study: Wyoming's Roadmap to Permitting, Larry Keith, *Vice President, Tetrattech*

- Overview by TetraTech on the roadmap
- How is it used by developers and state siting authorities?
- Did this roadmap create any changes in the state process?
- Were there any changes in how the state interacts with the federal agencies that were highlighted and addressed?

Link to document: <http://wyia.org/documents/reports/mapping-the-transmission-process-in-wyoming-by-tetrattech>

9:45 a.m. **Break**

10:00a.m. **Landscape Planning Tools – Examples of Available Tools**

- **Crucial Habitat Assessment Tool (CHAT), Madeleine West, *Program Director, WGA***
 - Where in the process does this tool become useful?
 - How is it applied?
 - Applications for siting and working with State Wildlife Divisions
 - What recommendations does it steer the regulator towards?
- **Environmental Data Task Force (EDTF), Carl Zichella, *Director of Western Transmission, NRDC***
 - Role in the Regional Transmission Expansion Planning Effort

Available Online: CHAT slides, EDTF slides

10:45a.m. **Sage Grouse Update, Madeleine West, *Program Director, WGA***

- Who is involved in the WGA task force?
- What is their interaction with US Fish and Wildlife?
- Role of the States and other stakeholders?
- Role of Listing on ESA
- Other Sage Grouse Efforts

12:30p.m. **Lunch (Provided by WGA)**

- 1:30 p.m. **Federal Rulemaking**
- Review previously released proposed rule and comments provided
 - Organize comments for governor letter writing or potential testimony/Role of other Task Force members?

Handout: Summary of Rule and Comments

- 2:00 p.m. **WGA ‘Information Exchange’ Discussion**
- Current Tools: Sonoran, RRTT, DOD.
 - What additional information is needed?
 - What format would work best (online, workshops, webinars, etc.)
 - Proposed Next Steps

Handouts: Tickler for information ideas, Sonoran Memo

- 3:15 p.m. **Summary of Next Steps**

- 3:30 p.m. **Adjournment**

Proposed Workplan for WGA Transmission Task Force

(Draft as of 9/25/12)

Problem Statement

The current process for permitting and siting new transmission lines:

- Creates excess business uncertainty;
- Forces development of high cost local and subregional solutions; and
- Greatly limits the nation's ability to move clean and diversified energy from where it is produced to where it is needed.

Although many factors cause these challenges, two leading ones include:

- Multiple, often duplicative, permitting processes, which lead to inconsistent findings amongst the federal, state, tribal, and local decision-makers; and
- Public opposition to projects.

Mission

Improve the efficiency and quality of transmission siting and permitting by:

1. Establishing an **information exchange process** to promote best practices by holding forums on hot topics and establishing an online clearinghouse of sample documents.
2. Developing and implementing **collaborative policy tools**, such as creating a template MOU for use between agencies when starting a project.
3. Engaging the **leadership of the Governors** and other senior stakeholders to bring high-level attention to siting holdups and conflicts, through letter writing and lobbying.
4. Building **productive relationships** amongst the stakeholders to help solve line-specific challenges more quickly.

Proposed Task Force Members

The Task Force will meet 2 to 3 times per year, relying heavily on webinars and email communication to save time and resources. Ad-hoc workshops may be held at the direction of the Task Force. Membership of the Task Force and its subgroups may evolve based on the topics of focus.

Possible Task Force members:

- Representatives from 11 WGA states
- Other state, tribal, and local representatives;
- NGO groups representing energy issues, environmental concerns, consumer advocacy, and private property rights.

- Public and private utilities;
- Federal agency representatives
- Others as needed

Procedural and Policy Issues to Address		
<i>Criteria for Selection: Requires collaboration with the states and/or federal agencies, priority issues for WGA members, solvable, timely, and not being addressed in other forums.</i>		
Tools and Applications		
Workshops/Webinars Trainings	Integration: <ul style="list-style-type: none"> • Engage with federal agencies on “<i>Federal Plan for Modernizing the Federal Permitting and Review Process...</i>”. <ul style="list-style-type: none"> ○ Electronic online applications ○ Develop integrated project plan template that takes into account state and local responsibilities. ○ Opportunities to integrate mitigation processes across agencies. • Identify State specific permitting requirements to comport with federal requirements. • Quarterly or semi-annual conference calls with RRTT on status of projects. • 368 Corridors • FERC Order 1000 • Regional Transmission Planning 	Public Engagement <ul style="list-style-type: none"> • Review state processes to ensure state agencies are communicating across regulatory bodies. Oregon created the Hydroelectric Application Review Team to coordinate state response and stakeholder outreach. What does this model look like? • State roadmaps • Public Outreach Strategies • Landowner Workshop • Electricity 101 • Mechanisms to fund state staff resources •
Templates	<ul style="list-style-type: none"> • Create pre-application template • Create MOU template 	<ul style="list-style-type: none"> • Public participation models • Communications Template
Online Info (ongoing effort)	<ul style="list-style-type: none"> • Format suggestions • Creation of ‘Twitter’ like blog? • Data to be housed? Categories of information • Landscape Level Planning Tools 	
Lobbying	<ul style="list-style-type: none"> • Letter Writing, Governor Testimony Opportunities 	

Items in red are longer-term objective

Excerpt from Federal Plan: “*Implementing Executive Order 13604 on Improving Performance of Federal Permitting and Review of Infrastructure Projects*”

Action: Develop an application tool-kit for electricity transmission and renewable energy projects. Assess the potential benefits of application tool-kits for additional sectors of infrastructure projects, and make recommendations for implementation.

Implemented by: The co-chairs of the transmission RRT will deliver a plan and schedule for launching an application toolkit for transmission projects to the Federal CPO by November 30, 2012. The co-chairs of the Renewable Energy RRT will deliver a plan and schedule for launching an application toolkit for renewable energy projects by December 31, 2012. The Steering Committee will assess the potential benefits of additional sector-specific application tool-kits and provide recommendations to the Federal CPO by December 31, 2012.

Large projects such as electricity transmission lines and large-scale renewable energy projects can involve multiple Federal, Tribal, State, and local permit decisions and reviews that require complex coordination. As demonstrated by the Department of the Interior’s leadership in developing renewable energy on Federal lands, developing innovative approaches such as application toolkits will provide greater clarity and predictability to project sponsors and enable Federal agencies to begin permitting and review processes faster and with fewer delays.

Tool-kits might include:

- Examples and suggestions for developing strong applications;
- Tools for planning stakeholder outreach and engagement;
- Definitions of what is needed for an application to be “complete” for each agency required to make a permit/review decision;
- Identification of Tribal, State, and local governments roles;
- Estimated permit decision and review timelines;
- Applicant trainings, webinars, or meetings;
- Identification and initial assessment of the resource areas potentially impacted;
- Project-specific best management practices and upfront avoidance, minimization, and mitigation measures such as project siting information and guidance; and
- Description of application process, from first notice to final decision.

Essentials for an MOU Template

MOU Background

- Federal lead agencies can and should open the Cooperating Agency status to all state & local agencies
 - Federal and State agencies, counties, and county commissions
- The Cooperating Agency arrangement requires a standardized MOU
- BLM's NEPA Handbook encourages MOUs and cooperation

MOU Essentials

- Define each agency's responsibilities
 - Document review
 - Technical expertise to be provided
 - Contractor management
 - Names of PMs at each agency
- Establish dispute-resolution procedure
- Specify a detailed outline and schedule for document completion
 - Scoping period & scoping report
 - Draft EIS
 - Final EIS
- Early development of complete shared contact lists
 - Define individual roles
- Commitments to obtaining and sharing developer data
 - Who can make and receive data requests?
- Define turnaround timeframe for each agency's review of documents
- Communication and regular conference calls

Notice of Proposed Rulemaking – Issued December 13th, 2011

[Coordination of Federal Authorizations for Electric Transmission Facilities pursuant to Section 216\(h\) of the Federal Power Act.](#)

Requirements:

1. Permitting entities would be required to inform DOE of requests for authorizations under Federal law for Qualifying Projects.
2. Selection of Federal Lead Agency responsible for compiling single environmental review document and a consolidated administrative record.
3. Establishment of intermediate and final deadlines for the review of Federal authorization decisions.
4. Tracking website: www.doe-etran.us
5. Does not apply to lines constructed by PMAs.

Summary of Comments

- DOE should NOT limit process to ‘Qualifying Projects’, but should be open to all transmission lines. However, applicant should be enabled to opt-out of the process if so chosen.
- Section 216(h) process should be applicant driven, not pre-determined by federal agencies and DOE.
- DOE shouldn’t merely be a ‘compiler’ of information (environmental review), but have primary responsibility for the environmental impact statement.
- DOE should adhere to the time certainty requirements; assure pre-filing processes are concise and streamlined to prevent ‘bring me another rock’ process.
- More concrete assertion that all agencies shall base their decisions on a single environmental review.
- Support DOE’s determination standardized permit terms that cover the useful life of the capital investment
- Designate EIS to FERC.
- Active engagement of the applicant throughout the process, i.e., timelines, milestone compliance, and provisions governing the environmental review document.
- 216(h) process should commence with the filing of applications seeking authorizations under federal law and should trigger the one-year deadline for completing all permit decisions and environmental reviews, unless special circumstances exist,
- More fully engage non-federal partners and incorporate lessons learned from RRTT. Institutionalize Steering Committee concept
- More definitive role as lead agency. Should make determination within 45 days and provide justification if decline lead agency status.
- Lead agency should properly set and enforce deadlines and compiling a single environmental review document on which all decisions under federal law are to be based
- DOE should enter MOUs with non-federal authorities
- Projects under 216(h) should be reviewed by a FERC-approved regional transmission planning process; helps clarify need.
- Purpose and need should be clearly stated in the pre-application process
- Adoption of complaint and enforcement procedures that afford applicants and public timely access to information
- Transparency and accountability through publishing of annual project performance report.

Information Exchange Ideas – Brainstorming Session

1. Stormwater Pollution Prevention Plan – case studies?
2. Sample analysis on socioeconomic benefits, economic benefits
3. Landowner compensation strategies
4. Mitigation efforts – broken down by category (species, plants, etc)
5. In Wyoming, PSC must send out notice of hearing to those impacted by lines and must summarize pertinent facts. What are these facts? Can this be an effective tool for outreach? What makes a good summary?
6. What does a good SF-299 look like? Samples
7. Common SHPO template
8. Sage Grouse updates (or links to important sources of data)
9. <http://en.openet.org/wiki/GRR/> - website for geothermal siting – perhaps a guideline (Andrew Gentile from Environmental Management and Planning Solutions, Inc.)
10. WRP Land Use Planning tool – Webinar October 24th.
- 11.

MEMORANDUM

Dt: April 11, 2012
To: Steve Black, Department of Interior
Fr: John Shepard, Sonoran Institute; Julia Haggerty, Headwaters Economics; and Betsy Hands, Western Environmental Law Center

Our groups support greater inter-agency coordination. Clearly, there is a need for agencies to share information and agree on key issues and obstacles to overcome in the planning process. This focus on responding effectively to transmission development proposals is also a prime opportunity to develop strategies to engage local governments and impacted communities and landowners more effectively.

We believe that successful engagement should: 1) bring together project developers, utility representatives, land managers, and leaders from affected communities; 2) begin with a discussion and mapping of community values that might be impacted by the proposed transmission line; and 3) provide information on the need, costs, and benefits associated with the proposed line.

Early engagement is important, and we believe best done in a pre-scoping or planning phase. In addition, building flexibility into the template for public engagement is critical in order to ensure the ability to accommodate rapid developments in transmission planning practices into planning efforts as well as opportunities to move stalled or broken processes forward constructively.

To help advance productive public engagement, the RRTT member agencies could pursue several approaches. One approach involves developing an audit system. Federal agencies may consider either requirements (“performance standards”) for transmission developers as part of the pre-application process or provide them with a set of guidelines and resources that developers can adopt as part of the pre-application process.

There also are opportunities for federal agencies to look at other “partners” who can work with transmission developers and/or stakeholders to help meet established guidelines and to provide local officials and community leaders the information they need.

Below, this memo outlines key elements of a successful engagement process. The guidelines identified are drawn from the experiences of Headwaters Economics, Sonoran Institute, and Western Environmental Law Center, working on the MSTI Review Project and other proposed transmission lines in the Interior West.

1. Help local officials and community leaders understand the need and context for a proposed transmission line.

The challenge: Local officials and community leaders do not understand the complex interplay among broader policy and market forces driving transmission development. In the absence of a strong message about a project’s potential merits in terms of delivering necessary, desired energy to markets, public discussion can get mired in perceived local costs of development.

For the most part, transmission developers and other project proponents invest few resources in communicating the need for the line information in manner that is credible to local officials and community leaders. Indeed the contingencies of project plans on uncertain, rapidly changing market and policy forces can appear to undermine the case for a project. Often, the “purpose and need” statements generated through environmental permit application processes do little to resolve confusion. However, there are resources—FERC dockets, regional transmission plans, reports, and policy documents—that can be mined and repurposed to communicate a clearer, more articulate message about the need for additional transmission infrastructure to meet public policy mandates about both reliability and renewable energy generation.

Guidelines

- Where possible, use credible third parties or information sources to make the case for why the proposed line is needed.
- Where appropriate, describe the broader benefits of the proposed line, including benefits to our energy security, economy, public health, and environment.
- Where appropriate, explain why there are markets ready to purchase electricity generated and delivered across hundreds of miles from other states.
- To the extent that there are utilities or other entities that have indicated a willingness to purchase electricity delivered by the proposed line, have them explain why they support the line.
- Don’t oversell the project’s potential for renewable energy development and be clear about what types of electricity will travel on the proposed line.
- Have this information ready before beginning discussions with local officials and community leaders about alternative routes.

2. Give local officials and community leaders a way to register their values and concerns and to monitor the inclusion of these values at multiple stages in the planning process.

The challenge: NEPA provides limited opportunities for community values to be meaningfully considered as part of environmental impact assessments for proposed transmission lines extending across hundreds of miles. Typically, by the time the NEPA process is underway, transmission developers already have narrowed their consideration of possible routes to corridors that may not reflect local values and concerns. Another barrier is the level of attention required of stakeholders in order to track the inclusion of their values and priorities in the review process. GIS tools combined with well-designed public participation processes can allow for meaningful local engagement that has a uniquely transparent, trackable quality. These approaches offer opportunities to educate local officials and community leaders on the challenges of siting transmission lines and give those stakeholders a chance to assess a range of possible transmission routes before these are selected for review under NEPA.

Guidelines

- Leverage tools and techniques that enable transparency, direct communication about how stated stakeholder priorities affect outcomes of milestones in the preplanning and planning process.
- Integrate engineering and wildlife data layers into the mapping process and use these data layers to educate local officials and community leaders about the physical, technical, and environmental constraints to transmission development.
- Once community values have been identified and mapped, ask local officials and community leaders to rank and score these values, so that maps can be developed reflecting high- to low-conflict transmission routes.
- Complete the mapping process prior to undertaking economic impact analyses (discussed below), as this will help identify communities and landscapes likely affected by transmission lines located in high- and low-conflict routes.

3. Assess the local economic costs and benefits of the line.

The challenge: Local officials and community leaders may receive conflicting or inadequate information on the economic impacts of transmission lines on the local economy. Project developers typically communicate simple, optimistic job and revenue estimates, but lack credibility with many stakeholder audiences. On the other hand the thorough socioeconomic impact analyses developed in permit application processes are problematic because they arrive late in the process, are long and technical, and rarely provide direct, straightforward answers.

Guidelines

- Be prepared to answer four basic questions: 1) Who pays for the construction of the line? 2) How will the line affect property values? 3) Will it generate local tax revenue? 4) Will it affect local residents' electricity rates?
- Start with providing a basic primer on applicable revenue collection and distributions policies (federal, state, and local).
- Explain how revenue projections are calculated and any assumptions behind these projections.
- Develop a consistent, accurate document addressing rate issues specific to the line as they are shaped by FERC open access ruling, merchant development, and other grid-wide issues and update regularly in step with policy developments.
- Cite peer-reviewed studies and other literature when offering comparable examples.
- Set up an advisory committee to review any findings and ensure that the committee selection and review process is transparent to local officials and community leaders.

Headwaters Economics, the Sonoran Institute, and Western Environmental Law Center are prepared to advise and assist transmission developers and others in generating project-specific information, as well as develop tools and resources that can assist others in effective community

engagement in the pre-planning process. There are other resources available as well, and we hope to publicize these as we are able. We look forward to hearing from the Rapid Response Inquire about DOI support for this work, or alternatively, SB's help in making the case to funders.