



FACT SHEET: SB 5466 WASHINGTON ELECTRIC TRANSMISSION AUTHORITY

SB 5466 establishes the Washington Electric Transmission Authority as an independent office to support upgrading and expanding the electric transmission (Tx) system. The Authority may own Tx facilities if needed. Several other states, including Colorado, New Mexico, Idaho, Wyoming, Kansas, South Dakota, and North Dakota, have already established Tx authorities.

Tx = transmission

How would the Washington Electric Tx Authority interact with the existing Tx planning and development process?

Current Process

Transmission Authority

Planning

- **Utility Planning Process at Washington's Utilities and Transportation Commission (UTC):** Individual investor-owned utilities (IOUs) conduct planning and procurement for providing electricity to their ratepayers; this planning includes Tx infrastructure. The UTC oversees this planning for Avista, PacifiCorp, and Puget Sound Energy to serve their Washington customers.
- **Planning at Bonneville Power Administration (BPA):** BPA plans for serving their public power and Tx customers. Public Power, IOUs, Independent Power Providers, and others use BPA Tx to serve Washington customers.
- **Regional Planning:** There are several regional planning or reliability coordination bodies, including NorthernGrid, WestTEC, Northwest Power and Conservation Council, and the Western Electricity Coordinating Council. However, it is up to the IOUs and BPA to take action on any planning, and none of these bodies specifically focus on serving Washington customers.
- **Tx Corridors Work Group:** This work group, convened by the Energy Facility Site Evaluation Council (EFSEC), issued its final report in October 2022 identifying key themes, many of which are addressed in this bill. This Work Group is no longer convened, and the Authority would build on its work.

• Creates a 20-year Tx needs assessment for the state, which would dovetail existing planning work, forecast demand, search for lower-conflict approaches, identify ways to upgrade existing Tx systems for greater efficiencies, and more.

Financing

- **IOUs** can finance the development of projects and buy existing projects, do RFPs for Tx infrastructure, and establish contracts to procure power or Tx projects. The Federal Energy and Regulatory Commission and UTC provide regulatory oversight.
- **BPA:** Tx customers pay to "subscribe" for upgrading existing projects and financing Tx space. BPA uses their borrowing authority to cover these costs which are recovered through rates.
- **Merchant Tx developers** can raise funds on their own to finance Tx. They can also sell Tx they develop or continue to own and operate it, depending on local regulations.

• The Department of Commerce was tasked with studying financing tools for the Authority and reporting to the legislature by November 2025. Ideally, the results of this study will allow the bill to move forward granting bonding authority to the WETA.

Permitting

- **Site control** is needed for permitting. Eminent domain can be used in this scenario as a last resort, but only if needed.
- Projects on federal lands must go through a **NEPA** permitting process.
- Developers apply for siting and permitting at the local or state level, depending on the size of the project. The state site certificate process is managed by the **Energy Facility Site Evaluation Council**. Most siting and permitting is at the local level.
- After all permits are issued, the applicant or developer will then start construction.

• Coordinates with relevant state agencies on state projects to help with streamlining permitting where possible and to provide technical assistance.

• As a last resort, the Authority can own and operate Tx facilities, so long as they serve a public purpose. The Authority must also put forward a plan to divest its ownership as soon as economically prudent.

Construction

Project Online

- "Live" projects move electricity around the state. Owners of these Tx lines can potentially sell the unused space on these lines to others. Some merchant developers will sell the entire project to another owner and operator once constructed.

• Can sell Tx at any stage of development to utilities, BPA, a Tx developer, or an independent system operator.