

Accelerating Transmission Development

Practical Lessons from the Western State Transmission Authority Workshop

November 2026

GRIDWORKS

TABLE OF CONTENTS

PROJECT DESCRIPTION..... 3

Project Background..... 3
Acknowledgements..... 4
Workshop Materials..... 4
Workshop Participants..... 5

PRACTICAL LESSONS..... 6

Design an authority around the public purpose it will serve and the problems it will solve..... 7
Signal state support for needed projects..... 8
Work through public-private partnerships..... 9
Don’t create another layer of bureaucracy..... 10
Don’t starve your transmission authority..... 10
Balance public transparency with the demands of a competitive business..... 10
Keep eminent domain as a backstop..... 11
Use tax provisions to create a strategic advantage..... 12
Use revenue bond financing as a targeted tool..... 13
Understand your state’s approval processes to identify permitting efficiencies..... 14

CONCLUSION..... 15

PROJECT DESCRIPTION

Project Background

State transmission authorities have emerged in the West as an institutional innovation to accelerate transmission development. These public entities offer a way for states to move needed projects forward, with different models reflecting each state's priorities and circumstances. As interest has grown, authority leaders have fielded more inquiries, often on the same questions: *How did you build it? What works? What would you do differently?* Gridworks launched this project to create a forum to explore existing authorities' powers and tools, share practical experiences, and learn across state lines.

Three authorities guided this project: the Colorado Electric Transmission Authority (CETA), the New Mexico Renewable Energy Transmission Authority (RETA), and the Wyoming Energy Authority (WEA). Other models include the Idaho Energy Resources Authority (IERA), the North Dakota Transmission Authority (NDTA), and the newly created Washington Electric Transmission Authority. California offers a related example through its Transmission Infrastructure Accelerator. Gridworks' pre-workshop white paper profiles the Colorado, New Mexico, and Wyoming authorities and provides shorter overviews of Idaho, North Dakota, and Washington.[1]

Gridworks brought these conversations together at a workshop in Denver on Sept. 24–25, 2026. The workshop convened more than 60 participants, including Western state infrastructure authority representatives, policymakers, developers, and industry practitioners. Participants examined authority models, policy tools, developers' experiences, financing capabilities, and permitting roles. The discussions explored what has worked, what has proven difficult, and how an authority's design can respond to the particular problems a state seeks to solve. This report distills the practical insights and emerging lessons from those exchanges.

[1] Gridworks, An Introduction to Interior West Infrastructure Authorities, May 2026. Provides an overview of the missions, governance, policy tools, priorities, and accomplishments of the Colorado, New Mexico, and Wyoming authorities.

Acknowledgements

Gridworks Project Team
Cathy Boies, Interior West Director
Matt Jones, Senior Project Manager
Kyla Maki, Research Director
Matthew Tisdale, Executive Director

Advisory Council
Erik Aaboe, Deputy Director, New Mexico Renewable Energy Transmission Authority
Maury Galbraith, Executive Director, Colorado Electric Transmission Authority
John Jenks, Director of Energy Market Development, Wyoming Energy Authority
Lynn Mostoller, Executive Director, New Mexico Renewable Energy Transmission Authority

We are deeply grateful to our Advisory Council for the vision, time, and care they brought to this workshop. Their willingness to share hard-earned lessons, shape candid conversations, and help other states learn from their experience made this gathering a success.

Project Sponsor
The Gridworks project team thanks Aparna Narang and the Connected Grid Initiative for sponsoring this project and for their commitment to interstate collaboration and transmission development across the West.

Workshop Materials

- Website (includes presenter slides)
- Agenda
- Workshop pre-read white paper

Thank You Workshop Participants

Advanced Energy United

Arizona Governor's Office of Resiliency

California Governor's Office of Business and Economic Development (GO-Biz)

Clean Air Task Force

Climate Solutions

Colorado Electric Transmission Authority

Energy Strategies

Environmental Defense Fund

Google

Grid Strategies

Grid United

GridLab

Idaho Energy Resources Authority

Institute for Western Energy

Interwest Energy Alliance

Invenergy

ITC Holdings Corp.

La Plata Electric Association

Montana Energy Office, Department of Environmental Quality

National Association of State Energy Officials

National Audubon Society

The Nature Conservancy

New Mexico Energy Conservation and Management Division

New Mexico Renewable Energy Transmission Authority

NextEra Energy Transmission

North Dakota Transmission Authority

Oregon Department of Energy

Oregon Environmental Council

Pattern Energy

The Pew Charitable Trusts

Regulatory Assistance Project

Renewable Northwest

Rocky Mountain Institute

SouthWestern Power Group

Tormoen Hickey LLC

Washington State Department of Commerce

Western Area Power Administration

Western Freedom

Western Resource Advocates

The Western Transmission Consortium

Wyoming Energy Authority



Keynote speaker Chris Hansen, CEO of La Plata Electric Association and former Colorado State Senator, shares his vision for state transmission authorities, drawing on his role as the principal architect of Colorado's legislation.

PRACTICAL LESSONS

What does it take to turn a state transmission authority's powers into projects? Over a day and a half, workshop participants examined that question from the perspectives of authority leaders, developers, financing experts, and state and local officials. Discussions moved from foundational design and building a project pipeline to the developer experience, financing, and siting and permitting—exploring where authorities can make a difference and what they need to succeed.

The practical lessons that follow draw on those candid exchanges, particularly the experiences of CETA, RETA, and WEA. They offer guidance for states considering a new authority or strengthening an existing one: define the public purpose, understand the obstacles, and equip the authority with tools that respond to the state's circumstances. The "In practice" examples illustrate how states have translated those ideas into legislation, partnerships, and development tools.

Design an authority around the public purpose it will serve and the problems it will solve.

There is no single blueprint for a successful state transmission authority. States differ in their energy priorities, regulatory landscapes, and barriers to transmission development. Begin by defining the public values the authority should advance and the specific problems it should address, then, shape its mission, powers, and structure around those goals. Other states' legislation offers useful reference points, but tailoring legislation to each state's specific circumstances better equips an authority for success.

Designing an authority that is responsive to a state's needs requires a clear understanding of where an authority can add value. Ask what is preventing needed projects from moving forward in the state and what tools would help overcome those obstacles. Use the answers to those questions to equip the authority with tools that address specific barriers and make it a valuable partner for developers and local utilities. Board composition should likewise reflect the state's priorities and provide the expertise needed to carry out the authority's mission. Designing around the public purpose also gives policymakers a concrete case for creating an authority and can help build bipartisan support in the legislative process.

In practice:

- **New Mexico connects project eligibility to its renewable energy goals.** To qualify for RETA support, a facility must transmit or store electricity of which at least 30% originates from renewable sources. This requirement translates RETA's public purpose of advancing renewable energy into a concrete criterion for project eligibility (Sect. 62-16A-2, NMSA).
- **Wyoming's authority reflects its energy economy.** As a state with a deep history of energy production and exports, Wyoming gave WEA a broad economic development mandate. Its responsibilities include seeking and administering federal funding for state energy industries, pursuing market opportunities, and supporting emerging energy technologies and related industries (Sect. 37-5-503, WY Stat.). For Wyoming, WEA is a vehicle for advancing energy policy grounded in the state's economic priorities.
- **RETA's advantages respond to New Mexico's particular development barriers.** Participants identified state tax provisions and streamlined permitting as two significant tools for RETA. Their value comes from a detailed understanding of New Mexico's tax structure and land use approval processes. The resulting tax savings and permitting efficiencies make RETA a compelling partner for developers. Both tools are discussed further below.
- **Idaho uses its authority as a financing conduit.** IERA uses its revenue bonding authority to help the Bonneville Power Administration and public power

entities finance transmission investments. Through lease-purchase arrangements, IERA helps its partners with debt financing for transmission infrastructure (Sect. 67-8908, Idaho Code).

Signal state support for needed projects.

An authority's involvement signals that a project matters to the state and serves a broader public purpose. State commissions often consider transmission needs through individual utilities' resource planning processes, creating an opportunity for authorities to bring a statewide perspective. That broader view can identify needed projects that local utilities cannot or will not pursue, including those that cross utility or state boundaries or deliver benefits beyond a single utility's customers. By identifying these gaps and making the public case for addressing them, authorities can focus attention and development efforts on projects that offer significant public benefits but are overlooked in traditional planning processes.

In practice:

- **Use project selection criteria to connect public purpose with project opportunities.** RETA's regulations establish a process for evaluating potential projects that considers both their viability and their benefits to New Mexico. Looking at how a project would serve the state and its communities helps RETA focus its support on opportunities that advance its public purpose (17.8.2, NMAC and RETA project selection presentation).
- **Identify priorities through a statewide lens.** CETA's 2025 project prioritization process used its statewide transmission study, screening and ranking criteria, and stakeholder input to identify a shortlist for partnership development and further due diligence. The process considered projects serving different geographic areas and needs, including connections between systems and interstate expansion (CETA Project Prioritization webpage and Prioritization Framework Memo).
- **Define the authority's role to complement local utility projects.** An authority's enabling legislation can establish how its work complements existing utility and developer efforts. Washington's law emphasizes partnerships and allows the authority to start projects independently only as a last resort, without disrupting or duplicating projects already underway (Washington SB 6355). CETA's law requires public notice of proposed projects and gives utilities and other developers an opportunity to pursue them before the authority proceeds (Sect. 40-42-104(2), CRS).

Work through public-private partnerships.

Transmission authorities rely on private developers for the capital and expertise to evaluate and build projects. As instrumentalities of the state, authorities bring local knowledge, relationships, and a public purpose to these partnerships. Developers lead project development; authorities help navigate obstacles, connect state and local leaders, and engage communities. An authority's local ties and knowledge of the state landscape can be especially valuable. Once a project meets the authority's requirements, the authority can advocate for the project and make the case for its public benefits.

In practice:

- **Use partnerships to turn public goals into projects.** RETA has pursued all of its projects through partnerships with private developers, demonstrating how an authority can advance transmission development by combining its public role with private capital and expertise (RETA Projects Overview).
- **Set clear expectations for community engagement.** CETA's Principles of Community Engagement lay out how it expects project partners to work with potential host communities, making community engagement an explicit part of its approach to development (Principles of Community Engagement).



Maury Galbraith of Colorado, John Jenks of Wyoming, and Lynn Mostoller of New Mexico share perspectives from their state transmission authorities at the Denver workshop.

Don’t create another layer of bureaucracy.

Developers’ message at the workshop was clear: keep processes simple, reduce uncertainty, and help solve problems. Authorities should take a project-driven approach, identifying obstacles and bringing the right people together to resolve them. Flexibility to find solutions in transmission planning and development can reduce project risk and make an authority a valuable partner. Excessive rules and compliance requirements can undermine an authority’s value and discourage developers from working with it.

Don’t starve your transmission authority.

Authorities need funding and staff to get established and carry out their mission. Leaders from New Mexico and Colorado described how limited funding constrained their authorities’ early work. Importantly, RETA’s funding model has evolved as its project portfolio has grown. With four projects in operation and five in development, RETA now covers its costs entirely through project funding.

From the outset, states should match their expectations with the resources needed to build partnerships, evaluate opportunities, and conduct outreach that helps projects move forward. Participants emphasized that energy-producing states should invest in the institutions and infrastructure that support their energy economies.

In practice:
Authorities draw on different funding sources to support their work:

- **Colorado:** $500,000 annually from the fixed utility fund.
- **Idaho:** Approximately $200,000 from financing fees, no state appropriation.
- **New Mexico:** Approximately $3 million annually from lease payments and development fees.
- **Washington:** Approximately $1 million annually from the state’s general fund.
- **Wyoming:** $2.6 million annually from the state’s general fund.

Balance public transparency with the demands of a competitive business.

Transmission development is a competitive business, and authorities need room to discuss commercially sensitive opportunities and negotiate with potential partners. Their quasi-governmental structure is important to provide that flexibility while preserving public accountability. Open meetings, clear principles for decision-making and policy development, and public oversight remain essential to building trust in how authorities carry out their mission.

Keep eminent domain as a backstop.

Access to eminent domain can shape who is able to develop transmission. Local utilities across the West generally have this power, while access for merchant developers varies by state. Participants generally agreed that giving transmission authorities this power can put them on a more equal footing with local utilities and reduce uncertainty for development partners about securing land rights. There was also strong agreement that authorities should seek voluntary agreements with landowners first and use condemnation only as a last resort.

The value of this backstop depends on who can exercise eminent domain under state law and under what conditions. In discussing those differences, participants suggested condemnation power may be a greater advantage in Washington than in Colorado because of the specific legal context.

In practice:

- **Build on the state's existing condemnation process.** Incorporate established state procedures wherever possible rather than creating a new process for the authority. New Mexico's statute and RETA's regulations offer an example of this approach (Sect. 62-16A-4(B)(8), NMSA; 17.8.3.8(E), NMAC).
- **Prioritize voluntary agreements and reserve condemnation for unresolved land rights.** Washington's law requires "reasonable and diligent efforts" to acquire land rights before exercising eminent domain (Washington SB 6355). RETA reported using the tool only in uncontested cases to date, such as when an owner could not be located or when clearing title would otherwise have required probate proceedings.



Participants gather in a roundtable discussion to explore workshop questions in depth and learn from one another.

Use tax provisions to create a strategic advantage.

Tax savings have helped advance transmission development in New Mexico and made RETA a compelling partner for developers. Through acquisition, co-development, and lease agreements, RETA can help eligible projects access tax deductions and property tax exemptions that lower project costs.

Property tax exemptions can also reduce the revenue host communities would otherwise receive from a project. Negotiated payments in lieu of taxes can offset some of that loss while preserving a portion of the savings that help the project move forward.

In practice:

- **Reduce development costs through tax deductions.** New Mexico allows gross receipts and compensating tax deductions for qualifying equipment and services associated with RETA-acquired facilities. The savings range from 5–9% of the cost of qualifying goods and services, depending on the applicable tax rates where purchases and work occur (Sect. 7-9-101 through 103, NMSA).
- **Lower ongoing costs through property tax exemptions.** Facilities acquired by RETA and leased to a private partner can receive property tax exemptions, including for improvements and leasehold interests. Savings depend on the project's assessed value and applicable local tax rates (Sect. 7-36-4, NMSA).

- **Preserve benefits for host communities.** Payments in lieu of taxes can provide local revenue while retaining some of a project's tax savings. Washington's law requires authority-owned facilities that are exempt from property taxes to make payments to host counties. The payment amounts are negotiated with the counties and cannot exceed what the facilities would otherwise owe in property taxes (Washington SB 6355).

Use revenue bond financing as a targeted tool.

Revenue bonds enable authorities to finance projects using project income, such as payments for transmission service, to repay bond investors. Unlike general obligation bonds, revenue bonds are not backed by the state's full faith and credit. Repayment depends on project revenues rather than state tax revenues.[2] Transmission authorities have limited experience with this tool and are interested in developing their bond issuance policies.

One potential advantage of revenue bonds is the opportunity to lower project borrowing costs through tax-exempt financing. If interest earned on the bonds is exempt from state or federal income taxes, investors may accept a lower interest rate. Authorities should establish whether a proposed bond issue qualifies for state or federal exemptions early in the financing process. However, lower project borrowing costs do not automatically translate into ratepayer savings. Those savings depend on how bond financing complements utility or developer investment and whether financing savings are ultimately passed through to ratepayers.

In practice:

- **Align bonding authority with municipal financing provisions.** Leaders from New Mexico described how inconsistencies between the state's industrial revenue bond statute and RETA's bonding statute complicated implementation. They advised other states to harmonize an authority's financing powers with existing municipal financing provisions.
- **Pool financing needs to achieve scale.** One option proposed for CETA is to combine the financing needs of several smaller public power utilities into a single bond offering. A pooled offering could allow participating utilities to share issuance costs and, by increasing the size of the offering, potentially reach a broader investor base (Grid Strategies, Strategic Use of Public Revenue Bonding).

[2] North Dakota provides additional support for North Dakota Transmission Authority bonds through a state 'moral obligation' to replenish debt service reserves if needed. This support depends on legislative appropriations and does not carry the same enforceable state guarantee as a general obligation bond (Sect. 17-05-08(6), NDCC).

- **Use bond financing to work within borrowing constraints.** IERA uses bond proceeds to finance infrastructure through lease arrangements. For the Bonneville Power Administration, this approach can help advance projects while preserving its limited federal borrowing capacity. For Idaho municipal utilities, lease financing can provide access to capital without issuing debt directly, which can help avoid voter-approval requirements that would otherwise apply (IERA Bond Financing).

Understand your state's approval processes to identify permitting efficiencies.

Authorities can create permitting efficiencies through both their statutory powers and their coordination role. States can give authorities specific powers to streamline approvals, tailored to the state's requirements and public expectations for environmental review and participation. Authorities can also work within existing processes to bring agencies together, align reviews and deadlines, and resolve bottlenecks. Both approaches require a thorough understanding of the state's particular approval processes and can help reduce duplication, improve coordination, and provide greater schedule certainty for developers.

In practice:

- **Streamline approvals while maintaining environmental review.** New Mexico exempts RETA and eligible facilities it acquires from Public Regulation Commission jurisdiction, including the commission's location and right-of-way width approvals. The commission's adjudicated approval process can take six to nine months. For exempt facilities, RETA oversees environmental review through a joint development committee and checks compliance with applicable state and federal environmental laws (Sect. 62-16A-4(E), NMSA, Sect. 62-9-3, NMSA, and Sect. 62-9-3.2, NMSA).
- **Standardize processes with state land agencies.** RETA worked with New Mexico's State Land Office to standardize leasing for transmission projects on state lands. Establishing a consistent process helped to clarify expectations and reduce uncertainty for developers.

CONCLUSION

The West needs more transmission than it is currently building. Demand is growing, infrastructure is aging, and the resource mix is changing. State transmission authorities offer a way to help meet that challenge, with different approaches reflecting each state's priorities and circumstances. The workshop reinforced a clear starting point: identify the particular problems preventing needed projects from moving forward in a state and equip an authority with tools that give it a strategic advantage in addressing them.

Putting these tools to work requires sustained organizational capacity and strong working relationships. Authorities need funding and staff, flexibility to solve problems, and public accountability. Tax provisions, financing, condemnation powers, and permitting efficiencies can help overcome specific barriers when used with care. Equally important is the groundwork: engaging communities early, building coalitions, and clearly communicating the need and rationale for investment. Transmission authorities do not build transmission alone.

The workshop underscored that institutions, partnerships, and leadership matter. By sharing experience and working across state lines, authorities can strengthen their ability to address shared transmission needs. Their value lies in bringing the right people, tools, and state support together to make needed projects achievable—and, in doing so, building the conditions that make building the grid possible.