# THE *PACE* OF TRUST

## A FRAMEWORK BY COMMUNITY VOICES FOR ADVANCING TRANSMISSION

**JANUARY 15, 2025**

Americans for a Clean Energy Grid

DNV

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# 1 | EXECUTIVE SUMMARY

The United States must significantly upgrade and expand its existing electric transmission grid to ensure sufficient reliable, low-cost, and increasingly clean energy to meet the needs of its communities and its economy. Expanding the transmission grid at the necessary pace — a pace faster than that of recent history — will require trust and support from the affected communities.

To further develop and enable trust and support from affected communities, Americans for a Clean Energy Grid (ACEG) commissioned DNV to facilitate a Transmission Roundtable (Roundtable). The purpose of the Roundtable was to identify best practices for community engagement when developing transmission projects.

The first step in developing the community engagement best practices was to ensure that the Roundtable represented the wide variety of interested parties to the transmission development process. The Roundtable included the following interested parties:

- Agricultural
- Environmental, Nature, and Wildlife Advocacy
- Energy, Climate and Environmental Justice (ECEJ)
- Indigenous
- Labor
- Host Communities and Landowners
- Local Workforce Development
- Transmission Developers

Once the Roundtable had been assembled, DNV solicited, refined, and validated community engagement best practices through surveys, one-on-one "discovery sessions," and virtual, all-member "roundtable meetings." Roundtable members were also provided with the opportunity to share best practices and other relevant resources through a Resource Hub. The discovery sessions provided the most efficient way to source best practices, while the Roundtable meetings provided the most efficient and transparent way to refine, validate, and achieve consensus on best practice recommendations.

## 1.1 Key findings

Dozens of community engagement best practices emerged and were synthesized into a final set of best practices across five core topic areas. The topic areas were further refined into a framework: **The PACE of Trust: A framework by community voices for advancing transmission. The framework reflected a key theme from the work: *the speed of project development is often commensurate with the level of trust that has been built with the affected communities.*** The PACE framework focuses on taking the time to identify and address community needs at the outset so that the project can ultimately advance expeditiously and with community support (e.g., by ensuring an efficient siting and permitting process and/or avoiding unplanned work stoppages related to judicial review with minimal negative impacts to surrounding affected communities).

- **Participation and engagement of communities:** Establishes early, ongoing, and consistent engagement, fosters representation of broader community interests in decision-making, identifies barriers early in the transmission development process, promotes energy, climate, and environmental justice and equity.
- **Accountability and good governance:** Creates a safe forum for gaining representative knowledge and feedback [e.g., Community Benefit Advisory Boards (CBABs)], supports mutual understanding in community benefits plans and agreements, streamlines negotiations, enables local communities to engage in the transmission planning process early, and complies with impact assessment mandates for informed, collective decision-making and impact mitigation planning.
- **Communication, transparency and trust:** Provides all parties with accurate and timely information, empowers communities to provide informed feedback, enables developers to anticipate community needs, address feedback and allows open communication pathways for negotiating how feedback can be incorporated into the project, bridges technical complexities, and ensures the project's information is broadly available and accessible to all interested parties.
- **Economic and non-economic benefits:** Enables local communities to trust that developer commitments will be delivered as envisioned, furthers trust in the overall development process, identifies funding mechanisms to support the participation of community-led organizations, and establishes local hiring requirements and resources.

The best practices within the PACE framework are shown below and described in detail in Section 6.

## The PACE of Trust

*A framework by community voices for advancing transmission*


1. Community-led Partnership & Community-based Collaboration
2. Early, Equitable & Inclusive Engagement
3. Tribal Inclusion & Engagement
4. Community Benefit Advisory Boards (CBABs)
5. Ombudsman Offices at Regional Transmission Planning Organizations
6. Frameworks for Impact Assessments
7. Resource Hubs
8. Two-way Learning
9. Multi-channel Communication
10. Community Benefit Plans and Community Benefit Agreements
11. Equitable & Responsive Financial/Resource Support
12. Local Workforce Development

By leveraging the PACE framework and its best practices, each of the relevant community interests can help ensure that the potential points of conflict are addressed as early as possible in the transmission development process (ideally beginning in the planning phase). Identifying conflicts early provides the time and project flexibility to discover and implement mutually agreeable solutions. The net result of these efforts will be that communities become an integral part of the project's development and that transmission projects are delivered in a timely manner (by avoiding lengthy conflicts with communities later in the development process).

### *Non-Consensus Findings*

The Roundtable found consensus on most of the topics and suggested community engagement best practices that it discussed. However, there were three areas where suggested best practices were deferred due to a lack of consensus, including: 1) pathways to enable workforce development; 2) balancing local and union hiring and training; and 3) forging bipartisan partnerships, all discussed further in Section 6.5. Notably, Roundtable discussions and discovery sessions revealed that (1) local workforce development is a key priority for affected communities, and (2) local workforce development is challenging for transmission projects given the specialized labor required. It was clear from the Round-

table discussions that proactively addressing this point of non-consensus is an important opportunity to remove a possible point of contention for future transmission projects.

## 1.2 Recommendations

Roundtable members and DNV identified several recommendations to increase the ability and opportunities for communities to engage with and inform the development of transmission projects. Several of these recommendations have already been partially or regionally implemented and proven to be useful. Others are a logical next step based on past experiences.

Most of these recommendations were brought forward by the Roundtable and many directly relate to the PACE framework. However, some were informed by the Roundtable but not directly part of the consensus-based best practices. For this reason, we present these separately here and (in greater detail) in the RECOMMENDATIONS section. They are worth a special mention in this report for their actionability and potential impact.

Finally, when reviewing these recommendations, it is worth noting that several of them (and a few of the best practices in the PACE Framework) would shift forward community engagement and outreach into the transmission planning phase of transmission development. As a result, regional transmission planning organizations will increasingly have to support some level of community engagement and outreach, especially for the largest transmission projects and/or portfolios of transmission projects.

### PROJECT-AGNOSTIC INITIATIVES FOR IMMEDIATE IMPLEMENTATION

- Create an Office of Public Participation (analogous to FERC's) at each of the regional transmission planning organizations.
- Establish a national roundtable (or similar forum) to explore and discuss specific challenges of targeted hiring and local workforce development for transmission projects.
- Convene a national roundtable (or similar forum) to explore and discuss the vision, goals, membership, structural functions and implementation of Community Benefit Advisory Boards (CBABs).
- Pre-identify environmental best practices that can be used when building transmission lines; a great example of this is The National Audubon Society's 'Birds and Transmission Report'.[1]
- Develop a methodology for assessing and valuing the impacts of a transmission line on agricultural land (may also be relevant for other land types or community interests).

1 https://www.audubon.org/news/transmission-lines-and-birds

- Identify funding mechanisms, accommodations and accessibility needs to enable community-based organizations (CBOs) to participate meaningfully in the transmission development process.
- Strategically integrate community engagement into the technical project milestones.

## TRANSMISSION PLANNING

- Provide public notice to relevant communities when planning large transmission development projects, particularly when coordinating portfolios of such projects.
- When planning a large transmission line or portfolio of transmission lines, regional transmission planning organizations (ideally through an Office of Public Participation) should establish working groups that include representatives from local communities, CBOs, local government officials, and potential transmission developers.
- When planning a portfolio of transmission lines, regional transmission planning organizations (ideally through an Office of Public Participation) should consider establishing a program that includes funding to support local workforce development in the affected communities.

## TRANSMISSION ROUTING

- Collaboratively identify route-specific, environmental mitigation measures (e.g., public health, cultural resource, cumulative and other impacts identified by communities).
- To the extent possible, community engagement for large transmission projects (lengths greater than 50 miles and voltages 345 kV and higher) should commence roughly one year before the initiation of a formal siting process (and potentially farther in advance for the largest and most complex transmission projects).

## SITING AND PERMITTING

- Review state siting and permitting processes to ensure they: 1) are ready for processing more projects; 2) facilitate meaningful community engagement; and 3) use current best practices.

## FINAL SITING DECISIONS

- State siting authorities should consider requiring regulated utilities to incorporate community benefits agreements for rate-based projects that exceed specific

thresholds (e.g., involve greater than a given amount of public or ratepayer funds; impact greater than a specified number of residents, especially in disadvantaged areas).

## 1.3 Important context for our findings

Transmission development is a complex and multi-faceted process. It is also highly project specific. The best practices and recommendations presented here are a menu of options for enabling faster transmission development through meaningful engagement and partnership with a project's relevant community interests. However, it should not be expected that a project would be able to utilize every one of these best practices. Further, some of these best practices will work well in some regions (e.g., densely populated areas) but not in others (e.g., lightly populated areas).

Ultimately, the relevant parties to a given project will need to utilize the best practices and recommendations that are most appropriate to the project in question. This will include balancing asks and expectations of the developer against the resources available to the project AND balancing the asks and expectations of the community interests against the developer's available resources

Finally, we note that any large infrastructure project, transmission lines included, is likely to encounter some amount of conflict that requires a mediated process for resolution (e.g., a regulatory siting process).

# 2 | SIGNATORIES TO THIS REPORT

The individuals listed below, as members of the Roundtable, have provided their signatures to confirm their participation in shaping the conclusions of this report.

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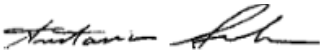

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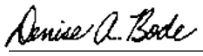

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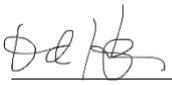

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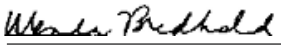

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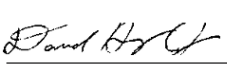

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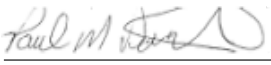

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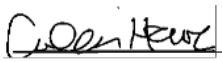

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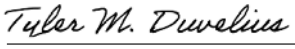

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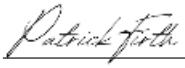

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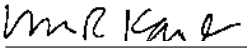

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ACEG and the DNV Facilitation Team extend our heartfelt appreciation to Jay Mehta of Jobs to Move America (JMA), a valued member of this Transmission Roundtable who recently passed away. Jay's thoughtful contributions and insights, from the Roundtable's inception to the final draft report, were instrumental in shaping its direction.

***We thank you Jay.***


Audubon


CEN
CONSERVATIVE
ENERGY NETWORK


Constitution
Partners


EARTHJUSTICE


FARMER
JUSTICE
COLLABORATIVE


IBEW I245
THE POWER IS IN OUR HANDS


Invenergy


THE
GROUP


NRDC


PSEG


ReImagine
Appalachia


SIERRA
CLUB


SKYLINE


The Nature
Conservancy


UNIVERSITY OF
MICHIGAN


WE ACT
FOR ENVIRONMENTAL JUSTICE


UPROSE

# 3 | WHY TRANSMISSION AND COMMUNITY ENGAGEMENT MATTER

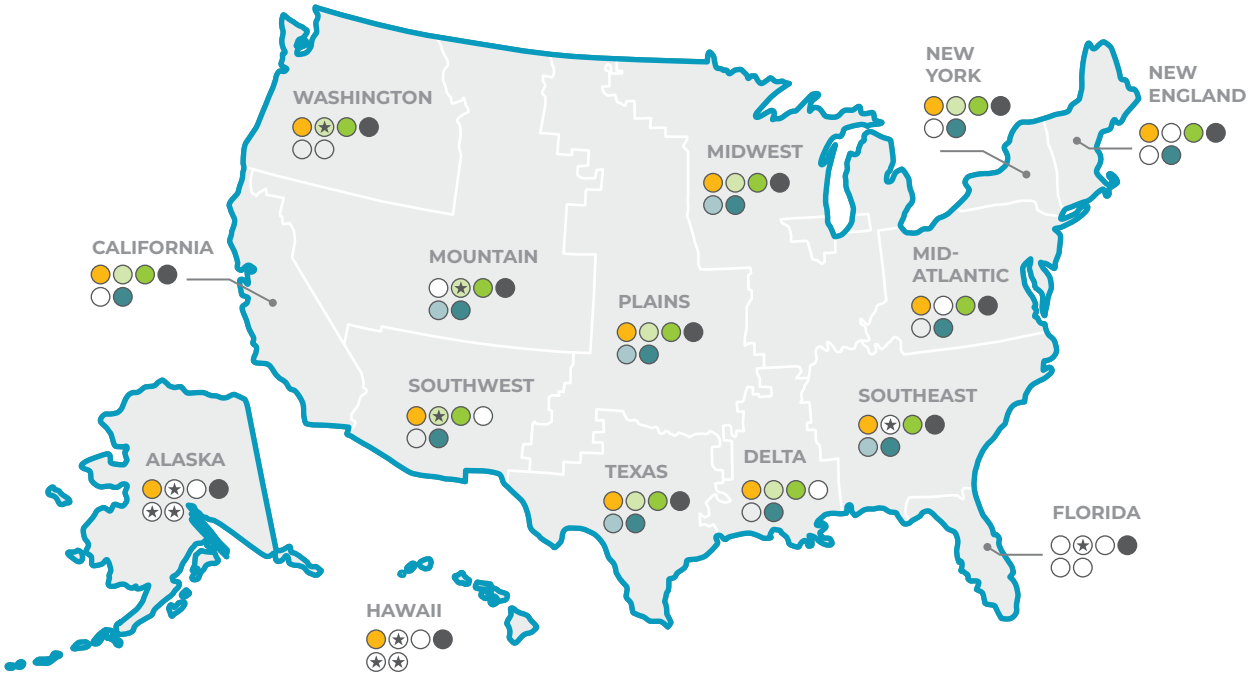
## 3.1 Transmission needs are rapidly expanding

Last year, the U.S. Department of Energy (DOE) released its National Transmission Needs Study (Needs Study).[2] This study found that almost every region across the country must increase electric transmission deployment, as shown in Figure 3.1 Furthermore, the U.S. will need twice its existing intra-regional transmission capacity and four times its existing interregional transmission capacity by 2035.[3]

2 National Transmission Needs Study | Department of Energy

3 Zach Zimmerman, Dinos Gonatas, Anjali Patel, and Rob Gramlich, "Transmission Planning for PJM's Future Load and Generation", Version 1, ACEG, 2024.

**FIGURE 3.1** **Current and anticipated transmission needs as identified by DOE's National Transmission Needs Study**




* Wholesale market price data is limited for non-RTO/ISO regions and capacity expansion modeling data is limited for Alaska and Hawaii. Absence of data does not necessarily indicate that there is no need for new transmission.

| | | REGION | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | CALIFORNIA | NORTHWEST | MOUNTAIN | SOUTHWEST | TEXAS | PLAINS | MIDWEST | DELTA | SOUTHEAST | FLORIDA | MID-ATLANTIC | NEW YORK | NEW-ENGLAND | ALASKA | HAWAII |
| CURRENT OR ANTICIPATED NEED | Improve Reliability & Resilience | ● | ● | | ● | ● | ● | ● | ● | ● | | ● | ● | ● | ● | ● |
| | Alleviate Congestion & Unscheduled Flows | ○ | ◉ | ◉ | ◉ | ○ | ○ | ○ | ○ | ★ | ★ | | ○ | | ★ | ★ |
| | Alleviate Transfer Capacity Limits Between Neighbors | ● | ● | ● | ● | ● | ● | ● | ● | ● | | ● | ● | ● | | |
| | Deliver Cost-Effective Generation to Meet Demand | ● | ● | ● | | ● | ● | ● | | ● | ● | ● | ● | ● | ● | ● |
| ANTICIPATED NEED | Meet Future Generation & Demand with within-Region Transmission | | | ○ | | ○ | ○ | ○ | | ○ | | | | | ★ | ★ |
| | Meet Future Generation & Demand with Interregional Transfer Capacity | ● | | ● | ● | ● | ● | ● | ● | ● | | ● | ● | ● | ★ | ★ |

*Note: The different colored circles located on the map correspond to the transmission needs listed in the table. Also note that text following the asterisk in the figure above reads: "Wholesale market price data is limited for non-RTO/ISO regions and capacity expansion modeling data is limited for Alaska and Hawaii. Absence of data does not necessarily indicate that there is no need for new transmission."*

The underlying drivers of this need for additional transmission are straightforward. First, the United States is experiencing significant electric load growth. A 2023 study found that the five-year forecasts for load growth nearly doubled between the 2022 and 2023 forecasts.[4] From datacenters for AI and crypto-mining to industrial and manufacturing growth to the consumer adoption of electrical vehicles and heat pumps, U.S. companies and communities are demanding more electricity. Second, transmission supports overall grid reliability, which is particularly important as extreme weather events continue to increase. Third, transmission capacity expansion is necessary to connect a changing resource mix (growing amounts of solar and wind) to facilitate an equitable energy transition.

However, building this needed transmission in a timely manner is not a foregone conclusion. Since 2010, the construction of new high-voltage transmission lines has decreased dramatically. Between 2010 and 2014, the U.S. built an average of 1,700 miles of new high-voltage transmission per year. New construction fell to 925 miles per year from 2015 to 2019 (almost half) and then fell again to the 350 miles per year from 2020 to 2023."[5] Given the national importance of new transmission buildout and the fact that we have been building less in recent years, it is worth revisiting our existing transmission development processes and seek areas for improvement.

## 3.2 Successful projects depend on prioritizing community engagement

Successful community engagement is critical to successful transmission development. Without broad community support for a transmission project, the project is likely to face lengthy setbacks. If there are enough of these setbacks, the project may cease to be viable for the developer and/or the project may fail to receive regulatory approval.

Understanding this simple fact, transmission developers already make significant investments in community engagement to ensure successful projects. However, there is an imperative for further improvement in community engagement efforts. The purpose of the Roundtable was to represent different and relevant community interests in identifying best practices for community engagement when developing a transmission line.

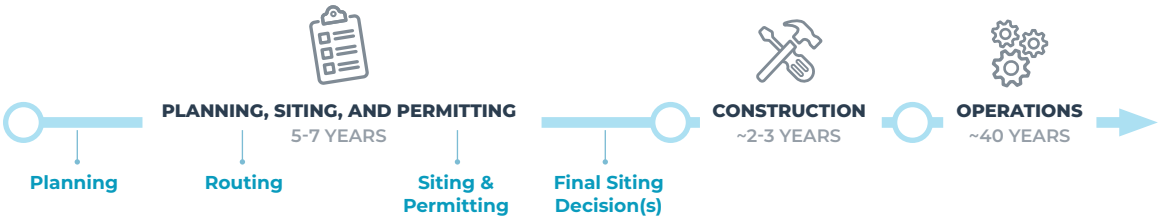
4 Zach Zimmerman and John Wilson, "The Era of Flat Power Demand is Over", Grid Strategies, 2023.

5 GS_ACEG-Fewer-New-Miles-Report-July-2024.pdf (cleanenergygrid.org)

## THE BIG OPPORTUNITY FOR TRANSMISSION DEVELOPMENT | ACCELERATE THE DEVELOPMENT TIMELINE BY IMPROVING AND STRATEGICALLY INTEGRATING COMMUNITY ENGAGEMENT

Further improving the community engagement process and strategically integrating it into the technical project milestones has the potential to significantly shorten the time spent developing new transmission projects (Figure 3.2 below presents a generalized lifetime for a transmission project). The development period of the transmission project is often 5 to 7 years (but can be significantly longer for larger projects). Of this 5-to-7-year development period, 1 to 2 years are spent planning the project, while 4 to 6 years are spent siting and permitting the project. Concerns and/or opposition to the project from the various community groups broadly and as discussed in this report are one reason that siting and permitting takes 4 to 6 years (or longer).[6]

**FIGURE 3.2** **Generalized lifetime of a transmission project**




If improved and integrated community engagement could reduce the siting and permitting timeline and/or increase the likelihood of project success, it would offer significant value to society (by enabling more timely development of much needed transmission), to the transmission developer (by reducing project risk and cost) and to communities (who will have greater input into projects and benefits arising from benefit agreements, including mitigation of impacts, improved quality of life, and local economic development).

## THE BIG CHALLENGE | ACHIEVING BROAD SUPPORT

> ***"Regulatory processes are the floor for community engagement, not the ceiling."***
>
> -Transmission developer

When it comes to improving existing community engagement processes, the biggest challenge is moving from discussion to consensus and, ultimately, to action. Existing siting and permitting processes, most often at the state level, offer significant opportunities for involvement but don't necessarily result in broad project support. This may

6 Marian Swain, Managing Stakeholder Conflicts Over Energy Infrastructure: Case Studies from New England's Energy Transition 93-95 (2019) (Master's Dissertation, MIT).

be because siting and permitting are formalized processes designed to discover all potential project impacts and then make the final decisions as to which impacts can be avoided and which can't. It is easy to see how these processes can lead to parties arguing about the relative significance of the potential impacts as opposed to constructively working to avoid and/or mitigate the impacts.

Fortunately, formalized siting and permitting processes are not the only way for transmission developers to engage the relevant communities. In the words of one developer "regulatory processes are the floor for community engagement, not the ceiling." Not surprisingly, some of the most successful transmission projects in recent years involved significant community engagement prior to the start of the formal siting and permitting processes. For example, MN Power spent over a year on community outreach and engagement for its Great Northern transmission project prior to initiating the formal siting process with the state. The benefit of this investment in community engagement was that construction started within three years of the start of the siting process and was energized within six years — an impressive feat for a project of this size.[7]

The focus of this report is to identify best practices that can help all participants move from discussion to consensus and, ultimately, to action (where possible). That said, some of the best practices are qualitative in nature and for these we offer suggestions of steps toward achieving the goal and outcomes of the best practice.

## 3.3 Background paper on community engagement

Prior to the work of the Roundtable that is described in this report, ACEG produced a background paper summarizing community engagement opportunities within existing transmission processes. The entirety of this background paper is included in Appendix X of this report. The background paper was provided as a reference for Roundtable members at the start of the Roundtable process. However, Roundtable members were not asked to review and/or approve the background paper. As such, the background paper should not be perceived as having been reviewed and/or approved by Roundtable members.

The background paper identifies four key community engagement issues during the transmission development process and provides examples of community engagement that were successfully employed to help address these issues. These issues are listed below and largely correlate with four different periods of the generalized transmission development process shown above. The different periods of the transmission development process are noted in [brackets] below.

7 ACEG Community Participation, Engagement and Benefits work paper (2023).

- **Issue One [Planning]:** How does the public participate in determining what options are selected to address an identified energy need for which transmission might be a solution? As an example, assuming the need identified is reliability, the options considered might be new generation, new transmission, or microgrids. What mechanisms should be in place to promote trust and acceptance of the chosen solution?
- **Issue Two [Routing AND Siting & Permitting]:** Once transmission is selected to meet an identified energy need, how do affected individuals, communities, and entities participate in siting a project?
- **Issue Three [Routing AND Siting & Permitting]:** How can the community that will be impacted by a project work with the developer to ensure the community receives benefits from the project?
- **Issue Four [Operations]:** How to maintain ongoing engagement with communities affected by a project once the project is placed into service?

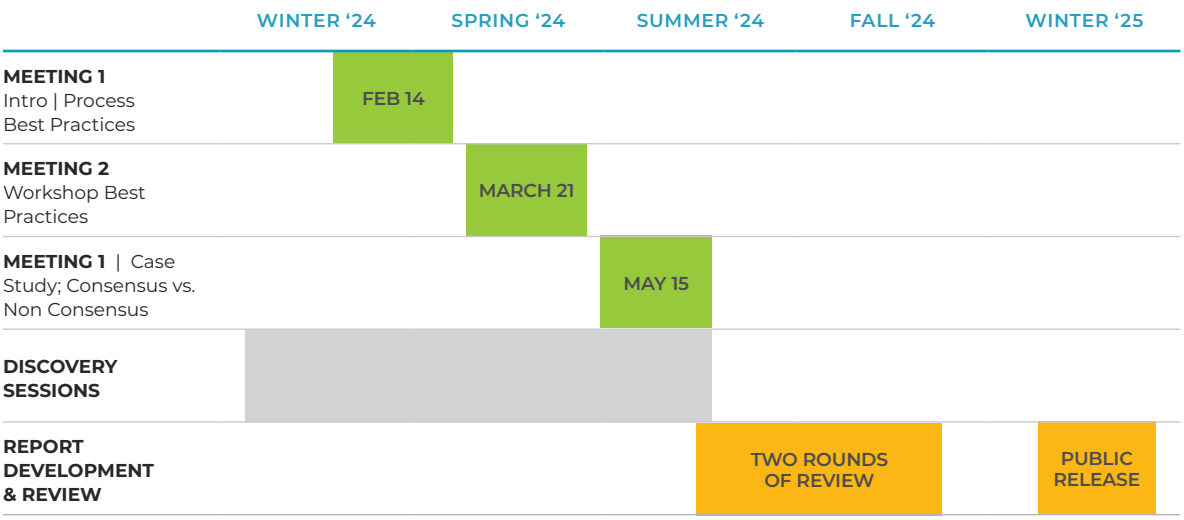
The background paper serves as an additional resource for those looking for specific ways to implement the best practices and recommendations identified in this report.

# 4 | CONVENING FRAMEWORK

In convening the Roundtable, DNV sought to:

- Include the full range of community interests impacted in the transmission development process
- Establish and apply a consensus-based approach to guide the group and to develop the recommended best practices. This approach enabled Roundtable members to provide clear rationale for any non-consensus ideas and to have open discussion on deferred items.
- Provide Roundtable members with iterative and equitable opportunities and multiple forums to voice their ideas and conduct their best practices work, including
  - One-on-one "discovery sessions" provided the most efficient way to source best practices.
  - Roundtable meetings provided the most efficient way to refine and reach consensus on recommended best practices.
  - The Resource Hub provided a consistent, accessible, and centralized repository for information exchange between the Roundtable members and facilitation and advisory teams.
  - Two rounds of review of this Roundtable report, with a commitment to comprehensively and equitably incorporate each member's feedback.

**FIGURE 4.1** **Timeline for the Transmission Roundtable**



# 5 | INTERESTS WITHIN THE TRANSMISSION LANDSCAPE

To understand the best practices that we have identified in this report, it is important to first understand the different interests that operate within the transmission development landscape. In this section we briefly introduce each interest listed below. The purpose of these introductions is to ensure that the reader has a baseline awareness of key needs (and historical challenges) that each interest brings to the table when considering a transmission project.

Interests that are often present during the transmission development process include (but are not limited to):

- Agricultural
- Environmental, Nature, and Wildlife Advocacy
- Energy, Climate and Environmental Justice (ECEJ)
- Indigenous
- Labor
- Host Communities and Landowners
- Local Workforce Development
- Transmission Developers

In the list above, there are several different types of interests involved in the transmission development process. These include interests with different geographical locations (local, regional, state, national, and combinations thereof) and different organizational structures (residents, governmental agencies, and for-profit and non-profit organizations).

Critically, these interests bring different experiences and perspectives to the table. Some have significant resources; others have very modest ones. Some work on transmission projects day in and day out. Some work on transmission projects periodically, alongside the review of other types of projects, while others may only ever engage on a single transmission project. Many of the involved interests will be paid to engage in the transmission development process but some will engage while juggling their day job and family responsibilities.

Below are profiles that define each interest, describe their relevant transmission-specific need, and list notable past experiences and new strategies deployed.

## 5.1 Agricultural

**ACEG Transmission Roundtable Representation**: California Farmer Justice Collaborative, Constitution Partners

**Interest defined:**

The agricultural community encompasses farmers, ranchers, agricultural justice advocates, policy groups, Cooperative Extension services, agribusinesses, and rural development organizations. These organizations vary in size from small state-level alliances like Farmer Justice and county Farm Bureaus to state and national entities like the American Farm Bureau Federation and its state affiliates, as well as agricultural commodity organizations.

Agricultural organizations frequently engage with transmission developers as transmission lines traverse land suitable for agriculture. On transmission projects, the goal of the agricultural community includes: 1) advocating for agricultural landowner interests; 2) advocating for measures that reduce negative impacts on agriculture and protects ecosystems and biodiversity; 3) supporting policies that protect agricultural interests; and 4) creating jobs and/or increased demand for local agricultural goods and services. To fulfil these roles effectively, the agricultural community typically lobbies for fair compensation, protection of property rights, improvement to local infrastructure and irrigation, and technical support.

**Relevant and Key community needs and interests:**

- Just compensation for land use, disruptions and property rights protection.
- Non-invasive measures that reduce adverse effects on soil, crops, livestock, and yield.
- Technical assistance, financial support, and resources to aid climate adaptation and mitigation efforts.

**Notable past experiences:**

- Challenges stemming from concerns about potential soil contamination, water resource impacts, land use disruptions, and inadequate compensation, such as:
    - The Cowboy and Indian Alliance opposing and protesting the Keystone XL Pipeline and Transmission Lines.
    - Farmers in Illinois and Iowa contesting the legality of the Rock Island Clean Line project due to its use of eminent domain, potential impacts on farming operations, and inadequate compensation.
- Success stories where agricultural communities were included early and continuously in the planning process, such as:
    - The Texas Competitive Renewable Energy Zones (CREZ) Initiative, which led to successful project implementation through early and sustained engagement with agricultural stakeholders.

**New strategies deployed:**

- Push for amendments to siting guidelines to require more rigorous consideration of agricultural land and livelihoods.
    - Arkansas farmers filed lawsuits to challenge SWEPCO's transmission line routes, arguing they did not properly consider alternative routes that would minimize impacts on agricultural land.
    - Ohio Power Siting Board (OPSB) case for the incorporation of comprehensive assessments of agricultural impacts during transmission siting processes.
- Alliances and public awareness campaigns to inform the broader public and build support.
    - Nebraska farmers and ranchers employed social media outreach, public meetings, and partnerships with environmental groups to highlight transmission's negative impacts on the agricultural economy and ecosystem.

## 5.2 Environmental, nature, and wildlife advocacy

**ACEG Transmission Roundtable Representation**: Sierra Club, The Nature Conservancy, National Audubon Society, Earthjustice, Natural Resources Defense Council (NRDC)

**Interest defined:**

The objective of environmental community groups involved in transmission advocacy is to balance infrastructure growth with environmental stewardship and the protection of affected communities. They advocate for minimizing ecological impacts, protecting wildlife habitats, promoting sustainable land use practices, and protecting communities from pollution and other forms of environmental harm, while working to expand and improve transmission infrastructure and facilitate bringing more clean energy online. These groups advocate for policy frameworks that will facilitate a swift transition to a clean energy system—including the buildout of necessary transmission—while preserving the environment and protecting communities. These organizations include conservation groups that work to protect wildlife habitats and biodiversity, advocacy and policy entities that push for regulatory reforms to support renewable energy integration, grassroots groups that mobilize local communities, research institutions that conduct environmental impact studies and provide science-based recommendations, and organizations that seek robust enforcement of environmental laws. The transmission-related goals of the environmental community are to: 1) advocate for transmission infrastructure that facilitates the integration of renewable energy sources such as wind and solar into the grid and supports an affordable and reliable grid; 2) uphold environmental standards and enforce environmental regulations; 3) protect lands, waters, natural resources, habitats, and biodiversity from effects of climate change; and 4) promote an equitable energy transition that protects communities and human welfare, promotes public participation, and improves livelihoods.

**Relevant and Key community needs and interests:**

- Protection of people, ecosystems, and wildlife habitats from climate change impacts.
- Reduction of carbon emissions and other pollutants.
- Preservation of natural landscapes and scenic views.
- Community involvement in environmental stewardship.
- Implementation of energy-efficient practices and technologies.
- Adherence to environmental regulations and standards.
- Regular evaluation and reporting of environmental performance and thorough environmental impact assessments.
- Adoption of strategies for mitigation and adaptation.

**Notable past experiences:**

- Delays/challenge due to opposition
  - Plains and Eastern Clean Line faced delays and eventual cancellation due to regulatory hurdles and sustained opposition from environmental groups due to concerns related to land use, potential impacts on wildlife, and local community engagement.
  - Environmental groups such as Sierra Club, Earthjustice, and NRDC have challenged harmful fossil fuel projects, such as the Atlantic Coast Pipeline, to protect the rights of vulnerable communities, reduce potential impacts on forests and waterways, and avoid locking in investments in dirty energy sources that would impair the clean energy transition.
- Successes from collaboration
  - Tehachapi Renewable Transmission Project was completed with several mitigation measures, including the installation of bird flight diverters and modifications to reduce the risk of bird collision after early collaboration with environmental groups like Audubon California.
  - The Nature Conservancy, National Audubon Society, and NRDC collaborated with decision-makers of the Rocky Mountain Power Gateway West Transmission Line project to implement conservation measures minimizing impacts on sensitive habitats and species.
  - Earthjustice, Sierra Club, NRDC, and a coalition of other environmental and environmental-justice organizations have partnered in advocacy to promote and strengthen new rules from the Department of Energy and FERC that will foster transmission and clean energy development while protecting environmental and community interests.[8]

8 This advocacy effort includes comments on the DOE's National Interest Electric Transmission Corridor (NIETC) process, proposed NIETCs, FERC Orders Nos. 1920 and 1977, and Section 216 of the Federal Power Act, as amended by the 2021 IIJA re Backstop Authority

- Transmission-related advocacy
    - The Nature Conservancy's Energy Siting and Transmission work seeks to ensure that new transmission lines are sited in a way that avoids critical habitats and minimizes ecological impacts.
    - Environmental organizations including The Nature Conservancy and NRDC advocate for "Smart from the Start" planning that encourages the integration of conservation principles in the early stages of grid transmission planning.
    - Earthjustice and a coalition of other environmental organizations and environmental justice organizations (including WE ACT on this Roundtable) developed a set of principles to guide transmission buildout, *Principles for Accelerating Clean Energy Deployment Through Transmission Buildout in an Equitable Clean Energy Future*,[9] and published a white paper, *Building Transmission to Secure a Clean & Equitable Electricity Grid*, which identifies policy reforms to foster transmission development without compromising communities or environmental protection.[10]
    - Sierra Club's Clean Energy for All Campaign promotes projects that support the development of renewable energy and modernizes transmission systems to accommodate new clean energy sources.
    - The National Audubon Society worked closely with Pattern Energy on the SunZia transmission project which will enable the largest wind project in the western hemisphere to bring 3.5 GW of renewable energy onto the western grid, and, through that partnership, it will do so while reducing impacts to local bird life.
    - The National Audubon Society's *Birds and Transmission Report* provides the rationale for the organization's Transmission Initiative. Audubon is expanding its clean energy work to include dedicated staff who work directly with developers and members to support transmission projects and ensure they are better for birds, other wildlife and people.

**New strategies deployed:**

- Legal action and policy advocacy
    - Environmental groups may file lawsuits to challenge permits or environmental reviews for infrastructure projects that would impair the energy transition by locking in investments in fossil fuels, raising issues such as deficient assessments of impacts on forests, waterways, and vulnerable communities.

9 https://earthjustice.org/wp-content/uploads/transmission_principles_12.15.22.pdf

10 https://earthjustice.org/document/transmission-white-paper

- Environmental organizations such as Earthjustice, Sierra Club, and NRDC are longstanding members of the Sustainable FERC Project, a coalition that advocates before FERC and actively participates in stakeholder processes at Regional Transmission Organizations and Independent System Operators to promote proactive regional transmission planning and market rules that allow for full and fair market participation by clean energy resources.
- Sierra Club lobbied for the Clean Energy for America Act, which includes provisions for modernizing the grid to accommodate renewable energy sources while ensuring environmental protection and community benefits.
- Earthjustice has supported reforms that would foster transmission development without sacrificing communities or the environment, such as the proposed Clean Electricity and Transmission Act and the Environmental Justice for All Act.

- Research and data-driven advocacy
  - The National Audubon Society's Survival by Degrees report found that two-thirds of North American bird species are threatened with extinction because of climate change. As a result, Audubon explicitly supports the renewable energy transition because of the threat of climate change to birds, other wildlife and people from the impacts of climate change.
  - In its Birds and Transmission report, the National Audubon Society mapped areas of high priority for birds, both today and under a changing climate, that coincide with existing, planned, and potential transmission build-out, identifying key bird habitats where siting new transmission lines in ways that reduce collisions and habitat disruption should be prioritized.

## 5.3 Energy, Climate and Environmental Justice (ECEJ)

**ACEG Transmission Roundtable Representation**: WE ACT for Environmental Justice (WE ACT), UPROSE

**Interest defined:**

The environmental justice (EJ) movement grew out of a response to the system of environmental racism where communities of color and low-income communities have been (and continue to be) disproportionately exposed to and negatively impacted by hazardous pollution and industrial practices. Its roots are in the civil rights movement and are in sharp contrast to the mainstream environmental movement, which has failed to understand or address this injustice. Guided by the Principles of Environmental Justice[11], the EJ movement emphasizes bottom-up organizing, centering around the voices of those most impacted, and shared community leadership.[12]

Climate justice is a subset of the EJ movement that intends to highlight the disproportionate impacts of climate change on vulnerable communities and promote the fair distribution of resources to address the impacts of climate change.

Energy justice connects to and builds upon the grassroots traditions of the environmental justice and climate change movements.[13] Those involved in the movement for the transition away from fossil fuels to renewable energy often frame energy justice, energy equity, and energy democracy as a part of a broader "just transition" to a low-carbon regenerative economy that will remedy the injustices of the fossil-fuel energy system and extractive economy across multiple sectors.

> ***"Grid unreliability is an urgent environmental injustice issue."***
>
> - WE ACT
> (Response to FERC Transmission Planning and Cost Allocation Rule, Order No. 1920)

**Relevant and Key community needs and interests:**

- Recognition justice to capture historic disinvestments, and environmental and energy justice burdens.
- Procedural justice through increased transparency, accessibility, and the facilitation of meaningful engagement between affected communities, FERC, and project developers.
- Distributional justice through thoughtful and responsive enforcement and distribution of transmission community benefits and investments.
    - Interest in more discussions around reframing community benefits to communicate community need for self-determined, long-term, sustainable, and wrap-around benefits, not just one-time donations that do not address priority needs

11 https://www.ejnet.org/ej/principles.html

12 https://climatejusticealliance.org/just-transition/

13 Section 1 - Defining Energy Justice: Connections to Environmental Justice, Climate Justice, and the Just Transition - Initiative for Energy Justice (iejusa.org)

for the community. The term "community investments" resonates more with ECEJ groups as it connotes a deeper level of commitment.

- Restorative justice to consider reparations and accountability for past and cumulative harms from industry pollutions and infrastructure.

**Notable past experiences:**

- WE ACT and Earthjustice's Response to FERC's Finalized Rules for Electric Regional Transmission Planning.[14]
- WE ACT and State Energy & Environmental Impact Center (NYU School of Law) Generating Change for a Just Grid.[15]
- WE ACT's Whitepaper entitled: *Building Transmission to Secure a Clean & Equitable Electricity Grid*.[16]
- WE ACT's Community Engagement Brief.[17]
- Environmental Justice and Electric Transmission Development (Presented by ACEG and the State Impact Center).[18]
- UPROSE, Rogue Climate, Taproot Earth, and Climate Justice Alliance's Principles for a Just Transition in Offshore Wind Energy.[19]

**New strategies deployed:**

- Energy Equity Project[20] (EEP), the first standardized national framework for comprehensively measuring and advancing energy equity, co-developed by representatives from 40 different community organizations and interests, led by Dr. Tony Reames at the University of Michigan. EPP lays the groundwork to improve equity in clean energy programs and projects through these actions:
    - Creating model approaches for assessing community needs and benefits through technical and non-technical (e.g., health, education, and housing) impacts (represented by metrics) of the clean energy industries.
        - Supported by an equity assessment tool.
    - Framing the various dimensions of equity, which gets to the heart of the ECEJ key needs and interests identified above.
    - EEP framework was used in testimony before the Illinois Commerce Commission about how rate hikes proposed by utilities impact low income and people

14 WE ACT Responds to FERC's Finalized Rules for Electric Regional Transmission Planning and Cost Allocation, and Permits to Site Interstate Electric Transmission Facilities - WE ACT for Environmental Justice

15 https://stateimpactcenter.org/news-events/events/generating-change-for-a-just-grid

16 https://www.weact.org/wp-content/uploads/2023/06/06222023_transmission_whitepaper_final.pdf

17 https://www.weact.org/wp-content/uploads/2022/10/Community-Engagement-Brief-092322-FINAL.pdf

18 https://stateimpactcenter.org/news-events/events/environmental-justice-transmission-development

19 https://climatejusticealliance.org/wp-content/uploads/2022/11/JustTransition-OffshoreWindEnergy.pdf

20 220174_EEP_Report_8302022.pdf (energyequityproject.com)

of color residents in Chicago and to recommend more equitable alternatives based on the framework metrics.[21]

- ECEJ groups recommend that FERC establish Environmental Justice Liaisons ("EJ Liaisons") who would:
  - Be employees of the Commission and housed within the Office of Public Participation ("OPP").
  - Be charged with helping foster first, early, and ongoing engagement between affected communities, the Commission, and project developers; creating clear and accessible pathways for engagement; and ensuring that information is clearly and adequately communicated to stakeholders.
  - Increase FERC's capacity to build partnerships with affected stakeholders through engagement that reflects the specific characteristics of the community.
  - Provide trainings and workshops offering information on proceedings and working with developers to communicate about projects; respond to technical assistance needs.

## 5.4 Indigenous

**ACEG Transmission Roundtable Representation**: Alliance for Tribal Clean Energy, 7Skyline Consulting,[22] and Migizi Economic Development Company and Bakinaw Federal Contracting (owned by Saginaw Chippewa Indian Tribe of Michigan, operates the Tribe's electric utility authority, and only Tribal market participant in the MISO footprint)

**Interest defined:**

Indigenous peoples are those who have a historical connection to a specific region before colonization and maintain distinct social, economic, and political systems. They are also known as Native Americans or American Indians.

The number of Indigenous people in the United States of America is estimated at between 4 and 7 million, of which around 20% live in American Indian areas or Alaska Native villages.[23] Indigenous Peoples in the United States are more commonly referred to as Native groups.

The state with the largest Native population is California; the city with the largest Native population is New York City.

Over half (50.9%) of the American Indian population lives in five states; Oklahoma has the largest American Indian

> ***"How do we meet together to have early engagement, rather than shoving it down the tribes' throats."***
>
> - Tribal leader

21 Energy Equity Project helps disadvantaged communities benefit from the energy transition – Energy Equity Project

22 A participant from the Alliance for Clean Energy has since changed affiliations and moved to 7Skyline Consulting.

23 https://www.iwgia.org/en/usa/4684-iw-2022-united-states-of-america.html

population (14.2%), followed by Arizona (12.9%), California (9.9%), New Mexico (9.1%) and Texas (4.8%).

With some exceptions, official status of being American Indian or Alaska Native is conferred on members of federally recognized tribes. Five hundred seventy-four Native American tribal entities were recognized as American Indian or Alaska Native tribes by the United States in January 2021,[2] and most of these have recognized national homelands. Federally recognized Native nations are inherently sovereign nations but their sovereignty is legally curbed as wards of the federal government. The federal government mandates tribal consultation for many issues but has plenary authority over Indigenous nations.[24] Many Native nations have specific treaty rights and the federal government has assumed responsibility for Native peoples through its guardianship, although those responsibilities are often underfunded.

**Relevant and Key community needs/interests:**[25]

- Although these vary widely, tribes are often seeking ownership and tangible community benefits from renewable energy projects.
- It varies from tribe to tribe. Some are looking at self-development and self-determination. They are making their own decisions. They are making their own energy plans.
- Early engagement by and partnerships with culturally and DEI-competent and respectful developers and utilities.
- Technical assistance resources to apply for infrastructure development funding, engineering, and design upskilling.
- Tribal members ought not be viewed as a project's "labor force" but integrated into well-paid career paths that are prioritized.
- More diligent adherence and compliance with Tribal Employee Rights Office (TERO) obligations when tribal members are employed and not defaulting to paying TERO fines for non-compliance.[26]
- Rectify mistrust and fair compensation from past and cumulative harms to indigenous people and sacred lands.
- Avoidance of invoking eminent domain to site on cultural areas without environmental review, oversight, mitigation, or fair compensation.
- Impact assessments with respect to land use should include examination of cultural resources and whether there is a nexus to agricultural or other types of land uses.

**Notable past experiences:** Morongo Transmission LLC,[27] a CBA partnership between the Morongo Band of Mission Indians as the majority owner and Coachella Partners, LLC, a subsidiary of Axium Infrastructure.

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24 https://www.achp.gov/sites/default/files/2021-06/ConsultationwithIndianTribesHandbook6-11-21Final.pdf

25 Clean Energy Could Rival Gaming as Economic Engine for US Tribes - Bloomberg

26 https://cter-tero.org/tero-faq/

27 https://morongonation.org/news/morongo-becomes-first-native-american-tribe-to-be-approved-as-a-participating-transmission-owner-in-nation/

**New strategies being deployed:**

- The HEARTH Act[28] is invoked to empower more tribal decision-making and support access, leases, and right-of-way agreements between Tribes and developers.
- Some hire attorneys so there is transparency. Tribes have contacted the Alliance for Tribal Clean Energy for professional direction on the technical issues.
- Tribes are increasingly focused on electricity over gaming as a more sustainable source of economic development.

## 5.5 Labor

**ACEG Transmission Roundtable Representation:** IBEW Local 1245

**Interest defined:**

The community of labor is the diverse collection of labor unions involved with the construction (and development) of transmission projects. Several national labor organizations would be involved in the construction of transmission projects. These include IBEW and LiUNA, among others. Notably, the national labor unions comprise local unions or chapters with a high degree of autonomy. Some of these local organizations are large (over 10,000 members) while others are small (10 members).

Labor tends to be involved with transmission and other energy infrastructure projects regularly. The roles of labor include: 1) supporting their members in collective bargaining with utilities and other large employers; 2) supporting their members professional growth and development; and 3) providing apprentice and pre-apprentice programs that provide workforce development opportunities.

**Relevant and Key community needs/interests:**

- Negotiating agreements for which their members can provide the labor.
- Ensuring that their members have predictable paychecks with living wages and benefits (i.e., avoiding unplanned stoppages).
- Finding and training new members.
- Ensuring safe working conditions.
- Providing high-quality workmanship.

As can be reasonably expected, a primary need of the labor community is to negotiate agreements with large employers that provide opportunities for their members.

A less obvious primary need of the labor community is to avoid unplanned work stoppages. Many members of the labor community (and most within the context of transmission construction) are paid hourly wages. If a project is delayed or stopped, it creates significant financial hardship for the affected workers.

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28 https://obamawhitehouse.archives.gov/blog/2012/07/30/strengthening-tribal-communities-through-hearth-act

> ***"It's much better to figure out early if there are any strong disagreements."***
>
> -Union Leader

Like most sectors of the economy, labor has a continuous need for new entrants to its workforce. This is especially true during periods of low unemployment and/or significant infrastructure deployment, both of which are occurring today. Enabling new additions to its workforce is a key reason why labor groups offer apprenticeship programs.

When it comes to finding new members for its workforce, labor groups may have certain prerequisites. For example, the International Brotherhood of Electrical Workers (IBEW) needs individuals with basic math skills, such as high-school algebra, spatial awareness and reasoning, and an ability to work at exposed heights. To help find these individuals, IBEW locals often partner with community-based organizations working with disadvantaged communities that can prepare individuals for an apprenticeship program (e.g., via a pre-apprenticeship program). In certain cases, IBEW locals help a local community strengthen a pre-apprenticeship program.

**Notable past experiences:**

Notable past experiences in the labor community center around projects where work delays or stoppages led to significant periods of unemployment. In particular, the use of the judicial review process to halt construction (immediately prior to a potential construction window) has frequently impacted the labor community. A key lesson from these past experiences is that "[to avoid negative financial impacts for workers and contractors bidding the work] it's much better to figure out early if there are any strong disagreements [and whether a project will be able to move forward in a timely fashion]."

IBEW 1245 has previously participated in a few local workforce programs in California. These past experiences indicate that further work is still needed to translate participation in a local workforce program into a sustained career.

**New strategies being deployed:**

To address their needs, the labor community has identified several new strategies in recent years. These include:

- Community workforce agreements.[29]
- Connecting with community organizations that are already preparing individuals for work opportunities.
- Lobbying for reform of the permitting process (e.g., advancing the NEPA Fiscal Responsibility Act).
- Using a mutual gains methodology when negotiating – they find value in this methodology because it clearly identifies the needs of the respective organizations.

29 See Section 8 for a further discussion of community workforce agreements.

- Generalized Example: If the issue at hand is community opposition to the transmission project route, using a mutual gains approach, the issue could be positively reframed as identifying (or negotiating) community benefits to offset the community impacts of the route. The developer places high value on the specific route so it would concede to provide community benefits (e.g., building parks and open space, upgraded housing stock, other benefits as determined by the community), which is of lower value. The community places a higher value on receiving community benefits and improvements and a lower value on living with and adjusting to a transmission route. Both parties made concessions on issues of lower value to them to mutually gain on issues of higher value.
- Past Experience: IBEW 1245 and PG&E utilized mutual gains bargaining in 1996. It was the first general bargaining between the parties and the whole IBEW 1245 staff was trained in mutual gains bargaining, as was the full group of PG&E Industrial Relations staff. Representatives from the Cornell School of Industrial and Labor Relations taught the concept and used real world examples. The results of the bargaining process, which coincided with several other events, were that (i) previous layoffs were rescinded, (ii) a 'Partnership Agreement' was created between PG&E and IBEW 1245 that established a process for shared management of operational issues and (iii) trust was built in a relationship that had fully deteriorated.

## 5.6 Host Communities and Landowners

**ACEG Transmission Roundtable Representation:** Conservative Energy Network, Reimagine Appalachia

**Interest defined:**

Host communities and landowners live in the area where the transmission line would be built. There are thousands of such communities across the United States and even more landowners. The host communities vary widely in size, composition, and values. Community organizations exist and/or are often created to represent and protect local communities and their interests.

One need not look further than our Roundtable representatives to understand the wide range of values and needs of host communities and landowners. CEN is a network of organizations that advocate for clean energy innovation rooted in conservative values. Re-Imagine Appalachia, on the other hand, focuses on a New Deal for Appalachia blueprint at the intersection of energy, equity, and the environment by bringing together diverse voices from Appalachia to discuss community benefits, labor standards, and sustainable development. However, despite different values and needs, local and regional interests and community organizations share some common ground.

**Relevant and Key community needs and interests:**

- Community engagement and involvement.
- Community approval.
- Establishing trust.
- Early engagement.
- Organizations setting their egos aside and listening.
- Community benefits.
    - Creating the "right" jobs: host communities are most interested in the creation of family-sustaining jobs with career advancement potential and, of course, having access to those jobs.
    - Having benefits and resources that get host communities excited and meet needs identified by them; what constitutes exciting will differ from host community to host community; some examples include:
        - In February 2023, Champlain Hudson Power Express announced it will fund free laundry service for low-income families in Long Island City and Astoria to help lower income children remain in school. Such measures provide needed services and promote goodwill. As Queens Borough President Donovan Richardson stated: "CHPE has proven to be a genuine community-first partner already, years before the clean energy pipeline comes online, and this free laundry service program will make a world of difference for Queens students whose families have fallen on hard times.
        - The TransWest Express and the Ute Indian Tribe of the Uintah and Ouray Reservation made an agreement to build the TransWest Express transmission line on tribal lands. As part of this agreement, TransWest committed to hiring and training tribal members for the construction work and preparing them for long-term careers in the electric power and transmission sector.

**Notable past experiences:**

The book *Powerline*[30] describes the development of a transmission project in Minnesota in the 1970s. The book is written from the perspective of the host communities and makes it abundantly clear that the host communities involved did not feel heard, considered, or valued. Ultimately, the lack of trust between the host communities and the transmission developers led to peaceful and non-peaceful acts of civil disobedience, including knocking down transmission towers as they were being built. While the development

30 Powerline: The First Battle of America's Energy War by Paul Wellstone | Goodreads

of this transmission project represented an extreme case of conflict between the host communities and the transmission developer, the book is nonetheless instructive in understanding the experience and needs of host communities.

**New strategies deployed:**

An important new strategy being deployed is community-led development. There are several forms that such development can take. Roundtable member Reimagine Appalachia represents the implementation of community-led development at a large scale. Reimagine Appalachia works with host communities across the Appalachia region to proactively plan and encourage infrastructure development. Operating in this manner, Reimagine Appalachia and the host communities it serves can ensure that they have an active role in defining how infrastructure is deployed in their communities.

Another example of community-led development comes from farmers in Michigan. In a windy region of Michigan, several farm owners began receiving offers from wind developers to lease their land for the development of a large wind project. Instead of negotiating with the wind developers one-on-one, the farmers decided to work together with their local communities to define the terms and conditions under which wind farms could be developed in their region. This collaborative, active approach ensured that the farmers and their communities had a meaningful role in guiding the development of energy infrastructure in their region.[31]

Another strategy under development is tailoring the messenger to the constituency. The development of energy infrastructure has been politically polarized for many years. Unfortunately, this political polarization is impacting the development of electric transmission lines. For this reason, it is helpful to have a message with broad appeal and for developers to consider who the right third-party messenger(s) is for a given host community. For example, a climate advocacy organization might not have the strongest grassroots message in a rural and conservative-leaning county and may struggle to engage conservative policymakers.

## 5.7 Local workforce development

**ACEG Transmission Roundtable Representation**: Jobs to Move America, JPI Group

**Interest defined:**

Workers residing in a community area that is directly impacted by a project. Organizational structure for local workforce is called “local workforce systems” comprising complex networks of organizations, industry, government policies and resources with the goal of preparing people for employment. Some states form workforce development boards at the county and community college levels to provide both employers and local job seek-

31 Farming for wind in rural Michigan | Brookings and Michigan Welcomes Wind | Apex Clean Energy

ers with access to tools, resources, and services around employment and business goals. Generally, a labor and workforce development agency or entity is charged with ensuring safe and fair workplaces, delivering critical worker benefits, and promoting quality jobs.

To better understand local workforce systems, it is useful to look at local programs and activities that are coordinated through the state and local structures created by the Workforce Innovation and Opportunity Act (WIOA).[32]

As transmission lines span multiple communities, they create opportunities for local employment. The National Renewable Energy Laboratory (NREL) estimates that a 20-mile transmission line will generally create 114 construction jobs and 2 maintenance jobs.[33] Some studies[34] project job growth of over 1.5 million jobs in transmission by 2050 just for the Eastern United States.

**Relevant and Key community needs and interests:** The most critical considerations for local workforce development within transmission or infrastructure development broadly are:

- Labor justice:
  - 30-50% work hours on a project targeted for local[35] workers in communities impacted directly by a project, half of those hours for disadvantaged workers.
  - 25% of work hours completed by apprentices and/or pre-apprentices.
- First Source Hiring Programs that prequalify a list of "core" workers through a municipal agency or community-based organization and prioritize local hiring of target communities.
- Sustainable wages that allow workers to afford basic needs and maintain a decent standard of living through the varied and fluctuating cost of living.
- Longer-term career development, job retention, and higher-level positions with greater compensation.
- Job training and apprenticeship programs designed to be inclusive of historically marginalized communities and underemployed (in addition to unemployed) populations that make up a majority of a community and have dire need for upliftment, such as formerly incarcerated people and people with disabilities.

**Notable past experiences:**

- While a couple past experiences were discussed, there weren't any with sufficient documentation and that were directly applicable to transmission to enable inclusion.

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32 https://www.dol.gov/agencies/eta/wioa

33 https://www.nrel.gov/docs/fy14osti/60250.pdf

34 https://cleanenergygrid.org/wp-content/uploads/2020/11/Consumer-Employment-and-Environmental-Benefits-of-Transmission-Expansion-in-the-Eastern-U.S.pdf

35 Local in this context will need to be defined in a community benefits agreement.

**New strategies deployed:**

**Career pathways and sector strategies.** Some local leaders have begun organizing their workforce development efforts around innovative frameworks, such as career pathways and sector strategies.[36] Career pathways prepare workers for employment and support their advancement within high-demand occupations by aligning the efforts of major education, training, and workforce development programs. Career pathways, which can help local leaders improve education and training options, require strong engagement from key state and local partners and stakeholders. Sector strategies focus on the local or regional workforce needs of a particular industry and are led by intermediary organizations that bring multiple stakeholders together. Sector strategies aim to increase industry competitiveness and advance the employment of low- and middle-income workers. When considering one framework or aspects of both, local leaders need to understand their particular workforce issues, especially the skill levels of their populations, the skill needs of employers within and across industries, and the workforce development programs and services in their area.

**Appalachia Climate Infrastructure Plan.**[37] This Plan outlines infrastructure investments designed to maximize benefits to Appalachia's communities, enabling community input and accountability on funding flow, ensuring jobs created come with good wages, health care and retirement benefits, paving career pathways for coal industry workers, women, Black, Indigenous, and other workers of color into good union jobs, and paid on-the-job training opportunities. It also discusses targeted hire and "first source" hiring system in further detail.

## 5.8 Transmission developers

**Roundtable representatives:** Invenergy, and PSEG represented transmission developers.

**Interest defined:**

The community of transmission developers are the organizations that develop transmission projects. When developing a transmission project, developers often look to improve the operation of the electric grid, integrate new generation resources or connect new loads, and make responsible financial investments that are repaid within an expected timeframe.

Some transmission developers advance projects only within a single area of the grid, while others may advance transmission projects in or across multiple areas. A further discussion of the different types of transmission developers is provided in APPENDIX A.

**Different Types of Transmission Developers.** Transmission developers often develop

36 https://www.urban.org/sites/default/files/publication/78496/2000648-understanding-local-workforce-systems_1.pdf

37 https://reimagineappalachia.org/wp-content/uploads/2021/05/Community-Benefits_Whitepaper_05-28-2021.pdf

transmission projects that are:

- Identified at a local or state-level (e.g., Xcel Energy's Colorado Power Pathways project, NV Energy's Greenlink North and Greenlink West projects).
- Identified by a regional transmission organization on independent system operator as part of a regional plan (e.g., projects in MISO's Long-Range Transmission Plan).
- Increasing the interregional power transfer capabilities of the existing grid and/or moving generation resources toward load centers (Champain Hudson Power Express, Clean Path NY, Grain Belt Express, North Plains Connector, Soo Green, Southern Spirit, Southline, SunZia, Wy Tie).

> ***"A transmission project lives and dies on its needs statement."***
>
> -Transmission Developer

**Key community needs and interests**:

Transmission developers have many similar needs (and some different needs) when it comes to developing transmission projects and engaging with communities. Three of their most critical needs include:

- The broad support of the relevant communities, including local community leaders and local government representatives involved.
- A compelling 'needs statement' that can justify the impacts that will arise from the construction of the transmission project.
- A timely transmission development process that delivers a predictable outcome and the financial certainty needed to properly assess a project's business case (and impact on rates).

Transmission developers need the broad support of the relevant communities involved. Without broad support from the relevant communities involved, a proposed transmission project will be far more likely to fail when adversity inevitably arises. Related to their need for broad support, transmission developers also have a need for impacted parties to understand that the developer is committed to engagement and implementing transmission development best practices (referred to in Section 6 of this Report).

While broad community support is a need for transmission developers, not all members of a given community and potentially not all communities will support a proposed transmission project. Even transmission projects that have earned broad support will still face opposition in select areas.

The best way for a project to achieve broad support is to have a strong needs statement. In the words of one roundtable member: "A transmission project lives and dies on its needs statement." When describing MISO's successful portfolio of multi-value transmission projects in the 2010's, another member of the roundtable noted that: "These weren't

one-off projects with a weak story line. They were based on a credible vision for the future and had saleable benefits, including grid reliability, enabling new generation resources, and achieving statutory mandates."

Fundamentally, both electric utilities and independent transmission developers have a need for a timely transmission development process that delivers a predictable outcome. The long length of the transmission development process results in significant financial risks for the transmission developer.[38] This is because placing a large amount of capital at risk for an extended period is challenging for any organization. For this reason, transmission developers ultimately need a transmission development process that can provide predictable signals early on as to how the project can successfully move forward and on what timeline. Transmission developers are also focused on the broader need of the public, including their customer end users (e.g., homes, businesses, industry) to have reliable power and to reduce GHG emissions.

It is worth noting that predictable and timely outcomes are also important for energy consumers. Utilities are constantly optimizing how best to deliver electricity to their customers. When transmission projects cannot be delivered (or delivered in a timely manner), it often means that utilities have a less optimal set of resources to deliver electricity. This may then lead to higher electricity costs for customers.

**Past experiences:**

There are many examples of both successful and unsuccessful transmission projects. Well known examples of successful transmission projects include Texas' CREZ projects and MISO's Multi-Value Project transmission portfolio, though there are many others. Successful transmission projects are those that are delivered on time and on budget with broad support from the relevant community interests.

There are also several examples of transmission projects where a lack of support from community interests led to the termination of the project. BPA's proposed I-5 Connector and Hydro Quebec and Northeast Utilities and NSTAR's proposed Northern Pass transmission line are examples of projects where strong community opposition ultimately led to the project being withdrawn.

**New strategies deployed:**

In the context of the transmission development needs identified above, newer[39] strategies include:

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38 This is especially true when a transmission developer is not able to or hasn't been approved to recover costs during the transmission development process. One option for this type of cost recovery is FERC's construction work in progress (CWIP) program: eCFR :: 18 CFR 35.25 -- Construction work in progress.

39 Depending on the region of the country and the specific transmission developer, some or all of these strategies will have already been deployed. Notably, Minnesota utilities have been implementing all of these strategies for many years now.

- Earlier and deeper community engagement.
- Using existing rights of way, where feasible.
- Potentially enhancing compensation for new rights of way.
- Developing stronger project needs statements (through improved transmission planning).

**Earlier and deeper community engagement is critical to obtaining broad community support.** Specifically, this means engaging communities prior to the start of formal siting and permitting processes. Engaging prior to a regulatory process provides two key benefits: 1) it provides a more collaborative environment for engagement; and 2) it provides ample time and space to respond to community needs (as there are no set timelines for decisions). In some instances, grid operators would begin this early public engagement prior to the developer winning the award.

**Using existing rights of way leverages already disturbed land to minimize project impacts.** Existing linear rights of way offer a promising alternative to developing greenfield transmission projects. MISO has focused on upgrading existing transmission rights of way to support its recent $10 billion investment in 18 transmission projects. Where new transmission rights of way are needed, states like Wisconsin and Minnesota have provided and/or encouraged transmission developers to site new transmission within or near existing transportation rights of way.[40,41] Since passing legislation to this effect in 2003, Wisconsin has used highway right of way to support the development of twenty-six different transmission projects. The most prominent example of this is the Badger-Coulee transmission line, which used over 100 miles of I-94 transmission right of way to minimize community impacts.

**Competitively compensating impacted landowners can turn potential opponents into proponents.** Competitively compensating landowners and surrounding communities can result in landowners and communities who are interested in hosting new transmission infrastructure. Several developers have employed this approach. As an example, Invenergy notes that it is developing projects where >90% of the required right of way will be acquired through voluntary agreements with landowners who are financially motivated to host the transmission infrastructure.

**Stronger project needs statements are possible through transmission portfolio planning processes.** Recently, FERC Order No. 1920 required transmission operators to systematically undertake long-term transmission planning processes. FERC Order No. 1920 is largely based on the long-term transmission planning process that MISO has developed over the last 15 years. MISO's transmission planning process develops a portfolio of

40 Wisconsin Legislature: 2003 Wisconsin Act 89

41 Minnesota takes rare step to allow power lines... | Canary Media

transmission projects. The portfolio of projects developed is heavily vetted by participating parties and is designed to realize the needs of future energy scenarios derived from statutory goals/requirements, utility IRPs, and other critical considerations. The result of MISO's transmission planning process is that the portfolio of transmission projects developed has very strong needs statements that are further strengthened by the fact that the projects are designed to work as individual parts of the broader portfolio.

MISO's success with its transmission portfolio planning process is well documented. Fifteen years ago, MISO's planning process successfully created a 17-project multi-value project (MVP) portfolio.[42] By and large, these projects were delivered on time and under budget. In 2021, MISO used its portfolio planning process to approve its first 18-project portfolio of transmission projects (Long-Range Transmission Planning Tranche 1).[43]

42 MISO Multi-Value Projects (MVP), https://www.misoenergy.org

43 MTEP 21 Report Addendum: Long Range Transmission Planning Tranche 1 Executive Summary, https://cdn.misoenergy.org, 2022.

# 6 | CONSENSUS-BASED BEST PRACTICES

Dozens of community engagement best practices emerged from Roundtable consensus-based discussions and were synthesized into best practices spread across five core topic areas. The topic areas were further refined into a framework: **The PACE of Trust.** The framework reflects a key theme from the work: the pace of project development is often commensurate with the trust built with the impacted communities. The PACE framework focuses on taking the time to identify and address community needs early, continually, and consistently so that the project can advance efficiently (e.g., by avoiding a lengthy siting and permitting process and/or unplanned work stoppages related to judicial review or community opposition).

- **Participation and engagement of communities:** Establishes early, ongoing, and consistent engagement, fosters representation of broader community interests in decision-making, identifies barriers early in the transmission development process, promotes energy, climate, and environmental justice and equity.
- **Accountability and good governance:** Creates a safe forum for gaining representative knowledge and feedback [e.g., Community Benefit Advisory Boards (CBABs)], supports mutual understanding in community benefits plans and agreements, streamlines negotiations, enables local communities to engage in the transmission planning process early, and complies with impact assessment mandates for informed, collective decision-making and impact mitigation planning.
- **Communication, transparency and trust:** Provides all parties with accurate and timely information, enables developers to anticipate community needs, empowers communities to provide informed feedback, bridges technical complexities, and ensures the project's information is broadly available and accessible to all interested parties.
- **Economic and non-economic benefits:** Enables local communities to trust that developer commitments will be delivered as envisioned, furthers trust in the overall development process, identifies funding mechanisms to support the participation of community-led organizations and establishes local hiring requirements and resources.

The core best practices within the PACE framework are shown below and subsequently described in detail.

## The PACE of Trust

*A framework by community voices for advancing transmission*


1. Community-led Partnership & Community-based Collaboration
2. Early, Equitable & Inclusive Engagement
3. Tribal Inclusion & Engagement

4. Community Benefit Advisory Boards (CBABs)
5. Ombudsman Offices at Regional Transmission Planning Organizations
6. Frameworks for Impact Assessments

7. Resource Hubs
8. Two-way Learning
9. Multi-channel Communication

10. Community Benefit Plans and Community Benefit Agreements
11. Equitable & Responsive Financial/Resource Support
12. Local Workforce Development

Please note, to facilitate the comprehension and use of these best practices, we have identified where in the transmission development process the best practice is relevant. The naming convention for the different phases in the transmission development timeline is presented in Figure 6-1.

**FIGURE 6.1** **Generalized transmission development timeline**


## 6.1 Participation and engagement of communities

**Participation and engagement of communities is about actively empowering communities in the transmission development process to discuss benefits, impacts, and concerns that are then incorporated into transmission decision-making.** It begins at the grid planning stage and continues throughout the entire transmission planning process. Roundtable members asserted that this best practice significantly contributes to

gaining community support, lowering project risks, and avoiding disputes and grievances, which can, in turn, prevent cost and time overruns during project execution, avoid or mitigate impacts, and address community benefits.

The Roundtable identified three best practices in this category:

1. Community-led partnerships and community-based collaboration
2. Early, equitable and inclusive engagement
3. Tribal inclusion and engagement

### *6.1.1 Community-based collaboration and community-led partnership*

**WHEN** | Starting as early as possible in the planning, siting, and permitting process and continuing throughout.

**WHO** | Developers in collaboration with community leaders, groups, and community-based organizations (CBOs).

**ACTION** | Form a consensus-based working group representing diverse and relevant community interests. This group would be convened approximately quarterly and potentially more frequently around project technical milestones (e.g., grid planning, corridor analysis, etc.) to review and learn about transmission technical or policy-focused information from developers and provide informed feedback and recommendations.

**WHY THIS MATTERS** | To represent broader community interests in decision-making, build trust, and ensure that barriers to transmission development are identified and anticipated as early as possible in the transmission development process.

**Key considerations to keep in mind when implementing action:**

**Broader pathways for CBO collaboration**. As CBOs often lend lived experience, intimate working knowledge, and insights around local issues and needs and are integral advocates for frontline communities, the benefits of gaining their feedback to help advance transmission are clear and guide broader pathways to CBO collaboration.

When proposing collaboration with CBOs, there should be a few considerations:

- Approach CBOs as early as possible, with a trust-building lens and propose *ideas and pathways that are not fully baked* so that they have the time and opportunity to contribute feedback in a self-determined manner. Community representatives will come in with varying levels of knowledge and expertise about transmis-

sion and developers have opportunities to increase community awareness about unique transmission needs, benefits, and requirements that would lead to mutual advancement of transmission.

- Invite CBOs and broader community members to attend community-led working groups for direct feedback.
- Provide structured, consistent, and accessible forums for collaboration (e.g., advisory meetings, community workshops, community-scheduled forums).
    - And then (as mentioned above), demonstrate how their feedback is addressed, incorporated and influenced the project work.
- CBOs are acutely under-resourced and overstretched so consider empowering and resourcing them through financial support, technical assistance, accommodating time and accessibility needs, etc. The best mechanism to deliver these types of support is through a structured program that includes clear parameters and expectations around time commitment, scope, timeline of meetings, recommendations, etc., and how the proposed compensation is commensurate with those criteria. When proposing the program to CBOs, keep lines open to take feedback and negotiate the terms of the program.

When in doubt, ask what they need in exchange for their partnership and actively listen to and incorporate feedback. If it is infeasible to incorporate any feedback, provide the rationale and open communications and negotiation lines with CBOs, who prefer to be brought along upfront, rather than to be asked for forgiveness after the fact.

These broader pathways can lead to partnerships where CBOs are more informed to take on a more structured role in facilitating consensus-based decision-making within a working group forum and mutual project advancement.

**What CBOs need to co-lead a transmission partnership**. Generally, communities need developers to provide information about the project, resources, and technical assistance (discussed in detail below) so that they can learn about and develop a competent level of understanding of the project complexities to effectively become a strong partner. Working groups also expect regular reviews, updates, and reports on the development plan to ensure it remains aligned with community needs. CBOs' participation in these working groups takes time and resources away from their community-focused service and therefore, it is necessary to provide some form of compensation or honorarium to support their partnership, time and expertise they lend.

**Feedback loop**. The iterative communication cadence allows for an effective community *feedback loop* whereby parties have transparency about how their feedback has been considered and actionably incorporated into project work. Within the working group structure, community representatives are positioned to take ownership of project needs and serve a pivotal role in advocating for community interests and promoting engage-

ment throughout the project life cycle, from an informed perspective. Only then are parties empowered to participate in a true *community-led partnership* to mutually advance a project, and effectively address and integrate the concerns of vulnerable communities.

**Grassroots impact of feedback loop**. Furthering the effectiveness of community-led partnerships and working groups would extend the feedback loop to their frontline communities by ensuring that the feedback they gain from frontline communities is reported back to developers at working group forums. Through this community-led feedback loop, developers and working group members can together identify challenges and priorities within the represented communities and co-develop a transmission development plan that holistically reflects the community's vision and needs and outlines the necessary actions to achieve it.

### *6.1.2 Early, equitable, and inclusive engagement*

**WHEN** | Starting as early as possible in the planning, siting, and permitting process, even before formal planning processes begin, and continuing throughout.

**WHO** | Developer-initiated coordination and engagement with national, regional, state, and local agencies, community leaders, groups and members, tribal leaders and Indigenous community members, advocacy and community-based organizations (CBOs) representing different and broad interests, local workforce, labor.

**ACTION** | Develop a time-bound engagement plan as transmission planning begins that includes: actionable strategies, tactics, tools and activities; identifies interested parties and impacted communities to engage; and ensures equity, inclusion and accessibility. This engagement plan will be at the core of sustaining engagement and preventing cost overruns due to rework and unanticipated issues and will evolve as the needs of communities and interested parties change.

**WHY THIS MATTERS** | Fosters structured, accountable, and collaborative engagement and decision-making that balances broader interests at different levels, while prioritizing community needs and promotes social and energy equity throughout.

**Key considerations to keep in mind when implementing action:**

**Early engagement**. Early engagement means engagement that's initiated at the onset of transmission planning processes, even before official planning begins, and before the construction bidding stage. This means engaging with community leaders, agencies (balancing all levels), members, CBOs, municipalities, elected officials, local workforce, vendors, suppliers, and contractors, etc., after compiling relevant and necessary information to share but before significant capital investments are made. Early discussions can help decision-makers avoid prioritizing cost over community interests, facilitate expectation setting, anticipate points of tension and strategies and time to resolve them, plan for bureaucracy, among other important and project-advancing outcomes. Conversely, late engagement may prevent community members from providing feedback into the project plan, potentially provoking tensions and exacerbating distrust, especially in communities with negative experiences and cumulative impacts from past transmission (or other) projects.

**Equitable engagement.** Engaging equitably means that developers should address the specific needs and challenges faced by affected communities and prioritize the distribution of tangible and culturally relevant benefits commensurate with the level of impact and based on community needs as communicated by them.

Analyzing equity metrics and scores representing community impacts (e.g., climate risks, energy burden, socioeconomic vulnerability, public health impacts, etc.) is a critical early step in determining which community requires the most focus engagement throughout and as discussions occur regarding mitigation measures, offsets, and benefits. Frameworks such as the Energy Equity Project (cited above), Justice 40 Initiative (discussed in Section 7 below within the context of the 'Department of Energy [DOE] Community Benefits framework', referred to herein as DOE Community Benefits Framework), and others are necessary tools for this analysis. The Roundtable noted that equitable engagement is essential to prevent the continuation of harmful legacies (cumulative impacts) and to ensure all community members are treated with respect and fairness.

**Inclusive engagement.** To ensure inclusive community engagement at the outset and throughout a project, developers ought to thoroughly assess the impacted populations along a proposed transmission corridor(s), develop a targeted interested parties database, and ensure that communications reach all communities within the project area as early and consistently as possible. This means that if non-English speaking populations and people with disabilities reside in the project area, for instance, project materials, meeting venues, formats, and times need to be accessible in different languages and be compliant with the Americans for Disabilities Act (ADA).

Inclusive engagement ensures that all communities are prepared and equipped to advocate for themselves and provide informed feedback. This may involve allowing commu-

nity members to define what fairness means to them and encouraging decision-makers and developers to adapt project terms to respond to local priorities and needs. If communities and interested parties have ownership of the issues, their engagement will be more likely to be sustained.

A core part of inclusive engagement is balancing community interests with other interested parties, groups, and agencies representing different and broader interests at national, regional, state, and local levels (e.g., groups represented by this Roundtable), as well as siting authorities, regional transmission planning organizations, and utilities.

Striving for inclusive engagement also means balancing many differing viewpoints and anticipating and managing conflicts that may arise. Using consensus-based, mutual gains, equitable facilitation approaches (discussed above) and the expertise of an unaffiliated, seasoned, and culturally skilled facilitator can all help manage such conflicts.

### *6.1.3 Tribal inclusion and engagement*

**WHEN** | Starting as early as possible in the planning, siting, and permitting process, even before official planning begins, and continuing throughout.

**WHO** | Developer-initiated coordination and engagement with tribal council leaders and members as a first step and involve broader tribal community members through leadership channels.

**ACTIONS** | Develop an engagement plan that include tribes in the planning and decision-making process, without barriers and don't limit their involvement to merely receiving public comments. If feedback is received through public comment, thoughtfully and proactively address comments. Provide proper notice for meetings and actions requested of tribal leaders and members and pursuant to applicable tribal consultation laws. Provide support for understanding technical issues, and respect cultural need for differing time requirements to consider proposals. Acknowledge and respect their sovereign status, culture, history, resource management programs, and legal rights.

**WHY THIS MATTERS** | Engagement is important to establish trusted partnerships with tribes, who have cultural knowledge and wisdom that our governmental systems have insufficiently sought and recognized. Throughout history, much of our energy (and other) infrastructure have been built irrespective of indigenous communities' needs and their sovereignty. Thoughtfully engaging with tribes can ultimately help meet national energy needs, address historical injustices and support tribal sovereignty.

> ***"The earliest of the earliest of the earliest. It's great because you are actually creating your relationship. You are actually sitting down and talking about our thoughts and what you are seeing in a project. It gives the tribes an early look. We may say, 'We don't want it in this area because that's a cremation site. What if we talk about this area?' What if we sit down and talk about what and where would it be most practical for the tribe, versus what the developer wants? How do we meet together to have early engagement, rather than shove it down the tribes' throats."***
>
> - Alliance for Tribal Clean Energy

**Key considerations to keep in mind when implementing actions:**

**Early tribal engagement**. The early timing is crucial when engaging with tribes as there are sacred and cultural sensitivities that take time to understand and build trust around. Formal "tribal consultation" with federally/state-recognized tribes under Section 106 of the National Historic Preservation Act (NHPA), the National Environmental Policy Act (NEPA) and other federal laws contain notice provisions for convening meetings and communications (generally 30 days but can vary).

**Engage and coordinate with other parties**. It is good practice to consult a tribal expert or liaison to ensure compliance with consultation laws and to advise on appropriate actions when encountering conflicting legal frameworks. During the permitting phase, federal and state counterpart agencies will be involved to initiate conversations related to impacts on cultural and sacred sites, whether on public or private lands. Developers should coordinate engagement through agencies as appropriate, and are encouraged to continue engaging "bi-directionally" with tribes. There are numerous non-recognized tribes[44] that also need to be engaged.

**Include non-recognized tribes**. Including non-recognized tribes[45] in the engagement process is necessary as they face even more acute challenges when it comes to being included in decision-making on issues that impact them. As the federal recognition process lags for many tribes, they continue to be ineligible for many state and federal resources. Being recognized means that tribes have the ability to take care of their community members through energy-related benefits, health, education, and other essential governmental services.

**Pathways to support tribal self-determination and access**. Explore creative pathways to engage with tribes to respect their self-determination. For instance, developers can consider negotiating directly with federally recognized tribes regarding leasing of tribal lands if the tribe has invoked the Helping Expedite and Advance Tribal Homeownership Act (HEARTH Act 2012)[46] upon approval of the Secretary of Interior. The Act is intended to promote greater self-determination and help create jobs within indigenous communities.

Use *multiple channels* to keep tribes informed and engaged. Many tribes reside in areas that face gaps in critical services such as broadband and electricity, which would require communication by mail, in person, or by other non-technological means. Sharing materials in relevant tribal languages and addressing tribal leaders and members as their culture dictates helps to inform but also to build trust. A key extension of this pathway is to anticipate and respect the need for commensurate time to deliver and digest the information.

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44 Sources for non-recognized tribes: https://web.archive.org/web/20140820075011/http://www.manataka.org/page237.html#california; Office of Federal Acknowledgment (OFA) | Indian Affairs (bia.gov)

45 California Indian Tribes Denied Resources for Decades as Federal Acknowledgement Lags - San Francisco Public Press (sfpublicpress.org)

46 https://obamawhitehouse.archives.gov/blog/2012/07/30/strengthening-tribal-communities-through-hearth-act#:~:text=Earlier%20today%2C%20President%20Obama%20demonstrated,certain%20leasing%20on%20Indian%20lands.

*Develop trainings* collaboratively with tribes to enhance decision-makers' understanding and respect for tribal customs and traditions is a pathway to understanding what other channels would be appropriate and ultimately how to address and provide mitigation of potential cultural impacts.

## 6.2 Accountability and good governance

**Accountability and good governance in transmission development lays the groundwork for trust, transparency, and equitable outcomes. They result when other best practices are thoughtfully and strategically implemented.** Identification and development of systems, mechanisms, and metrics pursuant to laws, regulations, and frameworks at the outset of project development ensures high levels of understanding of impacts, and accountability and reinforces good governance throughout. Roundtable members suggested that oversight frameworks prioritize collective governance, management, and decision-making by developers, regional bodies, local, state and federal agencies, communities and other interested parties.

The Roundtable identified three best practices in this area:

1. Establish Community Benefit Advisory Boards (CBABs)
2. Create ombudsman offices at regional transmission planning organizations
3. Establish a framework for impact assessments

### *6.2.1 Establish community benefit advisory boards (CBABs)*

**WHEN** | Starting as early as possible in the planning, siting, and permitting process and continuing throughout, convening on potentially a quarterly basis and more frequently as necessary around project technical milestones (e.g., grid planning, corridor analysis, etc.), similar to community-led partnerships (section above).

**WHO** | Developer-initiated with representatives from a diverse group of interested parties from the affected communities who share an identity, geography, history, language, culture, or other characteristic or experience who can lend community voice on the issue of transmission-specific community benefits. To ensure the most unbiased selection process, the selection committee composition is critical and should include the project team, community partners, any funders, and researchers.

**ACTIONS** | Develop a plan and budget to assemble, convene and manage a Community Benefit Advisory Board (CBAB) that includes a statement of pur-

pose, vision, accountability and outcomes, anticipated governance charter or group agreements and consensus-based structure for collaboration, a list of membership interests represented and rationale for member selection criteria (as a check for potential bias), timeline for meetings and report back (feedback loop), roles and responsibilities, term limits, and compensation structure.

**WHY THIS MATTERS** | Creating a dedicated and safe forum to gain representative knowledge and feedback around interested parties' perceptions, preferences and priorities focused on the topic of community benefits leads to clearer and mutual understanding of terms and provisions to include in community benefits plans and agreements (CBPs and CBAs). Having insights and learnings from the CBAB process will streamline the negotiations and decision-making process and pre-position the most durable CBPs and CBAs, with ready buy-in from relevant interested parties and signatories.

**Key considerations to keep in mind when implementing actions:**

**Assembling and convening a representative CBAB.** Applying the member selection criteria in the plan described above, CBAB members may be selected and assembled through engagement and assessment of impacted parties and based on recommendations from the local community leaders and members and CBOs, ensuring equitable and unbiased representation.

**Proposed roles and responsibilities**. The CBAB's proposed responsibilities could include providing recommendations, standardizing the benefit processes, upholding CBA terms, and clearly defining the measurement of benefits that accrue to communities during transmission development. Roundtable members also suggested that CBABs partner with decision-makers to create pathways that empower residents, implement benefit and investment programs that best meet community needs, and embed accountability structures into processes. Ultimately, CBABs should actively participate in public engagement processes and advocate for more equitable procedures that are accountable to community direction and input.

**Applicable community-led partnerships characteristics.** Expectations and needs for CBABs will mirror those discussed for community-led partnerships and collaboration above (e.g., collaboration, feedback loop, and resourcing, as well as others that will be determined by community decision-makers). One differentiator is that CBABs will be focused less on broader transmission topics and almost exclusively on community benefits.

**Shifting the paradigm from community benefits to community investments**. As it is a priority of the ECEJ interest to aim for longer term investments versus one-time donations that are not tied to a priority community need or impact, CBABs ought to emphasize negotiating longer-term community investments and durable commitment to the community's welfare. More discussion on this reframing is included above describing ECEJ interests and below in the best practice section on community benefits and agreements.

**Momentum for topic-focused advisories like CBABs**. Within the Biden Administration's Justice 40 Initiative (J40), calling for a whole-of-government approach to addressing environmental justice, all agencies from the Department of Energy to the Department of Homeland Security have been mandated to develop thier own environmental justice strategic plan with provisions akin to those in J40. As part of the governance for J40, the White House Environmental Justice Advisory Committee (WHEJAC)[47] was established as an umbrella advisory body to collaborate with and advise federal agencies, who actively participate in meetings on general and relevant EJ issues and concerns. The WHEJAC is comprised of representative leaders and members from the EJ community and has been convening on an annual basis. Notably, a core recommendation from the 2024 WHEJAC convening calls was for each agency to establish its own issue-area (e.g., energy, justice, housing, homeland security, etc.) advisory body. This recommendation was supported by the rationale that agencies can implement more effective strategic plans for EJ if they were advised by a representative group with knowledge and expertise in that issue area.

### *6.2.2 Create ombudsman offices at regional transmission planning organizations*

**WHEN** | Can be implemented now, prior to planning, siting and permitting, and will be relevant during the transmission planning process.

**WHO** | Regional transmission planning organizations.

**ACTION** | Establish ombudsman offices to enable local communities (and other community interests) to better understand and engage in the transmission planning process.

**WHY THIS MATTERS** | Enabling local communities (and other community interests) to engage in the transmission planning process will build trust in the process and help to avoid local communities first learning of transmission projects after they have already been "approved."

47 https://www.epa.gov/environmentaljustice/white-house-environmental-justice-advisory-council; membership: https://www.epa.gov/system/files/documents/2024-04/whejac-membership-list-external-use-april-2024.pdf

**Implementation strategy:** Evaluate how FERC's Office of Public Participation can be extended to regional transmission planning organizations. This could be done on an organization-by-organization basis or could be done at a national-level through a collaborative engagement of relevant organizations.

### *6.2.3 Establish a framework for impact assessments*

**WHEN** | Throughout the transmission development process, from grid planning through to operations.

**WHO** | Transmission developers.

**ACTIONS** | Develop a framework for assessing project impacts that captures project impacts (benefits, costs, and risks) identified through compliance with regulatory processes and validated through community engagement.

**WHY THIS MATTERS** | Impact assessments are mandated by laws and regulations (e.g., NEPA and state equivalents, Executive Orders) to determine mitigation measures and strategies for the potential environmental, social, and economic effects of a project. They also provide a basis for informed and collective decision-making and impact mitigation planning. Ultimately, feedback-informed impact assessments support discussions and decisions on community benefits planning and agreements.

**Key considerations to keep in mind when implementing action:**

**Invoke DOE Community Benefits Framework's policy priorities as mitigation and benefits benchmarks for community impacts.** See Section 8 below for a discussion on DOE Community Benefits Framework impacts and benefits analysis that builds on the federal and state level environmental impact assessment regulations (e.g., National Environmental Protection Act (NEPA), its state equivalents and associated Executive Orders 12898 and 14096).

### *6.2.4 Feedback management*

**WHEN** | Set up at the grid planning stage and implemented throughout the transmission development process.

**WHO** | Transmission developers.

**ACTIONS** | Build on the engagement plan discussed above and incorporate a mechanism that provides multiple avenues to collecting, documenting, and managing feedback, some of which are discussed related to the Resource Hub. Institute an iterative, accessible and standardized process to conduct "report backs" through written reports on the resource hub and/or during meetings, office hours, and other convenings.

**WHY THIS MATTERS** | If feedback from communities and interested parties is not managed effectively, there is a risk of not incorporating critical input that would lead to advancing a certain route or the project as a whole. Managing and incorporating feedback comprehensively is a significant factor in building community trust and relationships and addressing reputational risks.

**Key considerations to keep in mind when implementing actions:**

**Start with a plan to collect, document and manage feedback to inform impact assessment results and reporting.** Extends beyond construction and commissioning to evaluate ongoing responsiveness, appropriate mitigation measures and community benefits.

See more under Resource Hub below for accessibility and structural considerations.

## 6.3 Communication, transparency and trust

**Communication, transparency, and trust are fundamental for fostering productive relationships between developers, communities, regulatory bodies, and other involved parties.** Open communication ensures that all parties have access to accurate and timely information about the project. This includes technical details, timelines, potential impacts, and benefits. Similarly, clear communication helps demystify complex technical aspects or unknown community perspectives impacting transmission projects, making it easier for all parties to understand and engage meaningfully. By prioritizing transparency in communication, all parties can prevent misperceptions and misinformation, which can lead to conflicts and delays. This is important for building trust and goodwill. For example, when communities trust that developers are upfront and considering their interests, there is likely to be less resistance and opposition to the project. Establishing trust early in the grid planning stage sets a positive tone for the entire project. The Roundtable emphasized that building trust can be time-consuming, particularly in communities with negative past experiences. Therefore, it is vital that developers acknowledge, respect, and actively work towards establishing a solid foundation for good communication, transparency, and trust.

The Roundtable identified three best practices in this area:

1. Resource hubs
2. Two-way dialogue and learning
3. Multi-channel communication

### *6.3.1 Resource hubs*

**WHEN** | Starting in the grid planning phase and continuing throughout the transmission development process.

**WHO** | Regional transmission planning organizationss (during the transmission planning phase) and transmission developers (during the remaining phases).

**ACTIONS** | Create a user-friendly project website with sections for project updates, frequently asked questions (FAQs), detailed project information, and a feedback portal.

**WHY THIS MATTERS** | Open and accessible communication channels provide all parties with accurate and timely information and facilitates active participation from diverse groups and informed decision-making.

**A resource hub should include these materials, elements and considerations:**

- All materials and collateral are ADA, language, and technologically compliant and culturally sensitive and the online interface is user-friendly. Simplifying and explaining transmission terms for community understanding by translating technical jargon into clear, layman's terms, in turn will help developers understand and effectively integrate community feedback into project plans.
- Factsheets, FAQs, explainers, "mythbusters", and other resources that comply with accessibility needs of impact communities within a project area. Take steps to identify whether links to resources external to the material are similarly compliant.
- Meeting/workshop announcements, agendas, presentations, recordings, summaries are uploaded, providing reasonable time to review before and after convenings.
- Reasonable accommodations questionnaires, feedback forms, and other surveys are prominently displayed in various locations and ways. These tools can help tremendously in determining and addressing barriers and challenges to engagement.
- Online help desk and office hours-type options and contact information (phone and email) to reach a live person for easy and responsive support and technical assistance. To be judicious and strategic in providing these options, consider reserving

a set amount of time and requesting topics for discussion in advance so both staff and interested parties can prepare accordingly.

- For those that face technology-related challenges, consider providing a link to the Resource Hub and hard copies of materials to local community centers, libraries, schools, churches, and other gathering places, and ensure outreach is done with trusted representatives on the ground about materials provided.

### *6.3.2 Two-way learning*

**WHEN** | Throughout the transmission development process, from grid planning to operations.

**WHO** | Transmission developers, local communities, and other community interests.

**ACTIONS** | Engage in at least a two-way dialogue and multi-directional learning and knowledge transfer.

**WHY THIS MATTERS** | Enables developers to anticipate community and interested parties' needs and preferences with respect to the information that they want and need to learn about the project broadly. It further helps to bridge technical complexities with human needs and build trust. Empowers communities and interested parties to provide informed feedback to advance the project while carefully considering human impacts and incentivizes overall active engagement in the project which can result in community-led efforts (e.g., CBAB).

**Key considerations to keep in mind when implementing action:**

Project teams and subject matter and communication experts would ideally be involved in developing materials and collateral that are accessible and digestible by lay persons.

Within the broader plan for engaging communities and interested parties, include a campaign for outreach to raise awareness, provide access to project information and technical assistance as needed. Delivery of accessible information is key and is optimally achieved through a central repository or resource hub that accommodates language, cultural, disability (ADA), technology, and other challenges. To be judicious in informing accessible content and design of project materials, conduct a community landscape analysis to geo-locate impacted or relevant communities within a project area, focusing on metrics (e.g., publicly available data from ACS, federal, state, and local agencies) related to demographics, languages, level of education, and community impacts. Once community

profiles are developed, obtain feedback from communities to validate assumptions, and incorporate feedback into project materials.

Through this learning and feedback loop, developers can simultaneously focus on gaining broader support to advance the project as they are equipped to make informed planning, routing, construction, and operational decisions, while avoiding delays, misperceptions, and suboptimal communication.

#### *6.3.3 Multi-channel engagement*

**WHEN** | Throughout the transmission development process, from grid planning to operations.

**WHO** | Regional transmission planning organizations and transmission developers.

**ACTIONS** | Utilize multiple communication channels. In addition to project websites and resource hub, provide channels such as hybrid community meetings and workshops, social media, traditional and ethnic media, etc. to reach diverse audiences.

**WHY THIS MATTERS** | This approach ensures that the transmission project's information is broadly available and accessible to all interested parties and community members, regardless of the dominant preferred method of communication.

**Key considerations to keep in mind when implementing action:**

**Determination of Effective Channels**. The best approach to determining the right channels for engagement is to ask for feedback on accommodations needed and preferred. This can be accomplished through community questionnaires or direct communication at meetings and events. Using a one-size-fits-all approach can result in missed opportunities for engagement and inequitable and exclusive decision-making.

## 6.4 Economic and non-economic benefits

**The realization of meaningful economic and non-economic benefits to local communities is critical to realizing successful transmission projects.** The initial identification and development of these benefits would ideally start during the transmission planning phase and should start no later than the transmission routing phase.

The Roundtable identified three best practices in this category:

1. Community benefit plans and community benefit agreements
2. Equitable and responsive financial/resource support
3. Local workforce development

Broadly speaking, Roundtable members shared that communities often seek both short- and long-term economic and non-economic benefits from energy infrastructure projects. Economic benefits are measurable in monetary terms, such as increased revenue and cost savings, while non-economic benefits, though not easily quantifiable, significantly impact quality of life, social well-being, and overall satisfaction of communities. Both economic and non-economic benefits can manifest in the short term, providing immediate boosts through job creation, increased income, and aesthetic enhancements. These benefits can also extend beyond temporary gains to long-term impacts, such as sustained community development, improved infrastructure, and enhanced quality of life for community members.

During the Roundtable's discussion of economic and non-economic benefits, an ask was made to reframe the discussion from benefits to investments. The reason for this ask was that in many communities, especially marginalized communities, the historical 'benefits' that have been received from infrastructure projects are viewed as "trinkets, as opposed to real investments in the community." That the term benefits has taken on such a negative connotation within certain communities is notable.

Due to the growing use and awareness of 'community benefit plans' and 'community benefit agreements' — in large part due to requirements in IIJA[48] and IRA[49] — DNV elected to use the term benefits in this report. Having said that, the use of the term 'benefits' in this report is intended to represent meaningful investments in local communities that are viewed positively by members of the local community long after the project has been developed.

48 H.R.3684 - 117th Congress (2021-2022): Infrastructure Investment and Jobs Act | Congress.gov | Library of Congress

49 H.R.5376 - 117th Congress (2021-2022): Inflation Reduction Act of 2022 | Congress.gov | Library of Congress

### *6.4.1 Community benefit plans and community benefit agreements*

**WHEN** | Discussions should begin as early as practical within the transmission development process; likely during planning, siting and permitting.

**WHO** | Transmission developers and local communities.

**ACTION** | Creation of community benefit plans that lead to the execution of community benefits agreements.

**WHY THIS MATTERS** | Legally binding and enforceable community benefit agreements enable local communities to trust that developer commitments will be delivered as envisioned, thus furthering trust in the overall development process.

A thorough discussion of community benefits agreements (CBAs) is provided later in this report (see Section 8).

At a high-level, the Roundtable emphasized the importance of CBAs reflecting the needs, values, and priorities of the communities they serve, with a strong emphasis on fair distribution. Members of the Roundtable further highlighted the significance of investments that contribute to community wealth, generate new jobs, and enhance health outcomes. Proposed investments encompass infrastructure improvements like schools, broadband, and parks, alongside initiatives such as youth and college scholarship opportunities.

One notable recommendation brought forward by a Roundtable member was for federal, other states', and regional transmission planning and policy approaches with regards to community benefit plans and CBAs, thereby requiring projects receiving state funding to develop community benefit plans and, later, community benefit agreements (analogous to current federal requirements through IIJA and IRA).

**Other CBA recommendations brought forward by Roundtable members included:**

- Collaboration between the transmission developers and local communities early in the project to develop a priority list of the benefits and desired outcomes that would result from the project for each local community.
- An established methodology to define and measure the benefits that would accrue to the local communities.

### *6.4.2 Equitable and responsive financial/resource support*

**WHEN** | New funding programs would need to be implemented now, prior to grid planning. Funds would be used to support community engagement throughout the transmission development process.

**WHO** | Governors' offices in partnership with state energy offices and transmission authorities and state departments of commerce.

**ACTION** | Identify funding mechanisms to support the participation of community-led organizations (e.g., CBOs) in the transmission development process; for instance, states could establish a micro-grant program for community-led organizations in need of financial support.

**WHY THIS MATTERS** | Without financial resources, many communities struggle to fully assess and then represent their needs early in the transmission development process; as a result, community needs surface later in the transmission development process when it is harder and more costly to make changes to the project to address community needs.

The inherent nature of transmission lines as long linear infrastructure results in many different communities (including different types of communities) being impacted along their length. Large and medium-sized cities are often well positioned to engage during the development process of transmission lines and other large infrastructure projects. These cities have dedicated resources and established systems that can be used to engage their residents and surface their needs and concerns. By comparison, counties, towns, and townships have a much smaller set of resources at their disposal and lack the established processes and systems to identify and surface the needs of their residents. For these reasons, financial support during the transmission development process can greatly benefit smaller and/or lower socio-economic communities.

Several roundtable members emphasized the critical role of resource support and financial aid for community members and CBOs as an equity best practice. Additionally, compensating communities and/or community organizations for their time to participate in the transmission development process has the dual benefit of:

- Demonstrating respect for stakeholders' time, expertise, and efforts, which can help to foster trust and collaboration.
- Promoting inclusivity, which leads to more balanced and representative decision-making processes and project outcomes.

**In the case of this Roundtable, Roundtable members could opt in to a participation stipend program.** The Participation Stipend Program (paid for by ACEG) provided Roundtable members who opted-in with a $3,000 stipend. The stipend was designed to reasonably cover the time and effort their organization committed to the process: stakeholder's time was valued at $150/hour and members committed twenty hours to participating in the Roundtable. By structuring the program with an opt-in feature, ACEG and DNV strove to be fair, while honoring self-determination and equity for members.

**Important consideration:** One concern that may arise in creating a state-led funding program is that the financial support provided could become used for intervenor funding. States creating such a funding program would have to think through this possibility and determine whether this was a concern from their perspective, and, if so, how they would address this concern (e.g., guardrails on how the funding could be used, caps on the total funding dollars available, etc.). While this is a potential barrier to the creation of such funding programs, it shouldn't be an insurmountable one given the significant benefits of such funding: namely, discovering community needs earlier in the transmission development process and establishing a more-level playing field for community engagement.

### *6.4.3 Local workforce development*

**WHEN** | At start of the transmission routing process during corridor analysis.

**WHO** | Transmission developers in coordination with local communities.

**ACTION** | Begin discussion of project labor agreements and identifying existing community programs that could help deliver pre-apprenticeship training (where needed) to enable the hiring of local labor.

**WHY THIS MATTERS** | Establishes a goal for local hiring requirements early in the process and then identifies the resources that will be needed to achieve that goal.

Roundtable members noted that effective workforce development programs actively engage local communities, prioritizing local hiring practices and providing community members with early access to project opportunities. Transmission developers, labor organizations, and local communities should work together to enable local community members to meet the basic requirements for entering labor and pre-apprenticeship programs. For transmission projects, these basic requirements often include: proficiency in high-school algebra; spatial awareness and reasoning; and comfort working in an en-

vironment with exposed heights. Initiating these efforts early allows sufficient time for community members to demonstrate readiness and participate in training, fostering a skilled and inclusive workforce for the project.

Several roundtable members emphasized the critical importance **of inclusive workforce development programs across all career levels**. These programs enable individuals from diverse backgrounds to access meaningful employment opportunities, advance professionally, and enhance their socio-economic mobility. When establishing inclusive workforce development programs, it can be helpful to set guidelines or standards to include, educate, and elevate all segments of a community's workforce.

Inclusive workforce development programs and/or standards can be particularly important for communities whose members may be traditionally excluded from certain fields of work. For example, communities with high rates of formerly incarcerated people may find it difficult for their members to be hired onto a project without such inclusive workforce development programs and/or standards. This can be an acute source of pain for these communities, especially when the incarceration rate in their community can be linked to systemic issues (e.g., racial discrepancies in the sentences handed out by the judicial system).

## 6.5 Non-Consensus Issues

As part of the consensus decision-making process, Roundtable members were able to defer suggested ideas for further discussion if warranted. Two topics in particular were deferred for discussion during the Roundtable meetings. However, as consensus was not clearly achieved then nor through the Report review process, these ideas were ultimately deemed non-consensus items. The rationale, context, and points of discussion for these non-consensus items are provided below.

### *6.5.1 Pathways to enable local workforce development*

**Rationale and context:** Roundtable discussions revealed that local workforce development is a key priority for affected communities. Roundtable discovery sessions also revealed that local workforce development is challenging for transmission projects given the specialized labor required. It was clear from the Roundtable discussions that pro-actively addressing this point of non-consensus is an important opportunity to remove a possible point of contention for future transmission projects.

**Non-consensus points of discussion made by Roundtable members:**

- **Create a Balanced Workforce Development Strategy.** Acknowledge the importance of both union and local workforce development. Transmission projects could leverage union labor for critical skilled roles while also creating opportunities for local workers through upskilling and training programs. Developing partnerships with local community colleges and apprenticeship programs can prepare workers

for semi-skilled roles in transmission projects.

- **Expand Apprenticeship and Upskilling Programs.** Consider utilizing programs like the Workforce Innovation and Opportunity Act (WIOA) to provide apprenticeships and certifications for local workers. This can help address the labor shortage and ensure that jobs created by transmission projects are sustainable and inclusive. Workforce development is a long-term investment in local economies and project sustainability. It's important that we do not view local workforce development as a program only aimed at low-level unskilled jobs but rather as a comprehensive, turnkey solution aimed at benefitting both communities and developers alike.
- **Present Data on the Growing Demand for Skilled Labor.** Use Department of Energy and Department of Labor data to show the labor gap in the U.S. energy sector. Projects of this scale will likely require a combination of both union and non-union local workers. Hiring locally, whether for skilled or unskilled labor, is unlikely to take jobs away from union workers given the significant labor gap. Further, hiring locally should help bolster the U.S. workforce as a whole.
- **Collaborate with Local Workforce Systems.** Establish partnerships between developers, unions, and local workforce boards to ensure a pipeline of talent for both skilled and semi-skilled positions. This collaboration should focus on targeted hiring, career pathways, and equitable job access for underrepresented groups, including women, minorities, and displaced workers from other industries.
- **Targeted and Local Hiring.** Targeted hire can refer to a range of disadvantaged communities — from coal industry workers to residents of low-income census tracts, women, justice involved, etc. Local hiring refers to hiring within a defined geographical range. To be successful, local hiring should not target too small of an area (e.g., just the host communities). This is because hiring from too small of an area makes it challenging for hired individuals to find opportunities on future projects, thereby enabling them to build a career. This works best when multiple projects in a given region have similar local and/or targeted hiring requirements (e.g., people from high-poverty census tracts). Also, a key to targeted hiring programs is working with community-based organizations that have the trust of the targeted community. For example, the transmission developer and relevant unions might work with the National Urban League to recruit apprentices in urban areas or with an association of mine workers to recruit former members of the coal industry.
- **Percentage of Work Hours for Job Training.** Provisions in project labor agreements (or elsewhere) that include a percentage of work hours to go towards paid on-the-job training opportunities for registered apprentices and pre-apprentices are important for local workforce development. Setting aside a percentage of project funds to support the training pipeline for the targeted hiring program also benefits local workforce development and can help build career pathways out of

poverty (e.g., to support the work of the National Urban League to recruit training participants or work closely with union apprenticeship programs for placement of pre-apprentices into union apprenticeships). A planning portfolio of transmission lines is the perfect opportunity to be thinking about the systemic approach to training the future diverse workforce that will be needed to do the work.

- **Contributor to Economic Development.** Workforce development is an important contributor toward economic development needed by many of these local communities. Section 6.4 of this Report on Economic and Non-Economic Benefits provides important context for workforce development as a primary means of delivering both types of benefits. Local workforce development programs ensure sustained economic benefits through long-term employment and career progression, not just temporary construction jobs. These programs can be highlighted as critical to creating durable local wealth by addressing skill gaps that exist in underdeveloped communities. This creates higher-paying, permanent jobs, which enhances economic resilience. This also aligns with the paper's emphasis on equitable engagement — providing training that specifically targets vulnerable populations like Justice 40 communities, ensuring those most impacted by past environmental injustice gain the most from these opportunities.

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**ROUNDTABLE RECOMMENDATIONS.** The Roundtable agreed that a national roundtable (or similar forum) to explore and discuss specific challenges of targeted hiring and local workforce development for transmission projects would be helpful.

The Roundtable further agreed that regional transmission planning organizations, when planning a portfolio of transmission lines, should consider establishing a program that includes funding to support local workforce development in the affected communities.

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### *6.5.2 Balancing local and union hiring and training*

**Rationale and context:** This best practice examined the incorporation of union labor standards into project contracts (e.g., fair wages, job security for workers) while implementing local hiring programs and apprenticeship utilization requirements, with a particular focus on supporting the under-employed and vulnerable workers.

**Non-consensus points of discussion made by Roundtable members:**

- **Fosters a harmonious work environment**. Balancing both local and unionized job opportunities as a best practice in transmission development helps ensure that all workers, regardless of their union status, can contribute effectively to projects. This promotes collaboration and mutual respect, which can contribute to a harmonious work environment.

- **Mitigates potential conflicts**. Balancing local and union hiring as a best practice helps to mitigate potential conflicts between local non-unionized workers and union labor. When local and unionized workers collaborate effectively, the overall productivity and success of the project improve.
- **Incorporates fair labor standards.** Balancing union and local hiring is likely to lead to the incorporation of union labor standards into project contracts. This approach helps ensure fair wages and job security, creating a more stable work environment.
- **Addressing community needs through local hiring**. Balancing union and local jobs facilitates the implementation of local hiring and apprenticeship programs. These initiatives, especially those aimed at supporting vulnerable communities, contribute significantly to local economic development and address specific community needs.
- **Past positive outcomes.** In the past, balancing union and local jobs has created positive outcomes such as increased representation for Minority-Women-owned Business Enterprises (MWBEs). Perhaps, as a best practice in transmission development, projects can contribute to broader economic inclusion and support the growth of underrepresented businesses.
- **Susceptible to conflicts**. Conflict was deemed inevitable due to competing union and local interests. As such, to improve the likelihood of the best practice being accepted, some Roundtable members emphasized the need for integrating clear guidelines that resolve potential disputes fairly and ensure all parties feel heard and respected.
- **Potential disconnects**. Unions often have specific requirements and processes for hiring and training, which may not align with local hiring preferences or practices, and vice versa. In addition, local training programs may be tailored to the community's specific needs and may not align with union standards. These and other potential disconnects can impede the creation of good working relationships.
- **Locals inequitable access to unions**. Access to unions can offer local workers more competitive compensation packages, professional licensure, better working conditions, and comprehensive health benefits. However, unions often require membership fees or dues, which can be a barrier for local workers, particularly those from lower-income backgrounds. This prevents local workers from benefiting fully and contribute to inequity.
- **Prioritization of local hiring and training.** There is a need to prioritize local hiring and training as a best practice when including community-specific needs in transmission planning. As such, the concept of "balance" was perceived to present limitations and potentially undermine the focus on enhancing local workforce development.

- **Availability of qualified local workers.** Local workers must meet the basic requirements for entering labor and pre-apprenticeship programs. For transmission projects, these basic requirements often include: proficiency in high-school algebra; spatial awareness and reasoning; and comfort working in an environment with exposed heights.

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**ROUNDTABLE RECOMMENDATIONS.** The Roundtable agreed that local jobs should be integrated as part of the standard planning process. However, uncertainty related to what constitutes "balance" between union and local hiring left the membership agreeing to explore alternatives to this best practice.

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### *6.5.3 Forging bipartisan partnerships*

**Rationale and context**: Forging bipartisan partnerships can accomplish the following:

- Maintain bipartisan allyship.
- Keep separate from advocacy/lobbying for the issue, which should be directed at appropriate party leadership and constituency.
- Community benefits advanced by one party can reflect bipartisan outcomes and be beneficial for all, regardless of affiliation (e.g., Big Wires Act[50]).

**Non-consensus points of discussion made by Roundtable members:**

- **Historical bipartisan nature of transmission**. Transmission infrastructure has long been a bipartisan issue, reflecting a shared recognition of its importance across political divides. As such, incorporating bipartisanship as a best practice transcends party lines.
- **Political spectrum inclusivity**. Transmission development projects span the entire political spectrum, engaging individuals, groups, and entities from various political backgrounds. This breadth lends the idea that bipartisanship as a best practice in the transmission development process would be inclusive of varying political viewpoints.
- **Importance of bipartisan allyship**. Allyship across party lines, distinct from traditional joint advocacy or lobbying, enables smooth progression and stability in transmission development projects. This can provide benefits such as reduced risk of project delays caused by shifting political landscapes.

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50 https://www.govtrack.us/congress/bills/118/hr5551/text; https://www.hickenlooper.senate.gov/press_releases/hickenlooper-peters-introduce-big-wires-act-to-reform-permitting-lower-energy-costs/

- **Cross-party advantages**. Bipartisanship results in benefits that are advanced by one party but advantageous for all. As such, bipartisanship as a best practice in transmission development creates benefits for the broader community, regardless of political affiliation.
- **Past bipartisanship successes.** Initiatives like the Big Wires Act exemplify how bipartisanship can lead to widely recognized and supported transmission projects. It also showcases how bipartisanship supports equitable distribution of transmission infrastructure benefits.
- **Partisan views may hinder progress**. Concerns exist that entrenched partisan perspectives could cause political disagreements and hinder progress, causing delays and inefficiencies.
- **Potential for politically motivated and divisive partnerships**. There are apprehensions that bipartisan partnerships could become politically charged and divisive rather than collaborative. Such partnerships might prioritize political gains over genuine progress of transmission projects, potentially undermining success.
- **Importance of transcending political divides.** For all parties involved, advancing transmission infrastructure is the priority and common goal. Therefore, collaborative efforts should extend beyond political frameworks, addressing challenges and opportunities in ways that transcend individual political interests.
- **What constitutes a bipartisan partnership?** Some Roundtable members sought a clearer understanding of the parameters and objectives of bipartisanship, highlighting the distinction between bipartisanship driven by genuine collaboration and that which is influenced by political maneuvering.

**ROUNDTABLE RECOMMENDATIONS.** After discussions, the Roundtable confirmed their alignment on the ***concept*** and ***spirit*** of bipartisanship as a best practice but recommended exploring alternative language and framing to minimize the politicization of transmission issues. Suggested reframing strategies include emphasizing progress and solutions rather than political barriers, and highlighting the limited achievements made through non-partisan collaboration. This shift aims to redirect attention from potential obstacles associated with partisanship towards positive outcomes achieved through inclusive and cooperative efforts.

# 7 | CASE STUDY: APPLE VALLEY TO E-CITY

Once the consensus best practices had been established, the Roundtable was asked to test out the application of these best practices in a case study. Testing out the consensus best practices in a case study afforded the opportunity to concretely answer the questions:

- When in the transmission development process should this best practice be applied?
- How would the best practice be implemented (e.g., actionable strategies)?
- Which community interest(s) would be responsible for implementing it?
- How do equity metrics (community impacts data) inform community engagement and benefits planning?

Below we provide the overview for the Apple Valley to E-City case study that was shared with the Roundtable. The full case study provided to the Roundtable is included in Appendix A.

**CASE STUDY OVERVIEW**

Two state energy offices and a regional transmission coalition are initiating a high-voltage transmission development process to connect Apple Valley to E-City. The envisioned transmission line would: 1) enable energy development and improve grid reliability in the Apple Valley region; and 2) move energy generation to E-city. Apple Valley has a diverse group of communities spread across six counties and two states, as well as federal and tribal lands. Currently, Apple Valley relies on a single transmission corridor, traversing a high wildfire risk zone. E-City has growing electrical demand and aggressive decarbonization goals, which require new generation sources.

The case study also included the Generalized Transmission Development Timeline shown in Figure 7-1. This timeline established a naming reference for where in the transmission development process a best practice was being applied.

**FIGURE 7.1** Generalized transmission development timeline


### *7.1.1 Application of best practices to the case study*

Roundtable members had roughly an hour in the third and final Roundtable meeting to test out applying a best practice to the case study. The best practice chosen by the Roundtable was "foster early and consistent collaboration with communities by engaging them at the outset of transmission planning" (henceforth 'early engagement').

Applying this best practice to the case study, it quickly became clear that there were multiple actions associated with the implementation of the best practice and that these actions were present in multiple parts of the development timeline.

Below we present the Roundtable's initial thoughts from applying the early engagement best practice to the case study. These initial thoughts were helpful for identifying concrete actions that might be taken. Most also produced follow-up questions, revealed implementation details that would need to be clarified, and/or led to the identification of potential constraints that would require modification of the initial thought.

**Initial thoughts when applying the early engagement best practice to the planning phase:**

- Work with groups such as county and municipal associations to educate communities on opportunities to participate in regional transmission planning organization stakeholder processes as well as the importance of their engagement.
- Regional transmission planning organization is the planning authority which defines a starting point. At what point is the engagement initiated?
- Provide resources for communities to participate at regional transmission planning organizations, including either financial compensation or staffing.
- Require early public notice of study areas or constraints by the regional transmission planning organizations; existing regulatory processes have a standard of the placement of announcement in some type of media that reaches the public.
- Develop lists of potentially impacted communities / stakeholders / constituencies.
- Desktop research on state and local energy and community development priorities.
- Aim for tribal partnership vs. simply engagement.

- Pre-culture surveys with tribes creates a partnership at the beginning of project and reduces friction.

**Initial thoughts when applying the 'Early Engagement' best practice during the Routing Phase**

- Seek local feedback on Community Advisory Board / Community Working Group members who represent diverse community interests; outreach to members to recruit participation; hold initial group meetings; begin outreach to local governments and community organizations to introduce corridor analysis underway.
- Host community meetings within project study areas to gather concerns and preferences before putting potential alignments on a map.

### *7.1.2 Development of report recommendations*

Using the insights gained from the application of the early engagement best practice to this case study, DNV drafted a set of report recommendations. These recommendations were designed to create modest improvements for a specific part of the transmission development process for specific community interests. Once drafted, Roundtable members were provided with two opportunities to review, edit, and improve upon the report recommendations. Moreover, Roundtable members were asked to focus their review efforts on the report recommendations to make them as specific, actionable, and broadly agreeable as possible. A select set of the final recommendations is provided in the executive summary in Section 1 and the full set of final report recommendations is provided in Section 9.

# 8 | BEST PRACTICES FOR COMMUNITY BENEFITS AND PROJECT AGREEMENTS

## 8.1 Introduction: evolution of community benefits agreements

Adhering to and implementing frameworks like PACE for community and stakeholder engagement is foundational to advancing electric transmission (and other infrastructure projects) but implementing them with commitment, accountability, and durability requires taking it to the level of legally binding Community Benefits Agreements (CBAs) and other project agreements.

Historically, it was common practice for economic, infrastructure, and transmission developments to be planned and built without consultation of the community directly impacted by such projects and much less consideration on mitigation measures for project impacts.

The National Environmental Protection Act (NEPA) and its Executive Order 12898 accompaniment (Clinton Administration), provides guidance[51] to consider (not mandate) community benefits for those populations identified as environmental justice (e.g., low income, minority, or tribal populations) populations who may experience "disproportionately high and adverse human health or environmental effects" from a project. The benefits analyzed under this guidance tended to be proffered narrowly, to offset those direct project impacts that were not fully "mitigable." For instance, if a mitigation measure for a direct project impact such as noise could only address 65% of the impacts, EO 12898 can be invoked to determine community benefits that might offset the 35% of noise impacts that remain. Such benefits could include sound-proofing of homes, schools, and other community buildings in the impacted area, or others that can be reasonably connected to project noise impacts.

The Community Benefit Movement and use of CBAs are thought to have emerged when funding for urban development projects proliferated, about the same time as the regulatory guidance release (late 1990s). The movement grew out of coalition building around environmental justice principles and based on the idea that economic development should tangibly improve the lives of local residents, especially those in low-income neighborhoods and communities of color. The first CBAs were hard won by community

51 https://www.epa.gov/environmentaljustice/ceq-environmental-justice-guidance-under-national-environmental-policy-act (1997)

coalitions at a time when developers asserted that they were in the "business" of building and not necessarily community benefits. To some extent, this assertion still stands today.

With the advent of the DOE Community Benefits Framework and Executive Order 14096[52], community benefits plans and agreements now are seeing a culture shift and are synonymous with the household names of its supporting and robust funding mechanisms[53] (e.g., IRA, BIL). DOE's guidance facilitates broader and more self-determined negotiation power for communities, while mandating more accountability (through equity metrics) and structured planning from developers. In the case of the noise impact mitigation discussed, options to offset the 35% of "unmitigable" noise can include broader community benefits such as open space and parks, upgrades to homes beyond sound-proofing to address health hazards and to position the community for the electric grid. Developers also benefit; through well-drafted CBAs and thoughtful community engagement around them, projects can avoid opposition, costly and protracted delays, and litigation.

**Community Benefits Agreements Defined**

A [voluntary], legally binding agreement between community organizations and a developer, stipulating the benefits a developer agrees to fund or furnish, in exchange for community support of a project. These benefits may be contributions to economic development funds, resources for the community such as affordable housing, public parks, or measures to protect or mitigate environmental concerns. Community benefits agreements provide commitments beyond the intrinsic value of a project (e.g. reliability or greenhouse gas reductions) and are legally enforceable.

- U.S. Department of Energy

There is such an imperative for advancing transmission and evidence that CBAs do not currently have a national or state level standard or typical definition, form, or process that it would behoove our research and advocacy community to abandon siloed and duplicative work in favor of coordinating diverse voices to coalesce on a consolidated framework of best practices for CBAs (and community engagement, as covered in the previous segments of this report). This framework would then become the basis for *consensus-based* discussion among interested parties and an agenda for legislative level change.

Thus, a core objective of this Roundtable process and report are to identify and build on key, current and past research and advocacy related to infrastructure CBA best practices that are publicly available, while uplifting the relevant and diverse perspectives shared by the Roundtable to support it and drive transformative change at the community and legislative levels. As such, this segment will address: 1) strategies for developing consolidated (from available research), diverse (from Roundtable), and impactful best practic-

52 Federal Register :: Revitalizing Our Nation's Commitment to Environmental Justice for All

53 https://www.whitehouse.gov/invest/

es and considerations for developing and negotiating infrastructure CBAs; 2) challenges and barriers for the same; and 3) application of CBA best practices to the Case Study developed for the Roundtable process (see above), with the outcome of a recommended transmission-specific CBA best practice framework.

**Policy Note**

State policy can but usually don't incentivize or require CBAs. Simultaneously, developers tend to negotiate with local officials who control project regulations and approvals. This can leave community groups feeling excluded and underrepresented.

State policy could incentivize developers to include community representation as part of the CBA negotiation process to arrive at a more community inclusive and responsive CBA.

## 8.2 Strategies for developing consolidated, diverse, and impactful best practices for transmission-specific CBAs

### STRATEGY 1 | CONSOLIDATE AND BUILD ON SELECTED PUBLICLY AVAILABLE RESEARCH[54]

**CBA Models**. Even as we track the evolution of CBAs, they remain nascent for our energy infrastructure development. There are virtually no tangible best practice models or examples in the electric transmission realm, as reported in the *Sabin Center for Climate Change Law Community Benefits Agreements Database*[55] as part of a paper entitled *Expert Insights on Best Practices for Community Benefits Agreements*[56] which documents "recommendations from attorneys and other experts who have collectively negotiated dozens of CBAs for climate infrastructure and other types of projects."

The Database reports merely two CBAs under the header "Cables and Transmission." One is identified as "not technically a CBA" and the other is a 2002 CBA between cable companies and fishermen. While the Sabin Center guide pertains to direct air capture hubs and $CO_2$ pipelines, it contains valuable and transferable guidance on negotiating and drafting CBAs for transmission.

To advance successful transmission-focused CBAs, given its emergent nature and lack of precedent, it is necessary to look to established models related to other technologies and infrastructure developments such as transportation or onsite energy. A recent NREL report, *Benefits and Burdens: Exploring the Role of Community Benefits in Wind Energy Development*[57], asserts that: 1) community benefits process is an emerging practice; and 2) applicable to many energy technologies beyond wind energy.

54 Models shared by Roundtable Members.

55 https://climate.law.columbia.edu/content/community-benefits-agreements-database

56 https://scholarship.law.columbia.edu/sabin_climate_change/206/

57 https://www.nrel.gov/docs/fy24osti/88603.pdf

**CBA process, structure, and types**. To learn more information related to content and structural aspects and types of CBAs, as referenced in the following publications:

- *Electric Transmission Development and Community Engagement,* by Gridworks for the Colorado Electric Transmission Authority (CETA)[58]
    - A desktop research-based toolkit identifying best practices for community engagement and CBAs, key elements of and types of CBAs and project agreements, as well as relevant compensation mechanisms.
- *Renewable Energy: Providing a Spectrum of Potential Community Benefits* in "Clean Energy in Michigan"[59]
    - Innovative analysis that places community benefit scenarios on a spectrum (from higher individual benefit to higher group benefits) and maps them to a type of benefit (e.g., landowner lease payments, local employment and procurement, community enhancement fund, state/local taxes) and identifies corresponding risks.
- Rocky Mountain Institute (RMI)'s *Community Benefits Catalog*[60]
    - This Catalog connects community benefit examples both to federal funding program criteria and to stakeholder priorities. The searchable catalog allows users to find which types of benefits might meet federal policy guidelines from DOE and USDA and that also address particular community concerns.
- *Benefits and Burdens: Exploring the Role of Community Benefits in Wind Energy Development*, by NREL[61]
    - NREL's research is premised on the examination of over 200 (out of 500+) wind energy projects that proffered community benefits — what types and value. It also covers the process to establish CBAs, community outlook, equitable outcomes and one of its findings is that CBAs currently have no standard or typical definition, form, or process in the United States.

**Policy Note**

The fact that transmission CBAs do not currently have a national or state-level standard, typical definition, form, or process triggers a potential policy level mandate or guidance to develop a uniform framework (similar to the DOE guidance for community benefits plans).

Even with community benefits progress under J40, compliance and enforcement has been inconsistent and arbitrary. Taking the J40 culture shift in community benefits a step further would require legislative-level change.

58 *CETA Community Engagement Toolkit Lit Review (gridworks.org)

59 CS16_Benefits.pdf (michigan.gov)

60 https://rmi.org/insight/rmis-community-benefits-catalog/?utm_medium=email&utm_source=spark&utm_content=spark&utm_campaign=2024_08_15

61 https://www.nrel.gov/docs/fy24osti/88603.pdf

- Several aspects of wind energy development that are distinct from transmission include the project timeline and milestones, which involves a standard leasing phase and a different order for planning, siting and permitting, and the lead federal agency (Bureau of Ocean and Energy Management - BOEM) will grant credit for CBA commitments in form of loan repayment credit.

- *Community Benefit Agreements, An Experiment in Third-Party Facilitation between Communities and Utility-Scale Renewable Energy Developers*, Max Engagement in partnership with NREL
  - This study addresses the common CBA process for onshore wind that has many gaps and for which non-monetary components have the most impact. It evaluates improvements to gain community support using a holistic CBA process. Key findings are that state policies can but don't incentivize or require CBAs and that developers tend to negotiate with local officials who control project regulations and approvals, leaving community groups feeling excluded and underrepresented.

**CBA Barriers and Challenges**

*Common Challenges in Negotiating Community Benefits Agreements and How to Avoid Them*[62], by Community Benefits Law Center and Partnership for Working Families, summarizes key challenges including:

- **Lack of community representation**. If the community isn't strongly represented in the negotiation process, or if the commitment to negotiating legally enforceable agreements isn't authentic, the community may not realize the full potential of the CBA. For example, an agreement negotiated solely by elected officials may claim to represent the entire community, even if that isn't the case.
- **Weak enforcement**. If the CBA is poorly drafted or has weak enforcement provisions, the benefits may not materialize, even if the community assumes they will. This will result in potential harm to the community and create more distrust as a barrier for community support of the project in question, but future projects involving the community.
- **CBAs that don't address community needs**. The CBA might not address the actual needs of the impacted community. For example, communities of color are often excluded from development decision-making processes, but CBAs can help them guard against gentrification and displacement.

62 https://www.datocms-assets.com/64990/1657040054-effective-cbas.pdf

## STRATEGY 2 | ANALYZE AND DISTILL NON-TRANSMISSION CBA MODELS FOR APPLICABILITY TO TRANSMISSION

Once a model is identified, analyze and distill it for commonalities and applicability to transmission, while recognizing the importance of adapting and tailoring the CBA based on unique community needs and interests. For instance, the framework for engaging and negotiating benefits with communities along a 100-mile rail or highway project would be analogous to the same-scale transmission corridor. The difference might pertain mostly to project impacts and community interests and needs based on unique geography (e.g., rural vs urban), challenges, and characteristics (e.g., high unemployment, low income, people of color, energy burdens).

Models to reference (actual agreement instruments are confidential):

- Morongo Transmission LLC, a partnership between the Morongo Band of Mission Indians as the majority owner and Coachella Partners, LLC, a subsidiary of Axium Infrastructure[63]
  - Description: CBA established by Morongo Band of Mission Indians as the first Native American tribe in the US participating in a transmission project (Southern California Edison's [SCE] West of Devers Upgrade Project) owner as Morongo Transmission LLC in exchange for access to its right of way.
  - *Benefits include* energy cost savings for individual tribal members, direct payments for use of ROW, transmission project would pay for itself from revenue it creates, tripled Tribe's capacity to transmit solar, wind and battery power.
- California High-Speed Rail Authority and the City of Selma, Central Valley Workforce Development Center[64]
  - *Description*: CBA to create a workforce development center.
  - *Benefits include* pre-apprenticeship classes and hands-on construction industry training for Central Valley residents, including veterans, at-risk youth, and minority and low-income populations.
- California High-Speed Rail Authority and Northern California Environmental Justice Communities[65]
  - *Description*: CBAs with various organizations, agencies and entities along the San Jose to Merced Project Section (130 miles) corridor resulting from the Environmental Justice Community Improvement Planning, Agreement and Engagement Process under NEPA and Executive Order 12898.

63 https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M080/K274/80274781.PDF
https://morongonation.org/news/morongo-becomes-first-native-american-tribe-to-be-approved-as-a-participating-transmission-owner-in-nation/

64 https://cvtcprogram.com/

65 https://hsr.ca.gov/2023/04/19/news-release-high-speed-rail-authority-receives-excellence-award-for-advancing-diversity-and-social-change/

- *Benefits include* park and street safety improvements, school/community recreational facilities, supporting school bus routing, pedestrian/bike connections and overpasses, school retrofits, insulation to address noise impacts, and reestablishing a library focused on civil rights at an African American community center.

**CBA Best Practices applicable and transferable to transmission:**

- Apply Free, Prior, and Informed Consent thoughtfully when engaging with tribes.
- Design benefits to not be boilerplate, nor applied "end-to-end," but mapped and tailored to project impacts community-by-community along the project route.
- Approach communities with respect and trust; be prepared and informed by conducting community context/landscape assessment, defining and geospatially mapping proposed benefits to unique community characteristics and challenges represented by publicly available equity metrics (discussed below). Beyond providing mitigation measures to address project effects, what benefits can be proposed for a community facing acute socioeconomic vulnerabilities and climate risks (as determined by equity data)? Perhaps benefits such as workforce training and development and climate and grid resiliency upgrades to housing and infrastructure in the area as a start. Such data-based findings and assumptions would then need to be validated through community engagement and eventually be incorporated into CBPs and CBAs for that community.

> **WHEN is it best to engage on CBAs?**
>
> CBA-focused engagement starts **at the grid planning phase**, and is integrated into the full project technical milestones, incorporating feedback and report back loops along the way. This approach espouses integrated planning, whereby engagement is conducted alongside technical work.

- CBA-focused engagement starts early and is integrated into project's technical milestones, incorporating feedback and report back loops (Integrated Planning).
- Form public/private partnerships to ensure implementation capacity and accountability.
- Form a community benefits advisory board or working group (CBAB — referenced in Best Practices section above).
- Utilize Memorandums of Understanding (MOUs) to set mutual expectations and rules of engagement/negotiations.
- Develop draft plans to negotiate early, saving formal negotiations for later in process when plans have evolved and more information has been discoverable.
- Deploy interest-based negotiation approaches (similar to employing a mediator).

### Tribal

Tribes are increasingly leveraging the HEARTH Act[66] which allows for a Tribe to create a lease template that is pre-approved by the Bureau of Indian Affairs (BIA). This expedites the process in that each individual lease does not have to be approved by BIA before it is initiated. The Tribe can negotiate specific terms for each deal then uses the lease template to memorialize the transaction. Part of the HEARTH Act is that the Tribe can maintain control of the NEPA process within their trust land or Reservation boundaries. As an intermediary agency is not leading negotiations, this pathway allows for more: 1) effective tribal economic development as more expedient and streamlined execution of leases may encourage lessees to responsibly invest and develop in tribal communities; 2) tribal control over regulatory actions that are tailored to the unique needs of the Tribe's community; and 3) regulatory support for a lease submitted to the federal agencies (25 CFR Part 162).

### Energy, Climate, and Environmental Justice

Although the term CBA is not new, it has evolved out of the environmental, climate, and energy justice movement to warrant reframing as Community Benefit Investment Agreements (CBIAs) and expanded to include more comprehensive, wrap-around and longer-term "commitments" to communities versus one time "charitable" payments that may not meet needs and interest of communities.

CBAs ensure that local residents share in the benefits of major developments in their communities. They elevate the voices of community residents and shift the balance of power in economic development from developers back toward the community. They enable local residents to have a meaningful seat at the table with public agencies and developers, shaping large-scale development projects in their neighborhoods, pressing for community benefits tailored to their needs, and holding developers accountable for their promises.

> ***Let's reframe community benefits to community investments to call for longer term commitments, because "communities do not need more trinkets..."***
>
> - Climate Justice Leader

### Labor

As an overarching priority for labor leaders and organizations is quality and continuous employment for their members, an integral outcome of a CBA is collaboration vs competition

66 https://www.bia.gov/service/HEARTH-Act

with the local workforce community. Labor unions can offer local workers member-level access to pre-apprenticeship (ready-to-work) programs in exchange for local efforts to up-skill (e.g., math skills) workers to meet basic entry requirements of such programs.

**Developer/Owners**

- Bringing communities into negotiations early, CBAs can help developers avoid lengthy and contentious public hearings and processes for zoning, approvals, permitting, etc. and gain trust and support for projects.
- The CBA process can increase local government and community group incentives to cooperate, which is especially important given the long timeframe inherent in infrastructure projects like transmission.
- Workforce development directly supports project outcomes.
- For offshore wind (OSW) transmission projects, developers receive credit for CBA investments committed commensurate with project funds owed to the federal government.
- Reframing CBAs to CBIAs requires more engagement and discussion as "investments" is a term that does not have a concrete definition within transmission. As "benefits" is a term that's been used historically in the infrastructure and other project development context, there's more understanding around it.

**Agricultural and Landowner**

- CBAs that ensure farmers who work the land and are directly impacted have an interest in the case of "absentee landowners" who are not doing the work.
- As placement of transmission structures can cause serious agricultural impacts including increased soil erosion, safety hazards due to pole wire replacement, etc., a desirable CBA would include provisions for continuous and long-term maintenance, repair and mitigation of impacts when they occur, not merely at initial installation. Additionally, the developer would be amenable to instituting "best management practices" within a CBA to include terms to avoid construction or work under non ideal conditions (e.g., soil is oversaturated), and allow agricultural specialists to collaborate with environmental monitors employed by contractors.

**Environmental Advocacy**

- A project centers community needs by sponsoring a cultural resources survey and CBAs to support community goals, including avoiding and minimizing impacts to wildlife, habitat, and natural areas.[67]
- CBAs and construction plans that avoid and minimize natural carbon storage losses, where ecologically appropriate, and damage to deep-rooted native vegetation.

67 https://www.nature.org/content/dam/tnc/nature/en/documents/BeyondCarbonFree.pdf

**CASE STUDY** | APPLE VALLEY TO E-CITY COMMUNITY IMPACTS PROFILE

- 60%+ rates of low-income residents
- 13% unemployment
- High energy burden: high income to energy bill ratio; high number/duration of grid outages
- High pollution burden: diesel particulate matter, PM 2.5 and ozone concentrations
- Environmental risks: hazardous waste, wastewater discharge
- Rural and pre-1960 housing stock: lack of indoor plumbing, lead paint
- High traffic proximity
- Linguistics isolation, 66% Spanish, 17% Native American
- Sensitive population: high asthma, heart disease, low life expectancy

## STRATEGY 4 | APPLE VALLEY TO E-CITY CASE STUDY APPLICATION

Below are concrete steps in the engagement around, and development and negotiation of CBAs as applied to the Roundtable case study.

**Step 1: Develop a Community Benefits Plan.** Always start with preparing a DOE Community Benefits Plan (CBP)[68] to start laying the groundwork for CBAs. Whether or not the project is receiving Department of Energy (DOE) funding, it would be ideal to conform with the DOE CBP guidance to develop a CBP that ensures "broadly shared prosperity" and energy equity and justice in the clean energy transition. Unless a project is receiving DOE (BIL/IRA) funding, CBPs are non-legally binding. At a high level, DOE CBPs also address the key areas below:

**DOE Community Benefits Plans: Policy Priorities Relevant to Transmission**

- Reduces energy burden, energy costs for LI households
- Increases parity in clean energy technology access + adoption
- Increases clean energy enterprise creation/contracting
- Reduces environmental exposure and burdens
- Increases energy resilience
- Increase energy democracy/ community ownership
- Increase clean energy jobs

- Community, Labor and other Interested Parties engaged, timing, and outcomes.
- *Four DOE Community Benefits Commitments*: 1) 40% of benefits must flow to disadvantaged communities (DACs) as determined through relevant equity metrics; 2) diversity, equity and inclusion and accessibility (DEIA); 3) high quality jobs and skilled workers; and 4) workforce and community agreements.

68 DOE, Community Benefits Plans

- *Relevant DOE Community Benefits Policy Priorities*. The focus here is to identify and mitigate any anticipated negative impacts on DACs through commitments to meet relevant DOE benefit policy priorities.

**Step 2: Perform DOE Community Benefits Impacts Analysis.** As a summary, the impacts (represented by equity metrics) experienced communities along the Apple Valley to E-City transmission corridor, as determined through a geospatial screening analysis[69], are what determines a community census tract as disadvantaged (a DAC).

**Step 3: Environmental Impact and Equitability Assessment.** Through technical analysis of direct environmental impacts of the project on the communities along the transmission corridor (e.g., noise, construction disruption, land use restrictions, loss of biodiversity, aesthetics, crop damage, etc.), community benefits would also come into play to offset project impacts that are not fully mitigated. For instance, if noise impacts can only be mitigated at 60%, a CBA can be instituted to proffer benefits such as sound-proofing upgrades to homes and schools in the impacted area. Of course, the community ought to be consulted to determine whether this type of benefit is of interest and needed or if others need to be prioritized.

**Transmission-specific impacts include:**

- Aesthetics
- Construction and maintenance disruptions
- Infringement on sensitive cultural sites
- Local ecosystems and habitat loss from clearing land/trees
- Land use restrictions
- Property values
- Noise/light pollution
- Safety (e.g., potential for fires)
- Transmission-specific benefits include:
- Improved grid reliability
- Lower electricity bills
- Economic and workforce development
- Clean energy

69 DOE, Climate and Economic Justice (CEJST) Screening Tool

## Step 4: Map Benefits to Community Impacts and Needs to Determine Applicable Project Agreement(s).

| TYPE OF AGREEMENT | CASE STUDY APPLICATION | DOE IMPACTS AND PRIORITIES ADDRESSED |
|---|---|---|
| **Community Benefits Agreement (CBA)**[70] | A voluntary legally binding CBA between community housing organizations and developer, stipulating that developer will remediate homes in communities along the corridor that are older than 1960s and have lead paint and older plumbing impacts and upgrade them with grid-ready and energy efficient technology (e.g., electric panels, heat pumps) in exchange for community support.<br><br>Another CBA could be established with municipalities for a workforce development and training center that provides pre-apprenticeship classes and hands-on construction industry training for local residents, including at-risk youth, minority and low-income populations, veterans, and people with disabilities.<br><br>** General note: other benefits may be contributions to economic development funds, resources for the community such as affordable housing, public parks, or measures to protect or mitigate environmental concerns. CBAs provide commitments beyond the intrinsic value of a project (e.g. reliability or greenhouse gas reductions) and are legally enforceable.* | **Impacts:**<br>✔ Pre-1960s housing stock, lead paint and old plumbing;<br>✔ Sensitive populations: asthma risks<br>✔ High energy burden<br><br>**Priorities:**<br>✔ Reduces energy burden, energy costs for LI households<br>✔ Increases parity in clean energy technology access + adoption<br>✔ Reduces environmental exposure and burdens<br>✔ Increase clean energy jobs |
| **Good Neighbor Agreement** | The terms of the CBA above can be extended to low-income landowners whose property is near but does not host the project, and can include provisions to not leave these landowners with "stranded asset" costs as others along the transmission line are receiving benefits to transition to the grid earlier. | Addresses the same DOE impacts and priorities as above. |

70 DOE, Community Benefit Agreement Toolkit

| TYPE OF AGREEMENT | CASE STUDY APPLICATION | DOE IMPACTS AND PRIORITIES ADDRESSED |
|---|---|---|
| **Community Workforce Agreements (CWAs - construction)** | A CWA, a type of project labor agreement with Apple Valley and E-City (and other along the line) municipalities and their first source hiring programs to prioritize local and underrepresented workers. Other terms include enhanced equity measures such as targeted hiring requirements, apprenticeships, targeted businesses, rehiring of local industry workers (e.g., former biomass plant workers), Davis-Bacon[71] local prevailing wages. Can offer electricity discounts in exchange for labor. | **Impacts addressed:**<br>✔ 13% unemployment<br>✔ 60%+ low-income residents<br>**Priorities addressed:**<br>✔ Reduces energy burden, energy costs for low income households<br>✔ Increase clean energy jobs |
| **Project Labor Agreements (PLAs - construction)** | For more specialized jobs for which local workers do not meet criteria, institute a specialized, pre-hire collective bargaining contract between labor unions and project owners or contractors establishing employment terms and conditions such as desired wages, benefits, working conditions, health and safety, priority for union hiring; dispute resolution clauses, local Davis-Bacon wages. | **Impacts addressed:**<br>✔ 13% unemployment<br>✔ 60%+ low-income residents.<br>**Priorities addressed:**<br>✔ Reduces energy burden, energy costs for low-income households<br>✔ Increase clean energy jobs |
| **Collective Bargaining Agreement (non-construction)** | Similar to PLAs above, but for non-construction related jobs per 1935 National Labor Relations Act, institute this agreement focused on local hiring and training, health and safety, guarantees against strikes, lockouts, utilization of registered apprentices, etc. | **Impacts addressed:**<br>✔ 13% unemployment<br>✔ 60%+ low-income residents.<br>**Priorities addressed:**<br>✔ Reduces energy burden, energy costs for low-income households<br>✔ Increase clean energy jobs |

**Step 5: Determining Parties to CBA.** Project developers can enter into one or multiple agreements with and for the benefit of a single entity or a collection of entities representing community interests impacted by a project, and coordinate implementation of the CBAs with various levels of partners as listed below:

- Coalition of neighborhood associations, faith-based organizations, unions, environmental groups, CBOs and/or environmental justice groups
- Fiscal implementing partners (e.g., school districts as implementing partner for school programs or improvements, municipal parks and recreation department as partner for open space/park benefit)
- Programmatic implementing partners (e.g., CBOs, community colleges, local job training entities)

71 https://www.dol.gov/agencies/whd/government-contracts/construction/faq/conformance

## FINAL STRATEGY 5 | OVERARCHING COMMUNITY ENGAGEMENT: GROUND TRUTHING, VALIDATING, AND NEGOTIATING

A core best practice for proposing, negotiating, and implementing project agreements discussed above is to conduct early, ongoing, and consistent community engagement (pursuant to the PACE framework) armed with the research, assessments, and data analysis discussed under this CBA strategy section. Key considerations include: 1) proposing community benefits that are not "fully baked"; 2) ground truthing the data and assumptions with the communities; 3) incorporating feedback to ensure the agreements meet the needs and interests of the communities as they self-determine; 4) plan on iterations of this process, moving at the pace of trust until community support and agreement is confirmed; 5) collaborating with communities on evaluating CBA success (e.g., monetary investment goals, pollution mitigation, etc.); 6) thoughtful, anticipated and well planned processes will enable moving at the pace of trust and still avoid delays, rework, and ballooning budgets; and 7) ensuring legally binding CBAs that outline pathways for resolution and potential considerations for CBA non-compliance.

# 9 | RECOMMENDATIONS

This section presents actionable recommendations to increase the ability and opportunities for communities to engage with and inform the development of transmission projects and mitigation of potential adverse impacts.

The recommendations are modest and often incremental and are designed to improve a specific part of the transmission development process for a limited number of community interests. Some have already been partially or regionally implemented and proven to be useful. Others are a logical next step based on past experiences.

Most of these recommendations were brought forward by the Roundtable and many directly relate to the PACE framework. However, some were informed by the Roundtable but not directly part of the consensus-based best practices.

To facilitate comprehension and action, these recommendations are categorized into project-agnostic and project-specific measures. For each recommendation, the responsible party(ies) and the likely type of change required (legislative, regulatory, collaboration, or internal process) are specified.

If these recommendations are pursued and found to be helpful, it will be because they correctly identified and usefully addressed a specific shortcoming in existing processes and interactions. For this reason, each recommendation could make a modest improvement to the overall process. However, pursued in aggregate, these recommendations would likely be far more transformative: cleaning a single gear on a bike won't make it shift much better, but cleaning all the gears can make a real difference.

## PROJECT-AGNOSTIC INITIATIVES FOR IMMEDIATE IMPLEMENTATION

- Create an Office of Public Participation (analogous to FERC's) at each of the RTOs, potentially via a FERC Rule Making.
  - Responsible party: Regional transmission planning organizations, FERC
  - Action type: Internal process (Regional) and/or regulatory (Federal level)
- Convene a national roundtable (or similar forum) to explore and discuss the vision, goals, membership, structural functions and implementation of Community Benefit Advisory Boards (CBABs).
  - Responsible parties: Many parties depending on circumstances, including CBOs, Transmission Developers, and Local Workforce Development
  - Action type: Collaborative (National or Regional level)

- Establish a national roundtable to talk through the specific challenges of targeted hiring and local workforce development for transmission projects.
    - Responsible party: Transmission Developers, Local Workforce Development
    - Action type: Collaborative (National or Regional level)
- Pre-identify environmental best practices that can be used when building transmission lines. A great example of this is The National Audubon Society's *'Birds and Transmission Report'*.[72]
    - Responsible parties: Environmental Organizations, Transmission Developers
    - Action type: Collaborative (National or Regional level)
- Develop a mutually agreeable methodology for assessing and valuing the impacts of a transmission line on agricultural land, involving collaboration between transmission developers and agricultural interests, with convening support from a neutral party. This prevents the need to reinvent the wheel each time, promoting consistency and efficiency. (Mutually agreeable methodologies for assessing and valuing impacts may also be relevant for other community interests).
    - Responsible parties: Transmission Developers and Agricultural interests
    - Action type: Collaborative (National or Regional level)
- Identify funding mechanisms, accommodations, and accessibility needs to enable community-based organizations (e.g., CBOs) to participate meaningfully in the transmission development process. For instance, states or regional transmission planning organizations could establish a micro-grant program for CBOs in need for financial support.
    - Responsible party: State departments (e.g. community affairs, economic development), Regional transmission planning organizations
    - Action type: Legislative/Regulatory, State Level
- Strategically integrate community engagement into the technical project milestones.
    - Responsible parties: Community interests, Transmission Developers
    - Action type: Collaborative (National or Regional level)

## TRANSMISSION PLANNING

- Regional transmission planning organizations should provide public notice to relevant communities when planning large transmission projects. This proactive step

72 https://www.audubon.org/news/transmission-lines-and-birds

ensures that communities are informed and can actively participate in the planning process.

- Responsible party: Regional transmission planning organizations
- Action type: Internal process

- When planning a large transmission line or portfolio of transmission lines, regional transmission planning organizations (ideally through an Office of Public Participation) should establish working groups that include representatives from local communities, community-based organizations (CBOs), local government officials, and potential transmission developers.
  - Responsible party: Regional transmission planning organizations
  - Action type: Internal process
- When planning a portfolio of transmission lines, regional transmission planning organizations (ideally through an Office of Public Participation) should consider establishing a program that includes funding to support local workforce development in the affected communities.
  - Responsible party: Regional transmission planning organizations
  - Action type: Internal process

## TRANSMISSION ROUTING

- The identification of route-specific and comprehensive environmental mitigation measures (e.g., public health, cultural resource, cumulative, and other impacts) should be collaboratively undertaken by environmental organizations working in partnership with transmission developers.
  - Responsible parties: Environmental Organizations, Community-based Organizations, Environmental Justice Organizations, Transmission Developers
  - Action type: Collaborative
- To the extent possible, community engagement for large transmission projects (lengths greater than 50 miles and voltages 345 kV and higher) should commence roughly one year before the initiation of a formal siting process (and potentially farther in advance for the largest and most complex transmission projects).
  - Responsible party: Transmission Developers
  - Action type: Internal process

## SITING AND PERMITTING

- Review state siting and permitting processes to ensure they: 1) are ready for processing more projects; 2) facilitate meaningful community engagement; and 3) use current best practices.
    - Responsible party: Public Utilities Commission or appropriate Siting Authority
    - Action type: Internal process

## FINAL SITING DECISIONS

- State siting authorities should consider requiring regulated utilities to incorporate community benefits agreements for rate-based projects that exceed specific thresholds (e.g., involve greater than a given amount of public or ratepayer funds; impact greater than a specified number of citizens).
    - Responsible parties: Public Utilities Commission or appropriate Siting Authority, Communities, Utilities
    - Action type: Legislative / Internal Process

# APPENDIX A.
## Different Types of Transmission Developers

There are two main types of transmission developers: regulated electric utilities and independent transmission developers.

Regulated electric utilities often provide electricity to end users (households, businesses, government agencies, and other organizations) and mainly fall into one of three categories: investor-owned utilities, cooperative utilities, and municipal utilities. These utilities serve customers within a well-defined "service area."

Regarding transmission development, key differences in structural organization exist between investor-owned utilities, cooperative utilities, and municipal utilities. Table 9-1 provides a generalized view of the differences in size, ownership, oversight, and type of transmission development that exist between investor-owned, cooperative, and municipal utilities (and their sub-types).

**TABLE A.1** **Three types of electric utilities and key differences between them.**

| UTILITY SUB-TYPE | N/A | DISTRIBUTION | GENERATION AND TRANSMISSION | SMALL | MEDIUM & LARGE |
|---|---|---|---|---|---|
| **Size (# of Customers)** | 50,000-1,000,000+ | 5,000-50,000 | 100,000+ | 1,000 | 50,000-1,000,000 |
| **Ownership** | Utility shareholders | Customers (aka members) | Distribution Cooperatives | Town | City |
| **Oversight** | Public Utilities Commission | Customers (aka members) | Distribution Cooperatives | Utility Board | Utility Board |
| **Types of Transmission** | Local to Regional | n/a | Local to Regional | n/a | Local to Regional |

The overall result of these differences is that (when speaking generally):

- Investor-owned and generation and transmission cooperative utilities tend to be the most active in the development of regional transmission projects.
- Investor-owned utilities tend to develop regional transmission projects through formalized processes due to their oversight by a regulatory body (e.g., a state's public

utilities commission) and potential membership in a regional transmission organization.

- Distribution cooperatives and small municipal utilities tend not to build transmission lines.

Independent transmission developers develop transmission lines but do not typically provide electricity to end users directly. There are a few tens of independent transmission developers across the United States and they are generally (but not always) smaller in size when compared to investor-owned utilities (tens to hundreds of employees instead of thousands to tens of thousands of employees).[73]

73 Some independent transmission developers are easy to mistake for utilities because they have a similar name and share a parent company (e.g., Con Edison Transmission, PSEG Transmission).

# APPENDIX B.
# GLOSSARY OF TERMS AND CONCEPTS

| TERM | DESCRIPTION |
|---|---|
| **Agricultural community** | A group including farmers, ranchers, agribusinesses, and rural development organizations that advocate for the protection of agricultural lands, fair compensation for land use, and measures that minimize disruption to agriculture. |
| **Apprenticeship programs** | Training programs that combine on-the-job learning with classroom instruction to prepare individuals for skilled trades and professions. |
| **Best practices** | Standards that serve as exemplary methods for transmission projects. |
| **Community benefits** | Improvements or services provided to local communities as part of a development project, such as job creation or social services. |
| **Community Benefit Advisory Boards (CBABs)** | A group of community representatives that is convened to support mutual understanding of community benefits plans and agreements, streamlines negotiations, enables local communities to engage in the transmission planning process early, and complies with impact assessment mandates for informed, collective decision-making and impact mitigation planning. |
| **Community Benefits Agreements (CBAs)** | A contract between a developer and community groups ensuring that the local community receives certain benefits from the development project, such as jobs, environmental protections, or infrastructure improvements. |
| **Community-based Organizations (CBOs)** | Local organizations that represent the interests of community members and often participate in advocacy and development projects. |
| **Community Benefit Plans** | Plans that outline the benefits a community will receive from a project, often used to gain community support and ensure equitable outcomes. |
| **Community-led development** | A strategy where communities are the primary drivers of development processes, including the identification of needs, setting objectives, and determining the best solutions. |
| **Community Workforce Agreements** | Contracts between developers and labor organizations that outline commitments to local hiring, training, and other workforce development initiatives in connection with a development project. |
| **Cooperative Extension** | Educational programs provided by universities, in partnership with federal, state, and local governments, aimed at extending research-based knowledge to the public, particularly in areas like agriculture and community development. |
| **Corridor analysis** | Examination of potential routes to determine the most feasible and efficient transmission path. |

| TERM | DESCRIPTION |
|---|---|
| **Developer** | Entities responsible for planning, designing, constructing, and maintaining electric transmission infrastructure. |
| **Discovery sessions** | One-on-one meetings aimed at uncovering insights, challenges, and opportunities relevant to transmission. |
| **Distributional justice** | The equitable allocation of resources and benefits among different groups in society. It aims to ensure that no group disproportionately bears the negative impacts of policies or actions. |
| **Eminent domain** | A legal principle that allows governments or authorized entities to acquire private property for public use, with compensation to the property owner. |
| **Energy justice** | A movement aimed at addressing inequities in energy systems, particularly the disproportionate burden of pollution and inadequate access to clean energy faced by low-income and marginalized communities. |
| **Environmental advocacy** | Focuses on minimizing ecological impacts, protecting wildlife habitats, and promoting sustainable practices. |
| **Final siting decisions** | Selection of the specific location(s) for construction. |
| **First source hiring programs** | Initiatives that prioritize the hiring of local workers by prequalifying and referring a list of candidates through municipal agencies. |
| **Greenfield project** | A project developed on previously undeveloped land, as opposed to using existing rights of way. |
| **Grid planning** | Identification of areas requiring enhanced transmission infrastructure. |
| **Independent System Operator (ISO)** | An organization that oversees the electricity grid's operation, ensuring reliable and efficient delivery of power and managing competitive wholesale electricity markets. |
| **Independent transmission developers** | Entities that focus solely on developing transmission infrastructure but do not directly provide electricity to end users. |
| **Interregional transmission capacity** | The ability to transfer electricity between different regions. |
| **Intra-regional transmission capacity** | The ability to transfer electricity within a specific region. |
| **Investor-owned utilities** | Private companies that provide electricity, are owned by shareholders, and are regulated by public utilities commissions. |
| **Just transition** | A framework for shifting from fossil-fuel-based economies to clean energy systems in a way that ensures fairness for workers and communities affected by the transition, particularly those reliant on traditional energy sectors. |
| **Labor unions** | Organizations that represent workers in negotiations with employers regarding wages, working conditions, and other employment terms. |

| TERM | DESCRIPTION |
|---|---|
| **Multi-Value Project (MVP) portfolio** | A collection of transmission projects designed to address multiple grid needs and deliver broad benefits. |
| **Municipal utilities** | Utilities owned by cities or towns, serving local customers and typically managed by a utility board. |
| **Mutual gains methodology** | A negotiation approach that seeks to identify and address the interests of all parties involved, aiming for mutually beneficial outcomes. |
| **Operations** | Ongoing management and maintenance of the transmission system. |
| **Permitting** | Solicitation of regulatory approvals and permits. |
| **Pre-apprenticeship programs** | Programs designed to prepare individuals for entry into formal apprenticeship programs by providing foundational skills and training. |
| **Procedural justice** | The fairness and transparency of the processes by which decisions are made. It ensures that procedures are impartial and consistently applied. |
| **Regional Transmission Operator (RTO)** | An entity that manages the transmission of electricity over a large area, ensuring grid reliability and facilitating competitive wholesale electricity markets. |
| **Regional Transmission Planning Organization** | FERC Order No. 1000 required the creation of regional transmission planning organizations: Order No. 1000 - Transmission Planning and Cost Allocation \| Federal Energy Regulatory Commission (ferc.gov). A map of the regional transmission planning organizations established by Order 1000 can be found here: Order No. 1000 Transmission Planning Regions (ferc.gov).<br>Several of the regional transmission planning organizations are coincident with the more commonly known regional transmission operators (e.g., CAISO, ISO-NE, MISO, NYISO, PJM, and SPP). |
| **Resource hub** | A centralized platform or repository that provides users with access to a variety of information, tools, and materials. |
| **Restorative justice** | A system of justice that focuses on repairing the harm caused by wrongdoing. It involves the offender, the victim, and the community in a process aimed at restoring relationships and making amends. |
| **Rights of Way** | Designated corridors or pathways used for installing transmission lines, which can be existing or newly acquired. |
| **Transmission development** | The process of planning, permitting, and constructing transmission lines and related infrastructure. |
| **Workforce development boards** | Local or state-level entities that coordinate workforce development efforts, including job training and employment services, to meet the needs of employers and job seekers. |

# APPENDIX C.
# AMERICANS FOR A CLEAN ENERGY GRID BACKGROUND PAPER

Americans for a Clean Energy Grid is assessing ways in which to facilitate meaningful community engagement in, and address impacts to a community from, the development of high capacity electric transmission projects. This paper examines four issues related to that goal. It is meant to provide background and ideas, primarily through a synthesis of existing resources and interviews with knowledgeable parties, with the objective of obtaining further input and developing recommendations from individuals and entities to be convened by ACEG.

***Issue One:*** How does the public participate in determining what options are selected to address an identified energy need for which transmission might be a solution? As an example, assuming the need identified is reliability, the options considered might be new generation, new transmission, or microgrids. What mechanisms should be in place to promote trust and acceptance of the chosen solution?

***Issue Two:*** Once transmission is selected to meet an identified energy need, how do affected individuals, communities, and entities participate in siting a project?

***Issue Three:*** How can the community that will be impacted by a project work with the developer to ensure the community receives benefits from the project? Landowners may be compensated if their property is used, but those who live in the area are not compensated even if negatively impacted.

***Issue Four:*** How can ongoing engagement with communities be maintained once a project is placed into service?

Issues One and Two assess the role of individuals in planning that identifies how the need for electricity resources is met. If transmission is selected, how does the public participate in siting the project?

Issues Three and Four examine how to ensure that communities affected by transmission lines are engaged in a way that leads them to support, or not object to, projects; and how they can be appropriately compensated for adverse project impacts, while ensuring that compensation has an appropriate nexus and is proportional to project impacts. Issue Four explores how developers can commit to a long-term involvement with communities after projects are placed in service.

## BACKGROUND

It has been said that the North American electrical grid is the most complicated machine ever devised. It comprises approximately 11,000 power plants, three thousand utilities, and hundreds of thousands of miles of transmission lines. These parts must function together seamlessly. However, expanding transmission is crucial to help integrate renewable energy sources, such as wind and solar, onto the grid; to ensure access to affordable, reliable electricity; and to meet the nation's climate goals of 100% clean electricity by 2035 and a zero emissions economy by 2050.

Decisions about how to operate, modernize, and expand the grid are technically, economically, and legally challenging, and require highly specialized knowledge. Accordingly, stakeholders must have meaningful opportunities to participate in the planning and development of new and upgraded transmission to ensure a better understanding of, and minimize opposition to, or even gain acceptance for, new and upgraded transmission infrastructure. This is particularly key for communities that may be affected, either directly or indirectly, by the efforts to bring more renewables onto the grid.

**ISSUE ONE** How does the public participate in determining what options are selected to address an identified energy need for which transmission might be a solution? As an example, assuming the need identified is reliability, the options considered might be new generation, new transmission, or microgrids. What mechanisms should be in place to promote trust and acceptance of the chosen solution?

### The Public Lens

Issue One considers three categories of participants who have roles in determining how to meet electricity needs: 1) the public, which in this context may include individuals or organizations; 2) developers, which in this context may include generators, transmission owners, and others; and 3) regulators, which in this context may include publicly-oriented institutions.

**Who represents the public:** In RTOs, individual members of the public are represented by stakeholder institutions. These may include state consumer advocates, environmental groups, or any number of other stakeholders. In state processes, individuals may represent their interests directly or as part of an organization.

**Where does that occur:** In RTOs, it takes place within the RTO decision structure. At the state level, it depends on the nature of the state process. Typically, though, it will be before a state agency considering state or regional transmission needs.

**What is the public's responsibility:** The public's responsibility is to provide substantive, accurate, and balanced information, and perspectives. Statements of opposition to proposals, without more, have less persuasive value.

**What do you ask for:** That depends on one's interest or objective. For some, this may be lower electricity rates. For others, it may be increased access to renewable energy. Still others may have a focus on reliability or cybersecurity.

**Should I hire an attorney or other expertise:** The need to retain specialized assistance, whether legal, economic, or technical, turns on the nature of the issue and one's ability to successfully represent her interests.

**What is the regulator's role and obligations:** In state proceedings, the regulator's role is very broad. It may include determining that the state's electricity supply is sufficient to meet demand, that renewable portfolio standards are met, that rates are just and reasonable, that expenditures are prudent, and that the public has a voice in proceedings. In RTO proceedings, the regulator's role is like that it plays in state proceedings. Institutions, whether state agencies, consumer groups, or trade associations, have an obligation to represent the interests of their constituencies.

**What is the developer's role and obligations:** In state, RTO, or other regional proceedings, the developer's role and obligation is to ensure sufficient, reliable, economical supplies of electricity in accordance with state and national goals. On a granular level, this may include being able to support why transmission must be built to meet energy needs, including in a specific area. It may include a generator supporting why one form of generation is preferred to another, or perhaps why demand response or conservation might negate the need for additional generation.

## Background

How to plan for future customer needs, called load, and the resources that can best meet that load goes to the earliest stages of planning for electricity resources.

Determining how generators are allowed to interconnect to the grid and how the costs of grid improvements are allocated among participants are formidable challenges that influence ultimate decisions about how to meet electricity need.

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*The great majority of transmission projects built in the US come about as a result of regional grid planning exercises. System operators project growth in demand, make assumptions about plant retirements, and project what new projects might be built. Individual transmission lines or groups of lines are looked at on a "benefit to cost" ratio. If new lines will benefit the system, say on a 1.5 to*

*1.0 benefit to cost test, the system operators, working with state regulators, see to it that the lines get built. If the projects don't pass that test, they don't get built.*

*The other type of transmission lines that get built are called "merchant" lines. These are typically built outside the conventional planning process, and their economics rely on generators paying the developers of merchant lines to deliver their power across long distances to get to market.*
**- Michael Skelly, Founder and CEO, Grid United, LLC, Testimony Before the House Select Committee on the Climate Crisis, May 20, 2021.**

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Historically, these decisions have been made by those who own generation and transmission assets, regulators, and sometimes large electricity customers. That regime has been changing and a wide range of interests, including customers who are also market participants, now participate in planning processes.

Fundamentally, the Federal Power Act provides for federal jurisdiction over the "transmission and selling [of] electric energy for ultimate distribution to the public."[74] Federal regulation over generation only relates to transmission in interstate commerce and the sale at wholesale, but only to the extent that such matters are not regulated by states. In vertically integrated states, frequently public utility commissions regulate utilities and adjudicate decisions related to generation resource choices, which may be influenced by participation in organized electric markets, otherwise known as Regional Transmission Organizations (RTOs). In deregulated states, generation resource choices are more strongly impacted by market participants in RTOs.

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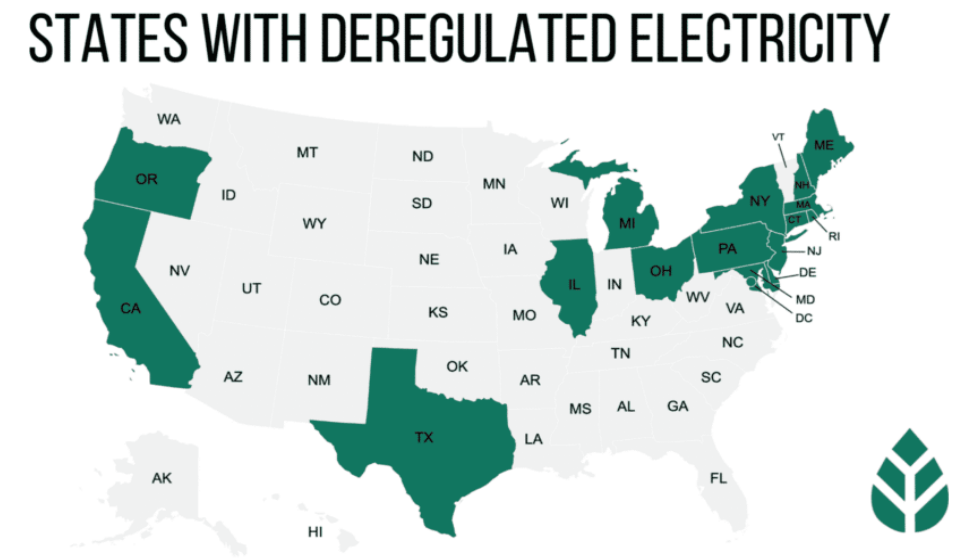
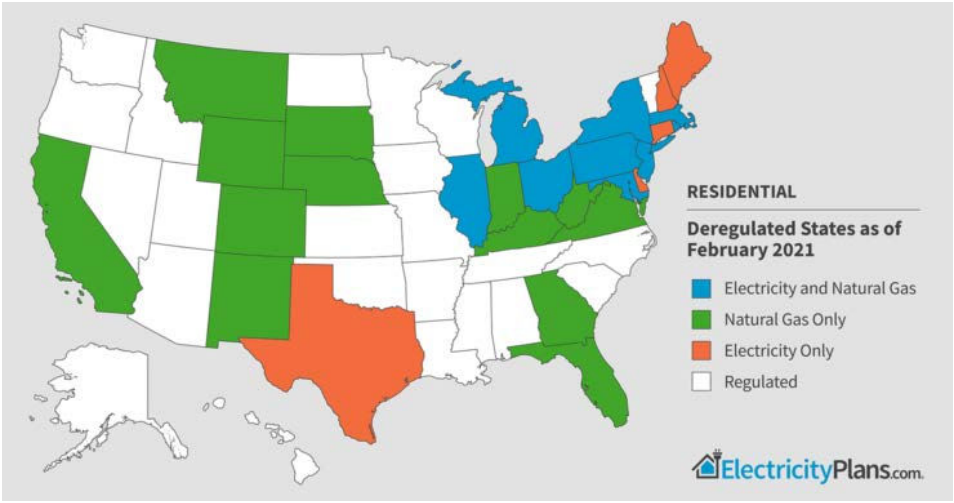
74 Section 201(a) of the Federal Power Act.




https://www.ecowatch.com/electricity




https://electricityplans.com/energy-deregulation-state/

For these reasons, generation planning has no centralized national authority. Similarly, transmission investment may be considered in individual state proceedings because Order No. 888 allowed load-serving entities to retain their transmission lines to serve their load.[75] The public may participate individually in planning at the state level, but it is not practical for individuals to participate directly in regional planning processes.

75 Order No. 888, Federal Energy Regulatory Commission (April 24, 1996) https://www.ferc.gov/industries-data/electric/industry-activities/open-access-transmission-tariff-oatt-reform/history-oatt-reform/order-no-888

Participation there is the province of institutional stakeholders, including: generators; transmission owners; utilities; customers; a wide range of governmental entities, including consumer advocates and public utility commissions; and non-governmental entities, including trade associations, environmental groups, and consumer groups. It is through these entities that the public is represented.

However, beginning with Order No. 888, the Federal Energy Regulatory Commission asserted more jurisdiction over transmission to facilitate broader participation in energy markets by competitive generators. In Order No. 1000, FERC sought to provide for regional planning of transmission, beyond state boundaries.[76] Where there were organized markets, regional planning responsibilities were assumed by the RTOs; outside organized markets, regional groups were formed, and their tariffs were approved by FERC. In these transmission planning processes, stakeholder participation is provided for, although at varying levels of degree and effectiveness. As ACEG has found, for individual transmission lines, developers should undertake meaningful, respectful, and consistent engagement with all stakeholders involved in developing and siting a new transmission line.[77] At the regional level, transmission planners should apply the same principles. Regional transmission planners must maintain a transparent planning process that includes a variety of perspectives.

Seeking input and proactively engaging with stakeholders in the beginning of a process guarantees that diverse perspectives are considered.[78]

## Regional Transmission Organizations and Other Regional Processes

As electricity has evolved from a local product to a regional product, and increasingly to a national and international product, the assessment of how to meet electricity needs takes place in a fragmented world. Throughout large portions of the country it occurs in Regional Transmission Organizations. There are seven RTOs in the United States and approximately two-thirds of the nation's electricity load is served in RTO regions.

RTOs do not exist in the Southeastern United States and in most of the West, except California. In those areas, planning nominally takes place in various regional organizations, but these processes are more mirage than reality.[79] Consequently, planning there is largely conducted by utilities and other developers on an independent basis. Additionally, some states have state-level planning processes.

Regardless of venue, it is not practical for individuals to take part directly in RTO and re-

76 Order No. 1000, Federal Energy Regulatory Commission (July 21, 2011) https://www.ferc.gov/sites/default/files/2020-04/OrderNo.1000.pdf

77 *Transmission Developer Recommended Siting Practices*, Americans for a Clean Energy Grid, (February 2023).

78 https://www.cleanenergygrid.org/wp-content/uploads/2023/06/ACEG_Transmission_Planning_and_Development_Report_Card.pdf

79 *The Benefit of New Regional Transmission Planning Entities in the U.S. West and Southeast Regions*, Clean Energy Buyers Institute/Grid Strategies at 10-11 (February 9, 2023) https://cebi.org/wp-content/uploads/2023/02/CEBI-The-Benefits-of-New-Regional-Transmission-Planning-Entities-in-The-U.S.-West-And-Southeast-Regions.pdf

gional planning. "An Introductory Guide for Participation in PJM Processes," prepared by the Federal Energy Regulatory Commission, illustrates this.[80]

The guide notes that PJM committee meetings provide opportunities for the public to attend and ask questions, although voting is restricted to PJM members. As of December 27, 2021, PJM has 1,045 members, of which 491 have voting rights. The guide states that any individual wishing to raise an issue may do so by seeking to add an item to the agenda of a committee meeting, but acceptance of that issue for consideration is subject to Committee leadership approval. The guide notes in this context that:

> As with all RTOs/ISOs, the issues before the PJM Board and stakeholder committees are often quite complex and detailed, written in technical or legal language, and in some cases reflect the development of over twenty years of history and negotiation. Thus, there may be value in trying to coordinate your efforts with organizations or individuals who share your perspectives and have familiarity with PJM processes. Whatever your interests are, you are very likely to find that there are like-minded stakeholders that are already participating actively and would appreciate your input and support, whether your issue is rates, environmental questions, reliability, or something else. Even experienced PJM stakeholders often try to build coalitions to accomplish goals through the committee process and at the PJM Board level rather than trying to "go it alone."
>
> You can also seek to connect with your state public utility commission to learn more about its positions in PJM matters. As noted above, if you reside in the PJM footprint, your state commission is already a member of [the Organization of PJM States] and has a key role in PJM committees and processes. You can also reach your state consumer advocate's office to coordinate and learn about its stances on PJM matters, or you may contact the CAPS (Consumer Advocates of the PJM States) organization.

Thus, the avenues for public participation in RTOs are through institutions that are existing stakeholders. Fortunately, those institutions represent many points of view, and some are directly charged with representing the public interest.

The Midcontinent Independent System Operator (MISO), an RTO that covers a broad reach of the Midwest, illustrates this. To participate in MISO decision making processes one must be a stakeholder. The Stakeholder Voting List that MISO publishes on its Stakeholder Website lists 212 members as of June 15, 2023.[81]

Of these, 146 are designated as Board Voting Members and another 66 are designated as Public Interest non-member stakeholders (those entities are designated with an asterisk

80 https://www.ferc.gov/introductory-guide-participation-pjm-processes

81 https://cdn.misoenergy.org/Stakeholder%20Process%20Voting%20List67936.pdf

in the list below). The 212 entities are listed on the Stakeholder Voting List in alphabetical order. Arbitrarily examining entities whose names begin with the letter "M" (along with the first entry from the "N" list) illustrates the diversity of these groups and the many interests they represent:

113. Mackinac Center for Public Policy*
114. Madison Gas and Electric Company
115. Main Line Generation, LLC
116. Manitoba Hydro
117. Manitoba Public Utilities Board*
118. Mercuria Energy America, Inc.
119. Messer Energy Services, Inc.
120. Michigan Citizens Against Rate Excess*
121. Michigan Department of Attorney General*
122. Michigan Public Power Agency
123. Michigan Public Service Commission*
124. Michigan South Central Power Agency
125. MidAmerican Energy Company
126. Midland Cogeneration Venture Limited Partnership
127. Midwest Industrial Customers
128. Minnesota Chamber of Commerce*
129. Minnesota Department of Commerce, Division of Energy Resources*
130. Minnesota Forest Industries*
131. Minnesota Municipal Power Agency
132. Minnesota Public Utilities Commission*
133. Mississippi Public Service Commission*
134. Mississippi Public Utilities Staff*
135. Missouri Basin Municipal Power Agency
136. Missouri Joint Municipal Electric Utility Commission
137. Missouri Office of the Public Counsel*
138. Missouri Public Service Commission*
139. Montana Consumer Counsel*
140. Montana-Dakota Utilities Co.
141. Montana Public Service Commission*
142. Monterey MW, LLC
143. Morgan Stanley Capital Group Inc.
144. Municipal Electric Utility of the City of Cedar Falls, IA
145. Municipal Energy Agency of Nebraska
146. Natural Resources Defense Council*

As can be seen, stakeholders are the core of the RTO planning process. Stakeholders include regulatory entities of many different stripes, including consumer advocates; large and small companies, both public and private; generation owners; transmission owners; public interest organizations; trade associations; and environmental groups.

## State Planning Examples

Some states encourage direct public participation in planning, particularly regarding transmission.

**The Minnesota Example:** Minnesota, one of the states within the geographical reach of MISO, has a planning process that focuses on transmission. Minnesota law explicitly provides the public and local governmental officials with an opportunity to participate in transmission planning. Transmission owners and operators in the state are required to report every other year on the status of the transmission system, including identifying possible solutions to anticipated inadequacies. Transmission owners and operators have taken multiple approaches to informing the public of opportunities to participate in transmission planning.

Minnesota has six planning zones and utilities have held public meetings in each zone to advise the public of potential transmission projects and solicit input regarding development of alternative solutions. The utilities have also held webinars, originally one for each planning zone and later one webinar covering all zones. The transmission owners and operators have also maintained a website on which interested persons can obtain information about ongoing transmission planning. There is a contact form on the webpage where visitors can ask questions. The latest biennial report in 2021 found that public involvement in response to this process over the years has been essentially non-existent.[82] Portions of the summary of public involvement described in that report are quoted in Appendix C-2.

**The Arizona Example:** Arizona requires that every person contemplating construction of a transmission line within the state during any 10-year period shall annually file a 10-year plan with the Commission. This requirement includes discussing the effects of distributed generation and energy efficiency programs on future transmission needs.

These reports contain information on individual projects and are public, although certain technical information may be deemed confidential and only available pursuant to a protective agreement.[83]

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82 See generally, https://www.minnelectrans.com/

83 See generally: *Transmission Siting in the Western United States: Overview and Recommendations Prepared as Information to the Western Interstate Energy Board*, Holland & Hart (August 2009) https://www.hollandhart.com/articles/transmission_siting_white_paper_final.pdf; *Eleventh Biennial Transmission Assessment 2020-2029*, Arizona Corporation Commission Staff (March 9, 2021) https://www.azcc.gov/docs/default-source/utilities-files/electric/biennial-transmission-assessment/11th-bta-report.pdf?sfvrsn=b8c6278_3#:~:text=The%20adequacy%20of%20the%20transmission,for%20the%202020-%202029%20timeframe.

The Arizona Corporation Commission, (ACC), which is the state agency responsible for authorizing electric transmission projects, prepares a Biennial Transmission Assessment (BTA) of the 10-year transmission plans and issues a written decision regarding the adequacy of existing and planned transmission facilities to reliably meet the present and future transmission system needs of Arizona. The BTA is a public document and, while based on the 10-year plans filed with the Commission, incorporates information and comments provided by stakeholders at BTA workshops and during the report review process. The 10-Year BTA prepared by the ACC is posted in the Commission's public electronic docketing system.

**The California Example:** Planning for the Renewable Transmission Project, a series of new and upgraded electric transmission lines constructed and operated by Southern California Edison (SoCal Edison), provides another example of public involvement in transmission planning in the early assessment stage.

California law in the 2004 timeframe required California utilities and other electricity retailers by 2010 to purchase 20 percent of their electricity from renewable sources. The Tehachapi Mountains of California are a high-quality wind resource, but at that time transmission capacity was not available to transmit the electricity produced there to load centers.

In 2004, the California Public Utilities Commission ordered the formation of a stakeholder collaborative, the Tehachapi Collaborative Study Group, to construct a detailed plan for the phased development of transmission facilities necessary to make Tehachapi wind power accessible to statewide markets.[84] That group, which was comprised of industry and governmental participants, issued reports that created a conceptual plan for the export of 4,000 megawatts of wind power from the Tehachapi region. Essentially, this process identified alternatives for transmission infrastructure and a recommendation for California Independent System Operator (CAISO) to further study these alternatives.

CAISO formed a project team consisting of industry and governmental representatives. This team was a technical group to provide CAISO with the technical data and advice it needed to conduct its analysis. Ultimately, that team recommended the construction of the Tehachapi Transmission Project by SoCal Edison.

As relevant here, in conjunction with its technical analysis, the CAISO team conducted public outreach that included workshops, open houses, one-on-one outreach, and the publication of study assumptions. As a result of this outreach, CAISO received valuable comments and suggestions from stakeholders that triggered modification of study assumptions and approaches and, eventually, CAISO's findings and conclusions. A fuller explanation of the public outreach is set forth in Appendix C-3.

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84 *Transmission Planning to Connect Large Increments of Wind Power: The Tehachapi Study Group* D. Olsen, David (2005), Washington, DC: American Wind Energy Association. https://www.westerngrid.net/transmission-to-access-and-deliver-tehachapi-wind-and-solar-power/

## What Mechanisms Promote Trust and Acceptance of the Chosen Solution

To promote trust and acceptance of a chosen solution at the regional level, participants in planning must conduct a transparent process that includes a variety of perspectives. Seeking input and proactively engaging with stakeholders in the beginning of the process helps to ensure that diverse perspectives will be considered. As a result, when decisions are made, stakeholders and transmission developers are more informed, achieve greater consensus, and face less litigation risk.

Balanced governance is another feature of planning. Effective governance requires roles for load and generation customers and representation for non-utility companies, transmission companies, non-governmental organizations, and consumers. Their participation ensures diverse perspectives and expertise, thereby fostering innovation, transparency, and accountability.

Involving representatives from states increases the likelihood of broad acceptance for the results of regional planning and ensures that the regional planning process is aligned with wider policy objectives and regional and state priorities. In areas with organized markets, a well-structured and inclusive governance framework can promote an efficient planning process.

At the state planning level, effective transmission development begins with stakeholder engagement. Planners should seek input from, and actively reach out to, state agencies, utilities, consumers, non-governmental organizations, tribal nations, environmental justice communities, and other stakeholders. They should provide sufficient opportunity to review, comment, and help develop regional and interregional transmission and cost allocation plans. This engagement helps ensure that transmission lines are planned to maximize benefits and minimize negative impacts.

**Conclusion:** Stakeholder participation in resource selection frequently takes place through state proceedings or granular market mechanisms to select resources through capacity markets. These processes are exceedingly challenging to sort through and participate in. Robust customer groups at each level are available to participate on behalf of customers. Transmission planning is narrower — regional planning may take place on an annual or biannual basis — and may be more accessible to stakeholders.

**ISSUE TWO** Once transmission is selected to meet an identified energy need, how do affected individuals, communities, and entities participate in siting a project?

## The Public Lens

Issue Two examines three categories of participants who have roles in siting proposed transmission projects: 1) the public, which in this context may include individuals, communities, and organizations; 2) developers; and 3) regulators, which in this context may be federal, state, or local agencies or entities (e.g., county governments).

**Who represents the public:** In transmission siting decisions, individual members of the public can represent their interests directly or choose to participate in a group such as an environmental or consumer group that aligns with their interest. In some proceedings, such as those before a state commission, institutions such as consumer advocates may participate.

**Where does that occur:**

1. In developer-led transmission siting processes, public participation typically occurs in meetings convened by the developer.
2. In state processes to approve a proposed transmission line, it is common for there to be a hearing before the agency charged with authorizing projects. The public can either submit written comments; or intervene, submit testimony, and cross-examine witnesses.
3. In federal processes to approve a proposed transmission line, public participation typically occurs in National Environmental Policy Act (NEPA) scoping meetings and in the filing of comments on agency-prepared environmental analyses, usually an Environmental Impact Statement (EIS).
4. In appeals of agency decisions, the public can represent itself, join with a group challenging the decision, or hire an attorney to represent its interest.

**What is the public's responsibility:** The public's responsibility is to provide substantive, accurate, balanced information, and perspectives. Statements of opposition to proposals, without more, have less persuasive value. The public's right to participate in a proceeding may be limited if they do not intervene; most jurisdictions have established requirements governing intervention, which allows the public to preserve their right to legally challenge the regulatory determination and, if relevant, challenge it in court.

**What do you ask for:** That depends on one's objective. At the siting level, the planning process presumably has identified the need for the transmission facility, thus it may not

be feasible to advocate for alternatives that would negate the need for the transmission project (e.g., conservation programs) absent compelling support. For most, it may be advocating for alternative project routes. Yet others may be concerned with mitigating environmental, social, health, or economic impacts.

**Should I hire an attorney or other expertise:** The transmission siting process is multi-faceted, so the need for specialized assistance, whether legal, economic, or technical, turns on the nature and complexity of the potential issues. It may be helpful to hire an attorney or other experts to help navigate the siting process and lend credibility to a stakeholder's questions or concerns.

**What is the regulator's role and obligations:** The regulator's role and obligations are multi-purpose. They generally include ensuring that a sufficient record is developed to support a decision to approve or reject a proposed project, and that applicable laws are followed in doing so. It also typically includes ensuring that the public has an opportunity to be heard in an unbiased forum that encourages different viewpoints. It may include complying with land use and environmental requirements, particularly on state and federal lands. In some cases, it may involve assessing whether the project is an appropriate way of meeting state or national goals and is constructed in a financially prudent manner.

**What is the developer's role and obligations:** The developer has many roles and obligations in siting proposed transmission lines. It must be transparent in making available to regulators and the public information about the project, including how the proposed route was chosen, and potential environmental and other impacts. It may need to justify why transmission is the preferred alternative. Although not necessarily legally required, developers should interact fairly with landowners whose land may be required to site the project, and, as discussed below in Issue Three, with communities who are affected by the project.

## Discussion

Individuals, communities, and entities affected by a proposed transmission project (the public) can participate in siting a project in at least four ways.

***1. Developer Processes*** Some transmission developers involve the public in the early stages of siting transmission lines. That process typically includes disseminating information and actively seeking public involvement in route selection. The process that the Arizona Public Service Company, an investor-owned electric utility, uses to plan transmission projects, described below, is representative of how that may work. The Sigurd to Red Butte Transmission Line Project in Utah and the Great Northern Project in Minnesota, both discussed below, provide additional examples. Decisions by developers as to how and when to involve the public in project development are typically at the discretion of the developer, although some states require public involvement.

***State Approval Processes*** State approval of proposed transmission projects is required in almost all jurisdictions, with only local approval required in a handful of states.[85] While requirements vary from state to state, it is common to require developers to obtain some form of authorization to site, construct and operate the project, often a certificate of public convenience and necessity. The state regulatory process usually involves an in-depth review of the project, including a siting and environmental analysis, which provides multiple opportunities for public participation. This may include the opportunity to intervene in the proceeding, produce evidence and witnesses, cross-examine witnesses, and otherwise shape the record that will inform the decision whether to authorize the project. Typical issues in such proceedings focus on the need for the project, alternatives to the project (e.g., conservation or demand response), economic issues, potential health impacts, route alternatives, and environmental impacts.

***Federal Approval Processes*** Many proposed transmission lines have a federal nexus that requires a comprehensive review of the siting and environmental impacts of a project before federal authorizations can be granted. NEPA provides extensive opportunity for public involvement. At a minimum, it involves public scoping meetings before and during the preparation of the EIS. It involves an opportunity to review and comment on a draft EIS. It also involves an opportunity to comment on the final EIS. It can include an opportunity to comment on an agency's final decision (usually referred to as a Record of Decision). Typical issues in such proceedings focus on: need for the project; alternatives to the project; health, socioeconomic and environmental impacts; and route alternatives.

***Legal Challenges to Regulatory Processes*** The decisions of regulators responsible for approving transmission projects, or the permits and authorizations necessary to construct those projects, are subject to the rule of law. This means that regulators must compile a record upon which to base their decision, and the decision must comply with applicable law. The adequacy of decisions may be challenged by the public. The Surrey-Skiffes Creek Project, discussed below, provides an example of the public potentially altering a regulator's siting decision.

Specific examples of the four ways in which to participate in siting decisions for a proposed transmission project are set forth below.

***Developer Processes*** Developers, once the need for transmission is identified, may involve the public in the early stages of deciding where to site the transmission line. Below are three examples of how developers have done this.

**Arizona Public Service Company:** Arizona Public Service Company, an investor-owned electric utility in Arizona, describes its site selection process as follows:

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85 Colorado, Indiana, Louisiana, and Oklahoma leave most siting decisions to applicable local governments such as county zoning boards. https://pubs.naruc.org/pub/C1FA4F15-1866-DAAC-99FB-F832DD7ECFF0 (December 2021 at p. 2).

1. Through internal studies, we identify the need for a new transmission line to meet expected customer needs or help improve the reliability of the energy grid.
2. We will hire a consultant to assist in the process, conduct environmental studies and help direct public outreach.
3. In conjunction with the consultant, we will define a study area that includes all reasonable and feasible alternatives.
4. We will identify features within the identified study area that could serve as potential sites or routes for the new project.
5. As part of the siting process, we will address public and agency concerns, holding briefings with elected officials, send letters to interested parties and agencies, and give presentations to homeowner groups.
6. Following the identification of opportunities and constraints, we will identify reasonable paths and/or sites for the project route.
7. During the timeframe that we are identifying potential routing links, we will typically present the project to the public through a newsletter and possibly an open house. At the open house, we will present displays showing the project purpose and need, share design considerations, and provide opportunities for public comment.
8. We will evaluate the various routing links and/or sites identified earlier based on environmental considerations including biological resources, existing and potential land uses, visual and scenic quality, and archaeological resources.
9. Following the evaluation of routing links, the links will be refined to a reasonable set of alternative routes and/or sites for comparison and presentation to agencies and the public.
10. We typically will present the alternative routes and/or sites to agencies and the public in a second newsletter and potentially a second open house. We will consider the public comments gathered through the public outreach efforts or the open house during the final route comparison.
11. The alternative routes and/or sites carried forward from earlier in the process will go through a final evaluation. The evaluation includes engineering feasibility, regulatory approvals, public comment, cost, land acquisition, and environmental concerns.
12. The final routing and/or site identification will be selected based on siting criteria.
13. As a last step, we will present the final routing and/or site selection to the public through a final newsletter and possibly a final open house.

The approach taken by the Arizona Public Service Company to include the public in the siting process is increasingly common, stemming from a recognition that the success of a project frequently turns on involving the public in planning.

**Sigurd to Red Butte:** Sigurd to Red Butte Transmission Line Project in Utah is another example of the success of a project based on efforts to involve the public in planning.

Rocky Mountain Power, a business unit of PacifiCorp, proposed to construct a 170-mile transmission line in Utah. The regulatory process proceeded smoothly at the state and federal levels and groundbreaking took place on May 8, 2013.

On October 30, 2013, PacifiCorp commented on a Department of Energy initiative to Improve Performance of Federal Permitting and Review of Infrastructure Projects.[86] As relevant here, PacifiCorp stated about the Sigurd to Red Butte Project that:

> "PacifiCorp's successful experience in permitting the Sigurd to Red Butte transmission project is an example of how the intended outcomes of the [DOE initiative] can be accomplished within the established NEPA process. The [right-of-way] application for the 170-mile project in Utah was filed on December 22, 2008, with the [notice of intent to prepare a draft EIS] published a year later on January 5, 2010. During that one-year timeframe, significant activities were undertaken by both the federal agencies and the project proponent to ensure a robust, effective public scoping process. Key activities were:
>
> - Bureau of Land Management conducted pre-scoping meetings with each field office and forest to review study areas, opportunities, and constraints, obtain pertinent available environmental data. The company and the third-party environmental contractor actively participated in these meetings.
> - The company conducted enhanced early stakeholder outreach and elected official briefings encouraging counties to sign on as cooperating agencies.
> - The company established community working groups which included elected officials and staff, Tribal representatives, landowners, and NGOs.
> - A range of reasonable alternative routes was developed based on input from the pre-scoping agency meetings and the stakeholder outreach.
> - The company identified all landowners within all the alternative, 2-mile-wide study corridors and mailed a project newsletter inviting them to a series of company sponsored landowner meetings.
> - The company conducted landowner meetings across the project ahead of formal scoping meetings.
> - Bureau of Land Management published the notice of intent to prepare a draft environmental impact statemen and conducted public scoping meetings with an informed and engaged public.[87]

86 78 Fed. Reg. 53436 (August 29, 2013).

87 https://www.energy.gov/sites/prod/files/2013/10/f4/Comments_RFI-IIP_PacifiCorp.pdf

> The result of this post application, pre-scoping process resulted in a draft EIS that included an agency preferred alternative route. After the close of the DEIS comment period, the company had enough certainty and public acceptance of the route to submit applications for all local and state permits. **All permits were received without any public opposition.** (Bold in original)."

**Great Northern Transmission Line:** Great Northern Transmission Line provides a third example of a developer creating a meaningful opportunity for the public to participate in siting a transmission project.

In late 2013, Minnesota Power proposed to construct a 220-mile transmission line from the Minnesota-Manitoba border to a substation near Grand Rapids, Minnesota. The permitting process proceeded quickly for a project of this size. Construction began in 2017 and the project was energized June 1, 2020.

The Minnesota PUC, in its 2013 Biennial Transmission Projects Report,[88] commented on Great Northern's efforts to involve the public in project planning as follows:

> A recently identified large transmission project — the Great Northern Transmission Line — which is still in early stages of development, provides an excellent example of outreach efforts being undertaken by Minnesota Power to involve the public and local government.
>
> To create an upfront, engaging, and transparent agency and stakeholder outreach program for the Great Northern Transmission Line, a full-scale outreach strategy plan was developed and begun starting in August 2012. These efforts predate any actual filing with state or federal government with the goal to include agency and public comments and concerns early in the routing process and prior to the regulatory processes. The following information provides an overview of the key outreach tools and meeting milestones for the Great Northern Transmission Line Project.
>
> To provide consistent and ongoing communication and opportunities for comment submittals, the Great Northern Transmission Line Project Team launched a Project website..., Project hotline..., and Project email... These tools are available for agency and public use and updated on a regular basis. The interactive maps and detailed aerial maps have been the most popular pages on the Project website to date. With a variety of comment tools, the Team has received 156 (63 Website, 24 Hotline, 69 Email) comments, in addition to extensive comments received at the public meetings described below. All these comments received electronically are personally responded to via email, mail, or phone call in a timely manner to address each individual's comments or questions.

88 https://www.minnelectrans.com/documents/2013_Biennial_Report/html/Ch_4_Public_Participation.htm

Since the initial Project Study Area incorporated approximately 20,000 square miles, the public outreach strategy included a round of 11 stakeholder workshops across the Study Area. Invitations were mailed to state and federal agencies, local officials, non-government organizations, and tribes to participate and learn about the Project, ask questions, and provide input regarding routing opportunities and constraints within their area. Following these meetings, the Team was able to use input gathered at the stakeholder workshops along with environmental and engineering data to reduce the broad Study Area to several general Corridors.

As the Team continued to refine the Corridors into Route Alternatives, two rounds of public open house meetings were held to educate the public on the purpose and need of the Project, answer questions, and gather input on routing opportunities and constraints in their area. In October 2012 and April 2013, a total of 28 open house meetings were held throughout the Corridors and Route Alternatives with a total of 1,330 open house meeting attendees. In addition to the in-person open houses, online public meetings were hosted through the Project website and 349 visitors received public information online through video clips, maps, and information boards.

This extensive outreach strategy has allowed the Project Team to develop relationships with the agencies, local officials and landowners potentially affected by the Project. The upfront and transparent process has been appreciated by all stakeholders. The Great Northern Transmission Line Project

Team plans to continue these outreach efforts with another round of voluntary open house meetings scheduled in September 2013 to collect additional input before two or more routes are selected for inclusion in the Route Permit Application, to be submitted to the Minnesota Public Utilities Commission in early 2014.

***2. State Approval Processes*** State approval of specific transmission projects is required in almost all jurisdictions. The review process typically includes opportunities for public involvement. The Arizona and New York processes provide examples.

**Arizona:** The Arizona Corporation Commission has approval authority for the construction and operation of transmission lines located in Arizona. In 1971, the Arizona Legislature required the Arizona Corporation Commission to establish a power plant and electric transmission line siting committee to provide an independent forum to evaluate applications to build power plants of 100 megawatts or more or transmission projects of 115 kV or greater. The Arizona Power Plant and Transmission Line Siting Committee comprises the State attorney general, Director of the Arizona Department of Water Resources, Director of the Arizona Department of Environmental Quality, Director of the energy office of the Arizona Department of Commerce, Chairman of the Arizona Corporation Commis-

sion, and six members appointed by the Arizona Corporation Commission. Of these six members, three represent the public, one member represents incorporated cities and towns, one member represents counties, and one member must be actively engaged in agriculture.

After an application to build a transmission line is filed, the Siting Committee sets a hearing date and provides public notice of the hearing date and location. Any member of the public can attend the hearing. The hearing includes testimony and exhibits from the applicant, and testimony and exhibits from any groups or individuals who are granted party, or intervener, status. There is cross-examination of witnesses by the parties. The Committee members also ask questions of witnesses and may ask for additional information. After all the information is before the Siting Committee, the Siting Committee votes on whether to grant or deny a Certificate of Environmental Compatibility. If granted, the Certificate is then forwarded to the Commission for review and action.

The Certificate of Environmental Compatibility approved by the Committee is then heard by Arizona Corporation Commission commissioners in an open public meeting. The ACC members may ask questions of the applicant and make take public comments. The ACC will vote to approve, modify, and approve, or deny the Certificate of Environmental Compatibility.

An overview of the approach's states take in transmission siting is set forth in Appendix C-4.

**New York:** New York recently passed the Accelerated Renewable Energy Growth and Community Benefit Act, which created the Office of Renewable Energy Siting, the nation's first dedicated office for siting large-scale renewable energy facilities and associated transmission lines.[89] To boost community involvement, developers are required to: consult with local governments and community members before filing an application; provide public notices at milestones during the permitting process; and make application materials available in various formats. Draft siting permits are subject to public review and comment, and adjudicatory hearings are required when significant and substantive issues are identified. Municipalities and community intervenors have access, in certain circumstances, to funds to defray expenses incurred in reviewing a project.

***3. Federal Approval Processes*** Many proposed transmission lines have a federal nexus that triggers a NEPA environmental review of the siting of the project, and extensive public participation requirements. Three examples of these opportunities include Southline Transmission Project and recent proposed Department of Energy (DOE) and Federal Energy Regulatory Commission (FERC) rules.

**Southline:** The Southline Project would upgrade approximately 120 miles of the Western Area Power Administration's existing Saguaro-Tucson and Tucson-Apache transmission

89 391 N.Y. Exec. Law sec. 94-C; https://www.nysenate.gov/legislation/laws/EXC/94-C

lines to a double-circuit 230 kV transmission line using existing rights-of-way. The New Build Section would include 240 miles of new 345 kV double-circuit line on new rights-of-way between New Mexico and Arizona.

Significant portions of the project would be located on public lands. The project sponsor also requested that the Western Area Power Administration (part of the U.S. Department of Energy), provide financing for the project. These factors created a federal nexus to the project that required review of siting and environmental impacts pursuant to NEPA.

Southline began by conducting a series of public meetings, routing workshops, and meetings with local, state, and federal agencies, after which it published a project routing study that identified and analyzed different route segments. This resulted in a "proponent preferred" northern route and a "proponent alternative" southern route for the New Build Section. These alternatives were presented as part of the applications for project approvals.

A notice of intent to prepare a draft EIS was issued by Western and the Bureau of Land Management, which started a 90-day public scoping period, during which the public had the opportunity to provide input on potential issues to be addressed in the EIS. Three public scoping meeting were held in New Mexico and three were held in Arizona. Two scoping meetings were also held with agencies. During the scoping process, 576 specific comments were received.

The draft EIS analyzing the environmental impacts of the project and addressing comments received from the public was issued one year later. Three public meetings were again held in Arizona and three public meetings were held in New Mexico, along with two agency meetings. A total of 1,029 substantive public comments were received on the draft EIS. A final EIS was then prepared which, among other things, responded to the public comments. The lead federal agencies issued their authorizations for the project shortly afterwards.

**Department of Energy Proposed Rule:** On August 16, 2023, DOE issued a proposed rule that would establish a Coordinated Interagency Transmission Authorizations and Permits (CITAP) Program to accelerate federal environmental review and permitting processes for certain high capacity electric transmission lines.[90]

The proposed rule would make DOE the lead agency for designated transmission projects and establish a pre-filing process. CITAP would provide a uniform mechanism for developers to: identify siting constraints and opportunities; engage with tribes, local communities, and other stakeholders; and gather information to be incorporated into federal agency permitting decisions. As relevant here, the proposed rule would require all participating transmission developers to submit a public engagement plan that describes how they will work with stakeholders throughout the life of the project.

90 https://www.federalregister.gov/documents/2023/08/16/2023-17283/coordination-of-federal-authorizations-for-electric-transmission-facilities

**FERC Proposed Rule:** On January 17, 2023, FERC issued a proposed rule to implement its newly expanded authority under the 2021 Infrastructure and Investment and Jobs Act to issue permits if a state denies an applicant's request to site electric transmission facilities in a designated National Interest Electric Transmission Corridor.[91] The proposed rule would allow an applicant to demonstrate it has made good faith efforts to engage with stakeholders by complying with an Applicant Code of Conduct. The proposed rule also requires a Public Participation Plan for stakeholder participation in pre-filing (early stages of project permitting), by requiring applicants to file an Environmental Justice Public Engagement Plan, which would describe the developer's outreach activities with environmental justice communities.

***4. Legal Challenges to Regulatory Processes*** A federal, state, or local agency considering a proposed transmission project has two fundamental responsibilities: 1) build a sufficient record upon which to decide; and 2) make decisions in compliance with the law. By presenting thoughtful, well-developed information, the public can shape the record of proceedings considering a proposed transmission line.

The Surrey-Skiffes Creek Project in Virginia provides an example of public involvement influencing an agency transmission siting decision. Surrey-Skiffes Creek crosses the James River in an area of national historical significance and required permits from the U.S. Army Corps of Engineers (Corps). The Corps, after conducting an abbreviated environmental review and issuing an Environmental Assessment (EA), issued the permits. Members of the public challenged the Corps' decision to prepare an EA during the review process, asserting that a more detailed EIS was required. The Corps disagreed, and the project was built and is operating.

The Corps' decision was challenged in court by environmental groups and one individual. That challenge ultimately led to a finding that the Corps was indeed required to prepare an EIS that analyzed project alternatives, even though the project was already constructed and operating.[92] In November 2020, the Corps issued a notice seeking comments on the draft EIS, including whether there are better siting alternatives for the project. The final EIS has not been issued.[93]

**Conclusion:** There are many fewer transmission siting processes than there are resource selection processes; moreover, once the needed transmission line has been identified, the paths are more finite. For these reasons, it is not as daunting for a participant to seek to participate in such processes and resources may be available to help.

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91 https://www.federalregister.gov/documents/2023/01/17/2022-27716/applications-for-permits-to-site-interstate-electric-transmission-facilities

92 *National Parks Conservation Ass'n v. Semonite*, 916 F.3d 1075, 1082–89 (D.C. Cir. 2019).

93 The latest Corps update (June 2022) states that the Final EIS was anticipated to be issued in winter 2022/2023, with a Record of Decision and, if needed, plan for mitigation and monitoring, anticipated in Spring 2023.

**ISSUE THREE** *How can the community that will be impacted by a project work with the developer to ensure the community receives benefits from the project? Landowners may be compensated if their property is used, but those who live in the area are not compensated even if negatively impacted.*

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*An effective [community engagement] process will help to foster a trusted environment that in turn enhances the opportunity to develop "buy-in" and even potential partnerships. A fulsome and transparent community process will also result in better final project planning and reduce potential opposition.* **- Bipartisan Policy Center, Empowering Communities while Streamlining Clean Infrastructure Permitting (May 09, 2023).**

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## The Public Lens

Issues Three and Four address how a community that will be impacted by a transmission project may negotiate benefits designed to compensate for those impacts, and how a developer can remain involved with communities during the life of the project. The categories of participants involved in Issues Three and Four are: 1) developers; 2) affected communities; and 3) officials, which in this context may include government agencies and local governments.

**Who represents the community:** There is no established pattern. Locals should identify how they may be affected by a proposed project and organize coalitions or join existing organizations that can represent their interests.

**When does that occur:** This effort should start early in the siting process and be consistent and sustained. Community engagement should continue throughout the life of the project.

**Where does that occur:** Engagement between developers and communities does not normally take place within a regulatory process. Rather, it is a negotiated agreement that is not subject to government oversight unless community benefits agreements are legally required, which is rare.

**What does the community ask for:** Communities should identify how they may be impacted by a project and seek measures that compensate for those impacts. The measures should have a nexus to the project and be proportionate to the project's impacts.

**Should a community hire an attorney or other expertise?** That is at the discretion of the community. Because a community benefits agreement should be a legally binding

contract, retaining expert advice may be advisable if that expertise does not exist within the community.

**What is the community's responsibility:** The community's responsibility is to negotiate honestly, in good faith, and with a recognition that benefits should be commensurate with impacts.

**What is the role of federal, state and local officials:** As discussed below, the Department of Energy is seeking input on how to distribute $760 million under the Transmission Siting and Economic Development Grants (TSEDG) program, which authorizes DOE to make grants to siting authorities, or other state, local, or tribal governmental entities, for economic development activities in communities that may be affected by the construction and operation of transmission projects. In addition, states should consider legislation requiring transmission developers to engage in community outreach and/or submit community benefits measures as part of the regulatory siting and approval processes. State and local governments should inform community coalitions of proposed developments, encourage developers and communities to enter good-faith negotiations, fold Community Benefits Agreements (CBA) into public-private partnership agreements, where appropriate, and, where applicable, be willing to monitor and enforce CBAs.[94]

**What is the developer's role and obligations:** A developer's role can be to initiate discussions with the community, communicate openly and transparently, work to understand community goals, build trust, and foster an environment that is conducive to achieving agreement. Developers should negotiate honestly and in good faith.

**Regulators:** Currently most jurisdictions have no specific role for regulators but some, such as New York and California, have requirements for developers to develop written community benefits plans or provide benefits to host communities such as financial incentives. Regulators should be supportive of allowing costs incurred for Community Benefits Agreements to be recovered in rates. Finally, regulators may choose to develop the capacity to offer advice to communities seeking to develop CBAs.

## Discussion

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*[T]ransmission impacts are hyper-local—most notably disturbance during construction and a long-term visual presence in a community's viewshed. Because these factors can sometimes lead to project opposition, they represent one of the largest challenges in transmission development.* **-Grid United Comments submitted to U.S. Department of Energy on the Grid Deployment Office TSED RFI at 1**

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94 *Community Benefit Agreements Frequently Asked Questions*, U.S. Department of Energy, Office of Economic Impact and Diversity, at 2; https://www.energy.gov/diversity/articles/community-benefit-agreement-cba-resource-guide-faqs

Community opposition often impedes the development of transmission projects. Community opposition, in turn, can create political opposition and lead to the delay or cancellation of projects. Although communities may understand that transmission provides broad economic and social benefits, this is an abstraction for many people. In contrast, transmission towers are a constant and, for many, unpleasant reality. Local communities may feel that they must live with the detriments of projects while receiving few, if any, benefits. Developers must address this imbalance if they are to increase community acceptance of their projects. In its February 2023 report,[95] ACEG identified recommended practices for engaging with the public impacted by a project to establish the relationships needed to facilitate transmission siting.

Providing tangible, direct benefits to communities was identified as one of the most significant ways to redress the imbalance between detriments and benefits that communities experience.

Communities can face challenges from transmission lines, including diminution of economic, scenic, cultural, recreational, and environmental values. Moreover, economically distressed communities and communities of color, including tribal communities, have historically borne a disproportionate share of the adverse aspects of infrastructure development. To redress this, developers should work with communities to find ways to create a better balance. Indeed, as corroborated by case studies, community benefits can build local support if they are "perceived as a means of creating greater equity."[96] Community Benefits Agreements should be based on trust and motivation for mutual gain; they should not be perceived as opportunities for either party to take advantage of the other (*e.g.*, for communities to "milk" transmission developers for funds or for developers to "bribe" the communities for their support).

This portion of the paper focuses on the desirability of providing benefits to communities, including through what have come to be known as Community Benefits Agreements.

Building electric transmission lines is challenging. This is in part because they not only have direct impacts on the physical world, but also societal and other impacts that are not easy to define or value.

Transmission developers can address the direct impacts of their projects in several ways. Landowners whose property is used to site the project must be compensated for the loss or diminution of their property rights. The physical impact of project construction must be mitigated as required by regulatory authorities responsible for approving the project.

Addressing the impacts of transmission lines on communities is more challenging. It can be difficult to define or agree on what those impacts are. There may be actual or per-

95 *Transmission Developer Recommended Siting Practices*, Americans for a Clean Energy Grid (February 2023).

96 Engaging Communities in Offshore Wind Case Studies and Lessons Learned from New England Islands, S. Klain, S. McDonald, N. Battista, Island Institute at 6-7 (December 2015); https://www.islandinstitute.org/wp-content/uploads/2019/07/Offshore-Wind-Report_2015_updated.pdf

ceived changes to a local viewshed that impacts community enjoyment or use of the land. There may be actual or perceived impacts to property values, tourism, or a way of life. There may be actual or perceived impacts to public health. One thing these impacts share is difficulty in valuing them. As a result, these impacts have been historically viewed as a cost of doing business, to be borne by local people and communities.

Views on how to approach this situation are changing and there is a compelling reason why transmission developers should be in the forefront of this movement by contributing to the wellbeing of the communities that host their projects. As discussed below, this approach to providing community benefits, while still relatively novel in this country, has been used more extensively in Europe.

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*CBAs pivot around local and state government officials: since governments need support from their constituencies and developers need government support for items like zoning approvals, developers have clear incentives to accommodate community interests. When synergistic development models like CBAs are employed, developers experience reduced risk and communities' profit from improved cost/benefit positions.* - **Community Benefit Agreement Toolkit, U.S. Department of Energy, Office of Economic Impact and Diversity**.[97]

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## Community Benefits Agreements

Simply put, a Community Benefits Agreement formalizes the relationship between a community and a developer in a legally binding agreement in which the developer agrees to deliver benefits to communities for hosting a project. In return, the communities support, or at least stay neutral to, the construction of the transmission facilities.

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*At the heart of the community benefits strategy is coalition building. The logic is simple: if enough stakeholders come together with a common vision for economic development, savvy developers are likely to want to negotiate an agreement. The CBA process offers developers an attractive alternative to litigation and polarizing public debates, which can delay or doom a project.* - **"The Community Benefits Agreements: The Power, Practice, and Promise of a Responsible Redevelopment Tool." Annie E. Casey Foundation (2007).**[98]

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97 https://www.energy.gov/diversity/community-benefit-agreement-cba-toolkit

98 https://www.aecf.org/resources/community-benefits-agreements-the-power-practice-and-promise-of-a-responsib#:~:text=Community%20Benefits%20Agreements%20(CBAs)%20are%20in%20the%20land%20development%20process

These agreements can provide direct benefits such as new parks and schools, as well as indirect measures that bring monetary, educational, and other support to meet community needs.

Although CBAs are not one-size-fits-all, most successful CBAs incorporate the following elements:[99]

A. Are started early in the siting process.
B. Are negotiated by a coalition that represents the community.
C. Promote a transparent, inclusive process.
D. Set forth specific measures.
E. Are enforceable with community and developer held accountable.
F. Include monitoring provisions.
G. Provide benefits even after the project is constructed.

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*"Our commitment, first and foremost, is to those we represent. The route change, coupled with these community benefits, transformed the CHPE into a project we fully support."* - **Haverstraw County (NY) Supervisor Howard Phillips referring to Champlain Hudson Power Express community benefits package, which includes a $33 million Haverstraw Bay Community Benefit Fund to support local capital projects**

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**Community Benefits Agreements Are Win-Win:** Researchers have found that CBAs are an effective tool for all parties because they provide real benefits to community members, and they tend to provide these benefits efficiently by lowering transaction costs associated with disputes between developers and community advocates.[100]

While there is no question that communities can benefit from CBAs, developers stand to gain too. CBAs help foster a cooperative relationship between potentially adversarial parties and minimize conflict during project siting and permitting. Because CBAs encourage early negotiations between developer and community, contentious public proceedings over permitting and siting may be avoided, therefore avoiding undue project delays.

**CBAs Are Gaining Popularity:** By most accounts, the first full-fledged CBA came about when local communities felt their needs were not considered during planning and development of the Staples Center Arena in Los Angeles. When the owners of the Staples Center proposed a nearby expanded entertainment and retail district (Staples II), a broad

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99 *Common Challenges in Negotiating Community Benefits Agreements and How to Avoid Them*, at 9, Partnership for Working Families, Community Benefits Law Center (January 2016) https://citizensplanninginstitute.org/wp-content/uploads/2022/06/Effective-CBAs.pdf

100 Hannah P. Stephan, *Contracting with Communities: An Analysis of the Enforceability of Community Benefits Agreements*, 40(2) LAW & INEQ. 281 (2022), https://scholarship.law.umn.edu/cgi/viewcontent.cgi?article=1677&context=lawineq

coalition of community, religious, environmental, and labor groups, negotiated an agreement to, among other things, hire locally, provide living wage jobs, and build affordable housing and new parks. These measures, once adopted, overcame widespread opposition to the project.[101]

With the success of the Staples II CBA, the broader community benefits movement began. Until recently, CBAs have been used in this country to ensure that real estate development projects create opportunities for local workers and communities.[102] However, the use of CBAs has expanded to other development, including energy infrastructure. A 2023 Data for Progress poll found that 72 percent of likely voters support the use of CBAs.[103] A similar 2022 Data for Progress Poll found that 55 percent of likely voters support the use of CBAs for renewable energy development.[104] This statistic is particularly compelling given that a significant share of respondents had little background knowledge about CBAs and answered "don't know" when asked to respond to questions about CBAs,[105] thus suggesting that even greater awareness of the advantages of CBAs may assist development of electric transmission lines.

As discussed in Appendix C-1, there are recent legislative efforts at the state and federal level that address the growing recognition that meaningful community participation in transmission siting decisions and the development of CBAs are key to facilitating transmission development.

**Voluntary vs. Required:** There are differing opinions as to whether CBAs should be voluntary or mandated by law. Voluntary CBAs between community coalitions and developers may give developers and residents more flexibility in crafting benefits. Some argue that mandated CBAs will add another layer of bureaucracy and another vehicle for litigation over the process and content of agreements. If there is a legislative or regulatory requirement to provide community benefits, there will likely be a requirement that there be a nexus between the requested approval and the benefits to be provided. For example, the FERC's Policy Statement on Hydropower Licensing Settlements provides that protection, mitigation, and enhancement measures proffered by settlement parties must have a clear project nexus.[106]

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101 *See, e.g.*, G. Leroy & A. Purinton, *Community Benefits Agreements: Ensuring that Urban Redevelopment Benefits Everyone* (2005); Sheikh, Naveed, *Community Benefits Agreements: Can Private Contracts Replace Public Responsibility*, Cornell Journal of Law and Public Policy Vol. 18, Iss. 1, Article 6 at 228-229. https://scholarship.law.cornell.edu/cjlpp/vol18/iss1/6/

102 https://www.policylink.org/equity-in-action/newsletters/banks-cbas

103 https://www.filesforprogress.org/memos/community-and-labor-benefits-in-climate-infrastructure.pdf

104 https://www.dataforprogress.org/blog/2022/7/5/community-benefits-agreements-offer-meaningful-opportunities-to-include-voters-voices-in-development

105 *Id.*

106 *Settlements in Hydropower Licensing Proceedings Under Part I of the Federal Power Act*, Docket No. PL06-5-000 (September 21, 2006). FERC encourages parties to negotiate terms that are outside of the Commission's jurisdiction in off-license agreements, and if it finds that off-license terms are part of a comprehensive settlement agreement, it may incorporate those terms into the final license (*see, e.g.*, Alcoa Power Generating, Inc., 156 FERC ¶ 62,210 (2016)).

**Cost Recovery:** The advantage of mandated community engagement and benefits is that it may be easier for transmission developers to seek cost recovery in its regulated rates. Regulators typically allow cost recovery for expenses prudently incurred in constructing and operating transmission facilities. Because CBAs can help facilitate successful transmission development that is critical for meeting national and state renewable energy goals and mitigates impacts of the infrastructure, there is an argument to be made that they are a cost of doing business similar to landowner compensation and the fees incurred in filing permitting applications or legal expenses for litigation related to a project.

**Broad Array of Stakeholders:** Coalitions negotiating a CBA should represent a broad array of stakeholders, including historically underrepresented residents and others traditionally marginalized in land use decisions. Communities can be based on location (e.g., a town or municipality), interests (e.g., environmental groups, faith-based organizations, unions), or other groups. There is no single formula, but one thing is clear: meaningful community engagement can be an important component in developing new transmission. The key is inclusiveness: community benefits coalitions should comprise long-term, broad-based groups with deep, active connections to the community. It is important for a community coalition to represent as many of the interests surrounding the project as possible.

Once a coalition is formed, the community should announce its presence, making it easier for developers to communicate. Community development organizations are usually formed by concerned citizens and may be built on traditional community organizing structures, such as church-based groups, who in turn may coalesce with other community groups.[107] It may also be useful for community groups to determine a coordinated communications strategy, as having multiple groups engaging with a developer simultaneously can lead to confusion, miscommunication, and an inefficient use of limited resources.

Similar to a CBA is a "Host Community Agreement," which is often negotiated between a municipality and a developer, rather than between a community and a developer.[108]For example, in October 2018 Vineyard Wind, an offshore wind developer, entered into a Host Community Agreement with the Town of Barnstable, Massachusetts that stipulated that Vineyard Wind would pay the town $1.534 million annually in property taxes and community payments to be used to repair aging infrastructure such as a bathhouse, parking lot, and sewers. In return, Vineyard Wind would be allowed to build transmission cables at William H. Covell Memorial Beach rather than use a disputed route through Lewis Bay in West Yarmouth, Massachusetts. In July 2019 state lawmakers passed legislation authorizing the Barnstable Town Council to grant the easement allowing for construction of the cables. The project is currently under

107 https://www.energy.gov/diversity/community-benefit-agreement-cba-toolkit

108 https://legal-planet.org/2023/06/21/community-benefits-agreements-cbas-can-provide-tools-for-communities-negotiating-offshore-wind-development-impacts/

construction.[109]

**Types of Community Benefits:** There are two general types of community benefits, direct and community funds, that are typically included in a CBA. There is an additional model for gaining community support that is not necessarily found in a CBA, but rather is based on the community investing or otherwise providing an opportunity to own an interest in the project.

**Direct investment:** Direct investment is a payment for a specific purpose, such as funding recreational amenities, community centers, fire stations, scholarships, educational programs, or guarantees to hire local workers and/or pay a living wage.

**Community funds:** Community funds are generally financial incentives, such as annual or lump sum payments, in which the beneficiary community receives and decides how to disburse the funds. Community funds can be correlated with, for example, the capacity or length of the project. Lump sum payments can be made when the project goes into operation, or during the planning and construction stages. Community funds may also be tied to project revenues.

One example of community funds is demonstrated by the Champlain Hudson Power Express Transmission, which is currently under construction. The developer committed to a $40 million, 20-year Green Economy Fund (GEF) which will finance workforce development programs for low-income and disadvantaged New Yorkers, ensuring they have the skills and support to qualify for jobs to meet the transition from fossil fuels to renewables.[110] The GEF's direction is informed by an Advisory Board comprising local community members, experts in workforce development, and environmental justice leaders across New York State.

EirGrid, which operates Ireland!s electricity grid, established a dedicated fund that provides direct benefits to communities located near new transmission infrastructure. A community forum comprising local stakeholders (including community groups, governmental agencies, and chambers of commerce) leads the development of the community benefit project strategy.[111] Community funds are released in phases as the project progresses, and are based on the voltage and length of the new line:[112]

| Voltage of overhead line | Amount of community funds per km |
|---|---|
| 110 kV | 45,000 Euro |
| 220 kV | 90,000 Euro |
| 400 kV | 120,000 Euro |

109 *Id.*

110 https://suncommunitynews.com/news/104478/champlain-hudson-power-express-converter-construction-celebrated/

111 https://cms.eirgrid.ie/sites/default/files/publications/EirGrid-Community-Benefit-Policy-Brochure%20June%202023.pdf June 2023.pdf at 6.

112 *Id.* at 14.

In disbursing the TSEDG program funds referenced above, the DOE should consider requiring transmission developers to contribute proportional economic funding; for example, if DOE provides a certain amount of funds per mile, the developer should fund an additional percentage of that amount.

In Denmark, a community foundation model has been used in which profits from renewable energy production are used to fund local development. Pioneered by Wind People, a local NGO, this model resembles a trust fund. The community foundation model is used primarily in rural areas to support community resilience, although it is not limited to this context.[113] The community foundations are regulated by Danish law and are typically established by local associations and businesses that do not hold ownership rights to the foundation and cannot control how revenue from the project is used.[114]

**Community Ownership:** Community ownership is a model in which the community becomes an investor in the project. The Morongo Band of Mission Indians partnered with Southern California Edison to develop and finance an upgrade to an existing Southern California Edison transmission line that crossed its reservation. Southern California Edison was able to renew the existing right-of-way while the Morongo Band obtained the right to lease a percentage of the project's transfer capability, thus allowing the tribe to share in the line's financial proceeds.

Denmark and Germany have legal requirements for wind developers to offer local communities the opportunity for financial participation in projects.[115] In this model, profits after taxes from wind farms are distributed to individuals who purchase shares in the project. Community ownership, or co-ownership, of energy infrastructure has been shown to improve acceptance of renewable developments in numerous countries, including Scotland and Germany.[116]

To achieve its target of adding six gigawatts of onshore wind power by 2020, the Netherlands initiated a goal of 50 percent local ownership of facilities. The country gave residents and businesses the opportunity to participate in the decision-making process, from siting to sharing in revenues. Ultimately, this created widespread acceptance of wind parks across the Dutch provinces.[117]

In this vein, a 2010 paper examining community benefits provided by three New England wind projects found that creating suitable benefits, including opportunities for local

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113 *Community Power: Model Legal Frameworks for Citizen-Owned Renewable Energy*, J. Roberts, F. Bodman, R. Rybski, ClientEarth:London, at 21-22 (2014).

114 *Id.*

115 *Offshore Wind and Community Benefits in Kitty Hawk, NC,* Tyler, Jacob Grant, University of Rhode Island, https://doi.org/10.23860/thesis-tyler-jacob-2020

116 *Understanding Community Benefits Payments from Renewable Energy Development*, S. Kerr, K. Johnson, S. Weir, Energy Policy Volume 105, 202-211, at 204 (June 2017) https://doi.org/10.1016/j.enpol.2017.02.034

117 Five Key Action Areas to Put Europe's Energy Transition on a More Orderly Path, McKinsey Sustainability (August 8, 2023)

ownership and investment, improved public acceptance of the projects.[118]

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*More direct and substantial involvement of local people in a project also contributes to greater project acceptance and support, and evidence shows that this involvement could have a positive impact on local peoples' understanding of and support for renewable energy more generally.*
- **Community Renewable Energy: What Should it Mean?**[119]

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## Components of an Effective CBA

1. **Start Early in the Planning Process:** Developers should engage with communities as early as possible, and engagement should continue throughout the life of the project. Community Benefits Agreement negotiations should ideally start while the project is being formulated. Outreach should involve frequent, consistent, and sustained collaboration.

2. **Provide the Needed Tools for Communities:** Community Benefits Agreement negotiations can be costly and resource intensive. Developers may consider including in their project teams mutually agreed upon third-party liaisons or experts to work with community members.

   If FERC exercises its backstop siting authority pursuant to section 216 of the Federal Power Act,[120] or if in the future Congress gives FERC siting authority such as that set forth in the proposed FASTER Act (discussed below), FERC!s Office of Public Participation (OPP) can provide educational assistance in Commission electric transmission siting proceedings for members of the public, including: informing the public how they can access publicly available information; how to navigate Commission processes; and potentially provide funding to intervene in proceedings. OPP will not take positions on issues in proceedings at FERC on behalf of constituents.[121]

3. **Understand Community Needs:** Developers must ensure that agreements create results that are desired by the community impacted by the project. In 2018 elected officials from five North Rockland County, New York communities signed a memorandum of understanding with Transmission Developers Inc. (TDI), the developer of the Champlain Hudson Power Express Project, a 333-mile transmission line that would

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118 Engaging Communities in Offshore Wind Case Studies and Lessons Learned from New England Islands, S. Klain, S. McDonald, N. Battista, Island Institute at 6 (December 2015). https://www.islandinstitute.org/wp-content/uploads/2019/07/Offshore-Wind- Report_2015_updated.pdf

119 G. Walker, P. Devine-Wright, Energy Policy Volume 36, 497-500 at 499 (2008). https://doi.org/10.1016/j.enpol.2007.10.019

120 The Infrastructure Investment and Jobs Act (IIJA), Pub. L. 117-58, § 40105, 135 Stat. 429 (2021) amended section 216 of the Federal Power Act (FPA) to expand the Commission's previously limited siting authority by explicitly allowing the Commission to issue permits for transmission facilities even when a state has denied an application within one year. 16 U.S.C. 824p(b)(1)(C) (as amended by IIJA section 1221). 16 U.S.C. 824p(b)(1)(C) (as amended by IIJA section 1221).

121 https://www.ferc.gov/what-opp-does

bring hydropower from Canada to New York City. Based on input from community members and leaders, an alternate route through Rockland County was agreed upon. The agreement included $22 million for new capital projects selected by the municipalities and an estimated $9 million for new road improvements. TDI has agreed to pay an estimated $223 million to Rockland County in taxes over the first 40 years the project is in operation.[122]

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*Many workers do not have the skills or expertise that clean energy construction and production requires, and the training programs and support services that are awarded funding from the Green Economy Fund will provide pathways to life-changing career opportunities like union apprenticeships and manufacturing jobs that give disadvantaged workers the ability to participate in the new green economy.* - **Laura Gibson, Director of Workforce Development for Transmission Developers, Champlain Hudson Power Express.**

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4. **Specific and Measurable Benefits:** CBAs should be precise and detailed. They should include clear language with specific measures, such as the number of jobs that will be created, the acreage of green space to be preserved, or the amount of money to be paid per mile.

   In January 2023, Invenergy Transmission announced the New Mexico North Pass Transmission Line, a proposed 400-mile project that will transmit up to four gigawatts of wind and solar energy. In addition to the tens of millions of dollars in annual tax payments to tribal, state, and local governments that the project will generate, and an estimated 3,500 temporary construction jobs, Invenergy intends to negotiate a CBA with each county it passes through with funding based on the number of linear miles of project within the county.[123]

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*Revolutionary initiatives come in all shapes and sizes, whether it's by making Queens a global leader in clean energy or ensuring our students have clean clothes for school...* - **Queens Borough President, Donovan Richards.**

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5. **Creative and Customized Measures:** Developers should work closely with communities to identify measures that suit their needs. For example, in February 2023, Champlain Hudson Power Express announced it will fund free laundry service for low-in-

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122 https://chpexpress.com/news/towns-of-stony-point-haverstraw-and-clarkstown-and-villages-of-west-haverstraw-and-haverstraw-sign-project-benefit-agreement-with-transmission-developers-inc/

123 https://newmexiconorthpath.com/faq/

come families in Long Island City and Astoria to help lower income children remain in school. Such measures provide needed services and promote good will. As Queens Borough President Donovan Richardson stated: "CHPE has proven to be a genuine community-first partner already, years before the clean energy pipeline comes online, and this free laundry service program will make a world of difference for Queens students whose families have fallen on hard times."

Developers and communities should be mindful of fairness in distributing benefits. One way to ensure equity is to provide measurable benefits across the board, such as funding on a per-mile basis. Another potential measure is to provide funds only for projects that benefit the broader public good, such as parks, libraries, and schools.

Developers must ensure there is equitable benefit in these measures. As an example, in a recent FERC Roundtable on Environmental Justice and Equity in Infrastructure Permitting, a community advocate discussed a developer who built a Boys and Girls Club as a "community benefit" to offset the impacts of their energy project. The advocate explained that community engagement should mean "the real community is engaged," noting that the Boys and Girls Club "sits in the whiter, wealthier, side of town…The low-income black children who need that Boys and Girls club are bussed over…No food in the refrigerator, and no real resources in their community, over to this nice building in the whiter, wealthier side of town."[124]

Developers and community coalitions may also consider prohibiting direct funds to groups that participate in the CBA negotiations, which may prevent a new "community" group seeking compensation from parachuting late into the CBA negotiation, particularly when the group does not represent the community, or its demands do not ensure buy-in by the community for the project.[125]

6. **Enforceability:** CBAs are difficult to enforce if they include aspirational or vague promises, or issues to be resolved at a future date. Early CBAs often used the term "best efforts," which is neither specific nor measurable, to describe the future contributions of developers. Because of the lack of specificity, communities were unable to prove that outcomes were not the result of "best efforts" and therefore could not hold developers accountable.

   While the concept of enforceability commonly focuses on the developer, the communities also have a responsibility to comply with the terms of the CBA. For example, if the developer promises to provide a designated number of jobs for project construction but the community fails to provide workers, then there should be an en-

124 *See* transcript, https://www.ferc.gov/media/transcript-roundtable-environmental-justice-and-equity-infrastructure-permitting at p. 67 (April 5, 2023).

125 *Legal and Policy Issues Related to Community Benefits Agreements*, C. Fazio, J. Wallace, Fordham Environmental Law Review Vol. 21, Number 3, at 555 (2010) https://core.ac.uk/download/pdf/144232184.pdf

forcement mechanism to address this, perhaps by requiring the local government authority to provide job training programs.

With respect to enforceability, at a minimum the CBA should:

A. Clearly identify the parties and their obligations.

B. Clearly establish timeframes and processes for each commitment.

C. Include monitoring and implementation.[126]

The CBAs should clarify that the provisions are legally binding, and a parties' failure to comply with any provision may be challenged in court, by appeal to the regulator, or through arbitration.

7. **Oversight/Monitoring:** Community groups need a reliable way to determine whether CBA commitments are being fulfilled. One option is to empower an agreed-upon entity to verify reports and investigate complaints. Another is to require developers to submit annual reports that track financial or other information relevant to the CBA provisions.[127] The UK uses non-profit "community companies" to handle funds for projects; the administrative costs of these companies are borne by developers.[128]

   To ensure communities have the final say in where discretionary money is spent, decisions should be made by boards comprised of area representatives. These groups might meet periodically to consider funding decisions.[129] The disadvantage of this model is that the administrative burden rests with communities. Overseeing community benefit funds may require legal or financial expertise. Administrative support from developers can fill this gap and reduce the risks of community benefit funds being exploited. An effective way to make sure funds are spent meaningfully is to establish a community action plan, which sets forth in detail the community's vision.[130]

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**How to Spot a Weak CBA:**[131]

*There is little real community participation: the signatories are handpicked by the developer or politicians, there is no coalition presence at all, or the coalition lacks the broad-based representation of the array of community interests affected by the development.*

*The negotiation process is secretive and exclusive: a small group is involved in the process with little or no communication with residents and organizations.*

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126 https://www.dataforprogress.org/blog/2022/7/5/community-benefits-agreements-offer-meaningful-opportunities-to-include-voters-voices-in-development

127 *How To Unlock Energy Infrastructure by Securing Community Support*, Onward, Power to the People (June 2023) https://www.ukonward.com/reports/power-to-the-people-how-to-unlock-energy-infrastructure-by-securing-community-support/

128 *Id.*

129 *Id.*

130 *Id.*

131 https://citizensplanninginstitute.org/wp-content/uploads/2022/06/Effective-CBAs.pdf, at 9.

*The commitments are vague, with no clear timeframes or measurements: parties may easily opt out, provisions are voluntary, or compliance relies too heavily on good faith efforts; there are no processes outlining how provisions will be implemented to make the commitments real.*

*There are no effective formal means of holding parties accountable: there is no clearly defined structure to monitor progress, an impeded avenue of recourse for the community parties should there be a breach of contract, or there is an inexpensive "buy out" provision under which developers can pay for their obligations instead of providing community benefits.*

**Conclusion:** This is an area ripe for stakeholder participation. By the time a transmission line gets to this point, communities, developers, and customers are interested in seeing the line finalized. Working with communities is part of the developer calculation. Moreover, as noted in the next section, these transmission lines will become part of the community for several decades. A broad view of what is needed should be taken.

**ISSUE FOUR** *How to maintain ongoing engagement with communities affected by a project once it is placed into service?*

*The lifespan of a transmission project is long. It's like a relationship with a friend; all the work doesn't happen in the beginning. It's a relationship-building process that develops over the long term.* - **Jasmine Jennings, Attorney at WE ACT for Environmental Justice**

An electric transmission line, once built, essentially becomes a permanent feature of the landscape. To the extent a transmission line reaches the end of its useful life, often stated as 50 years but usually much longer, experience shows that it is more likely to be replaced than it is to be removed. As noted in a recent report, "the transmission infrastructure, and thus the company that owns it, become part of that community for the full lifespan and care should be taken to determine how the companies involved and current existing residents can be good neighbors with a common interest in seeing the project succeed."[132]

ACEG stated in its February 2023 report that committing to a long-term involvement with a community can constructively influence local views about a project. Fortunately, the options for a presence that outlives project construction are many. And evidence

132 *Making Offshore Wind Transmission Work for Communities*, Regional Plan Association and Karp Strategies (June 2023), https://rpa.org/work/reports/offshore-wind-transmission

shows that successful outcomes follow when stakeholders see the project as the center of an ongoing relationship in which all parties have a stake.[133]

Accordingly, developers and communities should consider ways in which to create long-term community benefits beyond the short-term boost of local and regional construction jobs, or one-off payments for restoration activities. Some developers have moved in this direction. Care must be taken, however, that benefits are prudent; to that end, they must have a nexus to the project and should be proportional to project impacts. Benefits should not be used as bribes or to unjustly enrich parties.

Examples of developers maintaining long-term relationships through community benefits include:

> **Example 1:** Southern California Edison's transmission line right-of-way across the Morongo Band of Mission Indians Reservation was expiring as Southern California Edison planned to upgrade the existing line. To allow continued use of the right-of-way, the Morongo Band and Southern California Edison negotiated an arrangement under which the Morongo Band obtained the right to invest in the upgrade project, thus creating a long-term revenue stream for the Band in exchange for the use of tribal land.[134]
>
> **Example 2:** Citizens United partners with utilities and energy infrastructure developers to finance and own a portion of new transmission facilities, while committing to use 50 percent of its annual profits from a project to fund energy assistance programs in Environmental Justice communities in the project area. As one example, Citizens partnered with San Diego Gas and Electric (SDGE) on the Sunrise Powerlink, a 120-mile, $1.9 billion, 500 kV line from the Imperial Valley of California into SDGE's service territory. Citizens' $100 million investment in the line provides $1.5 millions of assistance annually to Imperial County's low-income population.[135]
>
> **Example 3:** TransWest Express and the Ute Indian Tribe of the Uintah and Ouray Reservation reached an agreement to construct the TransWest Express transmission line across tribal lands. In return, TransWest agreed to recruit, train, and employ tribal members to construct the line and to prepare the tribal members for ongoing careers in the electric power and transmission industry.[136]
>
> **Example 4:** Pattern Energy, a developer of renewable energy projects and the SunZia Transmission Line, provides that once a project goes into operation, each

133 *Id.*

134 https://morongonation.org/news/morongo-becomes-first-native-american-tribe-to-be-approved-as-a-participating-transmission-owner-in-nation/

135 https://www.citizensenergy.com/transmission-projects

136 https://www.transwestexpress.net/news/alerts/2016/092216-ute-tribe-collaboration.shtml

site along the route can make contributions to the community. Each facility manager oversees a community engagement budget and can decide where to provide sponsorships and donations.[137]

**Example 5:** Champlain Hudson Power Express agreed to donate $117 million to establish and maintain the Hudson River and Lake Champlain Habitat Enhancement, Restoration, and Research/Habitat Improvement Project Trust. The Trust proceeds are to be used for environmental protection measures over the next three decades, including to study and mitigate possible impacts of the project's underwater cables on water quality and aquatic habitat in the Hudson, Harlem, and East Rivers and their tributaries, and Lake Champlain.[138]

**Example 6:** Clean Path New York, a proposed 174-mile transmission line that will serve New York City, will establish a $270 million community investment fund to make direct investments in communities across New York. The fund will focus on job training, education, community health, and the environment. The project team will work with communities and stakeholders at every stage of development to ensure that local voices are heard.[139]

**Example 7:** The Conservation Law Foundation (CLF) and TDI-New England, developer of the New England Clean Power Link Transmission Project, reached an agreement under which TDI-New England agreed to provide environmental benefits worth a minimum of $283.5 million over the 40-year project life to mitigate environmental impacts from the project. The developer will also establish a Renewables Integration Advisory Committee that will include CLF and other stakeholders.[140]

While some of the long-term benefits described above are financially significant and may not be possible or desirable for all projects, there are other ways of maintaining ongoing community engagement with a community. For example, Grain Belt, a proposed merchant transmission line in the Midwest, created a program in which local people and entities can apply for a stipend. Rural cemeteries, which often lack funds for maintenance and mowing grass, often apply for these grants. The typical award is $500.00. Likewise, Grain Belt is an active participant in county fairs, assisting the 4-H programs that are important in agricultural and ranching areas.

The size or amount of a benefit is not dispositive. What may be most important is a sense

137 https://patternenergy.com/how-pattern-energys-community-benefits-program-gives-back/ (July 10, 2023).

138 https://chpexpress.com/news/champlain-hudson-project-accelerates-12-million-in-environmental-protection-funding/

139 In November 2024, New York and Clean Path mutually agreed to terminate the the contracts for the transmission line. On December 20, 2024, New York Power Authority filed a petition with the state Public Service Commission asking for the transmission project to be designated a Priority Transmission Project (PTP) pursuant to the state's 2020 Accelerated Renewable Energy Growth and Community Benefit Act, which established a PTP process for constructing new, expanded, and upgraded bulk transmission infrastructure needed on an "expeditious" basis.

140 The Clean Power Link project received its required permits and ISO-NE authorization to interconnect but could not secure power contracts with Massachusetts. The project was shelved in 2017. In early 2023 the developer applied for DOE funding under the Transmission Facilitation

that the developer recognizes that its relationship with the community will last for the lifetime of the project, and that it cares about the community sufficiently to remain meaningfully involved after the project is energized. This could be as basic as company employees being given occasional paid leave to volunteer in the community, or donations of money or equipment to volunteer fire departments, ambulance services, or other service organizations that sometimes struggle to obtain funding.

Long-term benefits should be developed in close cooperation with affected communities to ensure that the benefits are in accord with community values and goals. This is not always easily accomplished, particularly given that communities are not monolithic and there are often opposing interests. Engagement with the communities, or with trusted figures from within those communities, may be helpful in this regard.

Agreeing to provide on-going benefits as a way of maintaining ongoing community engagement must be approached with care. As with other community benefits, the goal is to provide value to the community as part of a broader exchange in which the developer obtains the use of land and resources for its project, and the community obtains something it values in return.

**Conclusion:** It can be important for developers to commit to long-term involvement with communities affected by a transmission project. Developing a plan for long-term involvement can be challenging, however, given the need of developers to understand their future costs when making investment decisions. Fortunately, several models offer useful guidance. Care should be exercised that the benefits have a nexus to the project, are proportional to project impacts, and are prudent.

## CONCLUSION

There are significant obstacles that make it unrealistic for the public to participate directly in planning at the RTO level. Individual interests are best managed through institutions charged with representing the public interest. Non-RTO regional processes are even less accessible to the public and even institutional stakeholders. However, there is substantial opportunity for the public to participate in state processes, particularly once the need for transmission has been identified.

There are multiple ways in which the public can participate in the siting of proposed transmission lines. They include: 1) state planning processes; 2) developer processes that seek public input into siting decisions; 3) state and federal regulatory processes that consider whether to approve a proposed transmission project; 4) federal environmental reviews; and 5) legal challenges to regulatory decisions.

To shape siting determinations, the public must participate in the forums described above that are relevant to their issues. Participation must be substantive and structured to offer objective, detailed, fact-based information. Participation can be on an individual

basis or as part of a group. It may be beneficial to hire expert assistance when participating in regulatory proceedings, or if one wishes to challenge an agency decision.

There is a common perception that remote developers and end-users of electricity reap project benefits while local communities experience the detriments. Providing benefits to communities impacted by a project is one way to address this imbalance. These benefits should have a nexus to the project and be commensurate with project impacts. Early, ongoing, and meaningful engagement are key to identifying measures that can facilitate the buildout of transmission and foster important long-term relationships with the communities affected by projects.

## Appendix C-1: Legislation re Community Engagement and Benefits to Impacted Communities

In April 2023 the Bipartisan Policy Center, a not-for-profit organization that promotes bipartisanship to address challenges facing the U.S., convened a workshop that brought together experts from across the political spectrum to explore reforms to improve public engagement and increase the efficiency of the electric transmission permitting process. Although the goal of the workshop was not to identify consensus recommendations, there was one point of agreement: community engagement reforms must be included in any politically viable legislative permitting reform package.

The concept of legislation providing some form of benefits to affected communities in the realm of energy development is not new in the U.S. For example, in 1976 the Alaska Permanent Fund was established by a state constitutional amendment that required at least 25% of certain minerals revenues paid to the state be deposited into a public savings account to benefit current and future generations of Alaskans.

More recently, the Great American Outdoors Act (GAOA) of 2020 established a National Park and Public Lands Legacy Restoration Fund that will provide up to $9 billion over the next five years to fix deferred maintenance at national parks, wildlife refuges, national forests, and other federal lands, with $6.5 billion earmarked specifically to the 419 national park units. GAOA also guarantees $900 million per year in perpetuity for the Land and Water Conservation Fund (LWCF) of 1964, a flagship conservation program paid for by royalty payments from offshore oil and gas drilling in federal waters. The LWCF provides funds for the four main federal land programs (National Parks, National Forests, Fish and Wildlife, and Bureau of Land Management) and provides grants to state and local governments to acquire land for recreation and conservation purposes.

Other current and proposed legislation at the state and federal level recognize the value in ensuring that affected communities benefit from transmission development:

- The Inflation Reduction Act (IRA) and the Bipartisan Infrastructure Law (BIL) provide $16 billions of funding from annual appropriations to provide tax incentives,

grant opportunities, loan assistance, and other programs to empower states, tribes, territories, local governments, school districts, and nonprofits to catalyze local economic development, create good-paying jobs, and reduce energy costs for families and businesses. Community benefits plans are required as a part of all BIL and IRA funding opportunity announcements demonstrating how their projects will: support meaningful community and labor engagement; invest in America's workforce; advance diversity, equity, inclusion, and accessibility; and contribute to the President's Justice40 initiative to ensure that 40% of the overall project benefits flow to historically disadvantaged communities.

The IRA contains several provisions aimed at incentivizing electricity transmission infrastructure, including the TSEDG program which will provide $760 million to support states and local communities in the siting and permitting of interstate and offshore transmission lines, including interstate high capacity transmission lines. Section 50152 authorizes the DOE to make grants to siting authorities, or other state, local, or tribal governmental entities, for economic development activities in communities that may be affected by the construction and operation of transmission projects. As relevant here, funding may support essential community facilities for public safety, healthcare, education, and improved transit; or encourage community togetherness by investing in community centers and creating green spaces. Funds can also be used to support a job training and apprenticeship programs.

On August 31, 2023, DOE announced the availability of a first tranche of $300 million of this $760 million program.

- Lower Energy Costs Act, H.R. 1, passed by the U.S. House of Representatives in March 2023, and sponsored by Rep. Steve Scalise (R-La.), includes a revenue sharing requirement that would direct lease royalties be paid to the states hosting offshore wind facilities. The funds are to be used for conservation, mitigation, and resiliency programs for onshore communities near such facilities. Under this bill, states with offshore wind development would receive 50% of the revenues from offshore lease sales and 37.5% of the revenues will be deposited into the existing North American Wetlands Conservation Fund.
- Facilitating America's Siting of Transmission and Electric Reliability Act (FASTER Act), introduced by Sen. Martin Heinrich (D-NM) in June 2023. The FASTER Act would: incentivize communities and transmission developers to negotiate enforceable CBAs and sets forth protocols to help communities negotiate these agreements; allocates $532 million of DOE!s TSEDG program to fund economic development initiatives and provide direct support to communities that are among those most significantly impacted by project development, construction, or local operations activities; directs transmission easement payments on federal lands to counties, communities, and states: 25% to the state where development occurs, 25% to the counties of or-

igin, 15% for the purposes of more efficiently processing permit applications and reducing the backlog of renewable energy permits, and 35% deposited into a fund for conservation purposes. Currently, federal lands easement payments generally go to the United States Treasury.

- Local Infrastructure Funding and Technical Assistance (LIFT) Act, reintroduced by Sen. Ed Markey (D-Mass) in June 2023, is aimed at accelerating climate resilient infrastructure projects in under-resourced communities, and would authorize $15 billion in pre-development grants and technical assistance to help environmental justice communities plan and facilitate climate-resilient infrastructure.
- A. Donald McEachin Environmental Justice for All Act (S. 872): Reintroduced in March 2023 by Sen. Tammy Duckworth (D-Ill), Sen. Cory Booker (D-NJ), Rep. Barbara Lee (D-CA), and Rep. Raul Grijaiva (D-AZ), this legislation establishes several environmental justice requirements, advisory bodies, and programs to address the disproportionate adverse effects of federal laws and programs on low-income communities, communities of color, or tribal and indigenous communities. It requires federal agencies to provide early and meaningful community involvement opportunities during NEPA reviews.
- The Public Lands Renewable Energy Development Act has been introduced several times in Congress in recent years. Most recently in January 2023 Rep. Mike Levin (D-CA) reintroduced H.R. 178, a bill promoting development of wind, solar, and geothermal energy on public lands. The bill, co-sponsored by Rep. Raul Grijalva (D-AZ), includes measures to facilitate investment in high quality renewable sources, ensure a fair revenue share for impacted communities, and minimize impacts to wildlife and cultural sites.

  Specifically, H.R. 178 would open more federal land to renewable development, expedite environmental review, and split royalty revenue between states, counties, and funds designed for conservation and supporting the processing of additional energy permit applications. Like the Heinrich legislation, the bill establishes a revenue sharing mechanism that returns 25% to the state where development occurs and 25% to the counties of origin. Another 25% will be deposited into a fund for sportsmen and conservation purposes, with the final 25% directed to more efficiently processing permit applications and reducing the backlog of renewable energy permits.
- As noted earlier, New York State passed the Accelerated Renewable Energy Growth and Community Benefit Act, creating the Office of Renewable Energy Siting. In addition to the public and community involvement measures, the new permitting process also requires projects to provide benefits to their host communities, including financial incentives such as payment in lieu of taxes to compensate local entities for lost tax revenues. The Act also directs the Public Service Commission to

determine how to provide compensation to areas hosting projects, including utility bill credits. The legislation makes funds available to support intervention in the permitting process. 391 N.Y. Exec. Law sec. 94-C; https://www.nysenate.gov/legislation/laws/EXC/94-C

On May 3, 2023, New York adopted a law that prohibits the New York Power Authority from developing a renewable energy project on lands "located upon any Native American territory or reservation…except through voluntary sale or other agreement for such use with the consent of the relevant nation.[141]"

- California Assembly Bill 205, signed into law in June 2022, confers on the California Energy Commission a one-stop permitting authority process that, as part of the application process, requires the developer to follow certain labor and prevailing wage standards and have a net-positive economic impact on the local community. The project must also have a written community benefits plan in place with a signatory community partner, such as a local government entity, a community organization, tribal entities, or a social justice organization.

## Appendix C-2: Minnesota Biennial Report

In 2001, the Minnesota legislature began to require that utilities that own or operate electric transmission facilities in the state report every other year on the status of the transmission system, including identifying possible solutions to anticipated inadequacies in the transmission system. Since that time, the Minnesota Transmission Owners (MTO) have jointly prepared a Biennial Report pursuant to this legislation. The 2021 Biennial Transmission Projects Report includes a chapter on public participation. The key language below is taken directly from the most recent Biennial Report.[142]

Both the statute…and the [Minnesota Public Utility Commission] rules…emphasize the importance of providing the public and local government officials with an opportunity to participate in transmission planning. Over the years of filing biennial reports, the utilities have tried, in accordance with MPUC requirements, various methods of advising the public of opportunities to learn about and participate in transmission planning activities.

The MPUC adopted rules for public involvement in transmission planning as part of the biennial report requirements in 2003. Initially, in accordance with Minn. Rule part 7848.0900, the utilities held public meetings across the state in each transmission planning zone (Minnesota has six planning zones) to advise the public of potential transmission projects and to solicit input regarding development of alternative solutions to various inadequacies. These public meetings were poorly attended, with little input being offered.

141 2023 N.Y. Laws, ch. 56, part QQ, sec. 1 (to be codified N.Y. Pub. Auth. Laws sec. 1005(27-a) (b)).

142 https://www.minnelectrans.com/

As a result, in May 2008...the MPUC granted a variance from the obligation to hold these zonal meetings, and that variance has been extended every time since....

In lieu of the public meetings, beginning with the preparation of the 2009 Report, the utilities held six webinars, one for each transmission planning zone, to report on the transmission inadequacies identified in the Biennial Report for each zone. These webinars were not any better attended than the zonal meetings were in previous years. Few questions and comments were generated.

For the 2011 Report, with Commission approval, the utilities held one webinar. Despite widespread notice in a statewide newspaper of the webinar, only a few people participated, and most of those were utility or state employees. In 2013, after the 2013 Biennial Report was filed, the utilities held another webinar. Again, essentially nobody participated — only one person joined the webinar.

As a result, the Commission has now determined that the utilities are not required to hold a webinar with regard to the Report.

The MTO have maintained a website...for several years now, on which interested persons can obtain various information about ongoing transmission planning efforts...There is a contact form on the webpage where visitors can ask questions of utilities about proposed projects. Only a handful of questions have ever been submitted using that method.

Most transmission planning is now conducted through MISO. MISO provides numerous opportunities for the public to be involved in transmission planning. The reality is, however, that not many members of the general public avail themselves of these opportunities. It is understandable, because transmission planning is an extremely technical endeavor.

The public may not get involved in early transmission planning activities, but public interest and awareness rises when projects are under consideration in a particular locale.

## Appendix C-3: Tehachapi Collaborative Study Group

The Tehachapi Collaborative Study Group issued study reports to the CPUC on March 16, 2005, and in April 2006. The March 16, 2005, report has been characterized as a conceptual transmission plan for export of 4,000 MW of wind power from the [Tehachapi] region. The outcome of this process was the identification of alternatives for the transmission infrastructure and a recommendation to further study these alternative schemes by the CAISO.

A wide variety of industry organizations and several governmental offices participated in one or more study group meetings. Ultimately, a subgroup of the study participants was formed to lead the study process, review the power flow analyses of transmission alternatives performed by PG&E and SCE and the costing of these alternatives, and to write the report. The subgroup consisted of representatives of CAISO, the California En-

ergy Commission, Center for Energy Efficiency and Renewable Technologies, CPUC, Oak Creek Energy, PG&E, PPM Energy, and Southern Cal Edison.

In line with the CAISO's role in facilitating compliance with the state RPS mandate, the CAISO needed to assess several proposed transmission projects, of which Tehachapi was one, to make it feasible for project sponsors to obtain regulatory approvals and complete construction as early as possible.

The CAISO began the study process by forming a technical project team. The team included CAISO participating transmission owners, technical representatives from other project sponsors, and technical representatives from the California Energy Commission and the California Electricity Oversight Board. The team became known as the CAISO South Regional Transmission Planning Team (CSRTP-2006). The team was not a stakeholder forum, but rather a technical group for providing the CAISO with the necessary technical data as well as the "real-time" technical advice it needed to conduct its analysis.

On January 18, 2007, having completed its study, the CAISO requested that the CAISO Board of Governors approve the Tehachapi Transmission Project and direct Southern Cal Edison, as the project sponsor, to proceed with permitting and construction of the Tehachapi Transmission Project. The CAISO Board of Governors approved the project.

**Public Involvement:** While clearly driven by governmental entities, regulated utilities, and wind power developers, approval of the Tehachapi Transmission Project was not accomplished in a vacuum. In addition to several outreach programs intended to familiarize the public with the CSRTP-2006 process and studies assumptions that the CAISO held as part of a related project (the Sun Path Project, which was approved by the CAISO Board on August 4, 2006), the CAISO conducted public outreach specific to the Tehachapi Transmission Project. CAISO sent out notices of events and comment opportunities to more than 3,000 stakeholders on lists compiled by the CAISO, CPUC, and Southwest Transmission Expansion Plan. It organized an open house in Tehachapi to communicate the role of the CAISO in transmission projects, the CSRTP-2006 approach, and the Tehachapi Transmission Project. CAISO also shared its study assumptions through publication on the CAISO website. It shared its base cases with CSRTP-2006 members and other stakeholders. It facilitated processes to receive comments and suggestions on the study approach and transmission alternatives.

Finally, CAISO presented it approach as well as its findings and recommendation at the STEP open meetings and at CPUC workshops.

As a result of these public outreach programs, the CAISO stated that it received several valuable comments and suggestions from stakeholders that triggered modifications of study assumptions and approach and, eventually, the CAISO's findings and conclusions. The following table lists the outreach activities related to the CSRTP-2006 process and the Tehachapi Transmission Project.

| Outreach Activity | Date |
|---|---|
| Open house on CSRTP-2006 process | May 19-20, 2006 |
| Created distribution lists to reach affected parties | May 2006-Jan 2007 |
| Hosted conference call to discuss assumptions/comments | June 22, 2006 |
| Collected written stakeholder comments on assumptions | Through June 29, 2006 |
| Initiated 1:1 outreach to individuals and interest parties | May- January 2007 |
| Published and re-posted updated study assumptions | July 17, 2006 |
| Held joint Tehachapi Transmission Workshop with CPUC | August 23, 2006 |
| Presented the CSRTP-2006 process and interim findings | Multiple dates 2006 |
| Open house in Tehachapi | September 25-26, 2006 |
| Presentation at CPUC workshop on Tehachapi | August 23, 2006 |
| Presentation at CPUC workshop on Tehachapi | November 21, 2006 |

**Postscript:** In 2007, Southern Cal Edison began seeking regulatory approvals for the Tehachapi Transmission Project. Among other things, the California Public Utility Commission conducted a public process to determine whether to issue a certificate of public convenience and necessity. This required compliance with the California Environmental Quality Act. Because there was federal involvement with the project, compliance with NEPA was also required. As a result, the CPUC and the U.S. Forest Service prepared a joint environmental study. Ultimately, construction of the project began in the spring of 2010 and the project was fully energized in 2016.

## Appendix C-4: State Processes

The National Council on Electricity Policy, which describes itself as a platform for all state-level electricity decision makers to share and learn from diverse perspectives on the evolving electricity sector, has compiled information on state processes relevant to electric transmission line siting in its "Mini Guide on Transmission Siting: State Agency Decision Making."[143] The information below is taken directly from the Mini Guide with slight paraphrasing in a few places.

Decisions on where to site transmission lines must balance the needs of the electric system with other uses of land. States have evolved several different ways to organize this important decision-making process.

States generally require an applicant for a transmission line to notify the public of the proposed route and invite and receive comments from those affected by a proposed project. Often the decision maker hears public input directly. In each state, the agency making the decision to approve and locate a transmission line is charged with balancing all aspects of the public interest in its decision. Approval may have several legal consequences. It usually constitutes a finding of public need that would support acquisition of

143 https://pubs.naruc.org/pub/C1FA4F15-1866-DAAC-99FB-F832DD7ECFF0

land interests for the right-of-way through negotiation or condemnation. It may authorize access to public land necessary for construction of the project. And it may permit the costs of the project to be recovered from electricity customers in subsequent rate cases.

The criteria for approval of a transmission line are relatively consistent. The need for the line must be demonstrated through analysis of the electrical system. The cost of the project compared to its benefits is usually considered. Siting decisions typically analyze land use effects along the line's right-of-way (e.g., agricultural, recreational, scenic impacts). Proximity to railways, roadways, and airports is sometimes a factor. Environmental effects are regularly considered, including geology, wetlands, wildlife, forestry, and historic or cultural features.

Legislatures have set out several ways for these interests to be coordinated by designated transmission siting authorities that produce final decisions. Review of siting authorities across the United States reflects four broad patterns of decisional process for siting electric transmission lines. Not surprisingly, almost every state adds its own features.

**Commissions:** By far the most common approach assigns primary responsibility to the state's utility regulatory agency — usually called the Public Service Commission, the Public Utility Commission, Commerce Commission, or Corporation Commission (hereafter referred to as Commission). This method is used by approximately 33 states. A Commission often has staff specialists in electric system design, land use, environmental issues, and other subjects that support its consideration.

Within this group of states, two approaches are used. In one, the Commission acts as a lead agency to solicit and coordinate input from other affected agencies.

Alternatively, the utility proposing the transmission line will coordinate with the public and with interested agencies, sometimes make requested modifications to the project, and report that coordination in its application to the Commission.

**Siting Boards:** About eight states have created special decisional entities, referred to here as Siting Boards (though other names are used) with responsibility for approval and siting of proposed transmission lines. The membership of the Siting Boards is set by statute, often including the heads of state agencies (or their designees) that may be affected by new transmission construction, such as directors of Environmental Protection, Natural Resources, Agriculture, Energy, Wildlife, and Transportation Departments, along with the Commission.

In some states, legislators and members of the public also serve on the Siting Board. For instance, the Arizona Power Plant and Transmission Line Siting Committee includes public members representing municipalities, counties, and agriculture. The Massachusetts Energy Facilities Siting Board includes six statutorily designated agency officials as well as three public members (appointed by the governor) with expertise in energy, environmental issues, and labor).

**Other Agencies:** Four states have assigned the primary role to a state agency other than the Commission or Siting Board. Montana assigns this task to the Environmental Department. Oregon houses its Energy Facilities Siting Council within its Department of Energy. Florida's Department of Environmental Protection acts as lead agency and makes a recommendation to the governor and cabinet who make the final decision. In Alaska, the Department of Natural Resources acts on requested easements for transmission lines over the extensive state-owned land.

**Local Governments of Publicly Owned Utilities:** As noted earlier, Colorado, Indiana, Louisiana, and Oklahoma leave most siting decisions to applicable local governments such as county zoning boards. Tennessee has exclusively publicly owned utility systems and lodges siting responsibility with those entities.

## About DNV

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