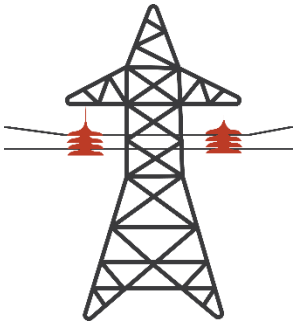
EO 25-29: Proposed Framework for Strategic Transmission Siting

1. Introduction



Oregon is facing an urgent need to upgrade and develop electric transmission infrastructure. For decades, the transmission system was sufficient to meet most electricity needs and support new generation. This is rapidly changing. Oregon is part of an interconnected transmission grid, and meeting steep electricity demand growth in Oregon and the West requires upgraded and new transmission lines. Drivers include new demand from data centers, vehicle electrification, and other drivers, as well as the need to build and interconnect the low-carbon resources needed to meet Oregon's clean energy objectives. This proposed framework serves to address the challenges in building transmission infrastructure at the pace and scale needed to meet the moment.

The Oregon Energy Strategy found that "[e]xpanding the electricity system is critical to maintain reliability while accommodating rapid load growth." The transmission system is an essential component of the electricity system. It is the high-voltage network highway that transfers electrons across state and county lines from where they are generated to where they are used. Much of Oregon's transmission infrastructure is aged, under increased stress from growing loads, and exposed to elevated risks ranging from extreme weather events to cyberattacks.[1] It needs to be upgraded, rebuilt, and expanded with modern technologies to improve efficiencies, reduce congestion, add transfer capacity, and reduce risks of power outages and wildfires.

This Proposed Framework for Strategic Transmission Siting has been prepared pursuant to Executive Order 25-29, section I.2.e, which calls on the Oregon Department of Energy, in coordination with the Oregon Public Utility Commission and the Governor's Office, to undertake a process to evaluate and propose a framework to strategically accelerate:

i. Identification and designation of transmission corridors, including on public lands (state and federal);
ii. Streamlined partial siting and permitting approvals for future projects in those corridors or within existing transmission rights-of-way; and
iii. Targeting direct financial support for projects that are determined to benefit the public interest.

For purposes of this proposed framework, the focus is on transmission infrastructure and equipment that is 57 kilovolts or higher. This is increasingly the threshold at which transmission infrastructure is defined, with anything falling below that being classified as distribution infrastructure.[2] The scope of this proposed framework includes power lines and towers, as well as substations, transformers, batteries,

[1] *See, e.g.*, Bonneville Power Administration, The Evolving Grid, Update on the State of Transmission, 2023. https://www.bpa.gov/-/media/Aep/transmission/Grid-Expansion-and-Reinforcement-Portfolio-GERP/042723-Evolving-Grid-BPAT-final.pdf

[2] *See, e.g.,* PGE 57 kV Reclassification, https://apps.puc.state.or.us/orders/2025ords/25-100.pdf and pg. 15 and PGE 57 kV Filing, https://edocs.puc.state.or.us/efdocs/HAQ/um2362haq340396027.pdf

and grid-enhancing technologies (GETs).[3] It encompasses the portion of infrastructure that connects high-voltage lines to lower-voltage local, distribution system infrastructure.[4] It also includes consideration of non-wires alternatives, which, in addition to GETs, include measures like energy efficiency and demand response that can help reduce the need for transmission infrastructure.[5]

This scope reflects the need to focus on long lead-time, high-voltage transmission infrastructure investments, and to identify near-term, local solutions in grid-constrained areas of the electricity system.

The proposed framework is organized as follows:

- Section 2 provides a summary of the proposed framework for strategic transmission siting.
- Section 3 summarizes the process undertaken to research and collect information to inform the framework, along with key findings.
- Section 4 identifies key gaps and opportunities to identify and designate strategic transmission priorities for the state of Oregon.
- Section 5 focuses on opportunities to streamline siting and permitting approvals for priority transmission projects.
- Section 6 presents opportunities for state action to help deploy non-wires alternatives to support near-term energy needs.
- Section 7 presents steps the state could take to financially support transmission projects.
- Section 8 summarizes next steps.

Non-wires alternatives include grid-enhancing technologies, batteries, energy efficiency, demand response, and identifying planning and contractual approaches to get maximum use out of existing lines (to the extent this is within the state's jurisdiction).

Each section includes a brief description of key gaps and needs, followed by enabling actions.

This proposed framework reflects what ODOE has learned so far through our research and conversations with experts and interested parties. We hope it will advance the conversation among interested parties as the state works to address the challenges associated with meeting our electricity transmission needs.

2. Summary of Elements of a Proposed Framework for Strategic Transmission Siting

Element #1 - Identification and designation of strategic transmission priorities

- **Key gaps/needs:**
  - Prioritization of transmission projects.
  - Principles and criteria to identify strategic transmission priorities.

[3] HB 3336. "Grid enhancing technology" includes any hardware or software technology that enhances the performance or improves performance efficiency of a transmission system including, but not limited to, dynamic line rating, advanced power flow control technology, topology optimization, advanced reconductoring, flexible alternating current transmission systems or energy storage when used as a transmission resource. Grid enhancing technologies are part of a broader class of "advanced transmission technologies" and include wildfire mitigation benefits in addition to improving the efficiency of transmission infrastructure.
https://www.pnnl.gov/sites/default/files/media/file/ATTs%20Wildfire%20Poster%20Final%20Draft.pdf

[4] https://www.energy.gov/sites/default/files/2023-11/FINAL_CESER%20Electricity%20Grid%20Backgrounder_508.pdf

[5] 2024 BER, Alternatives to New Transmission, pp. 220-236, https://www.oregon.gov/energy/Data-and-Reports/Documents/2024-BER-E101.pdf#page=112

- **Enabling actions:**
  - Establish a dedicated state resource – within an existing agency or through creation of a new transmission entity – to identify state priorities.
  - Define criteria for identifying strategic transmission priorities.
  - Recognize WestTEC 10- and 20-year projects as state priorities and engage with utilities, large loads, and neighboring states to identify paths forward.

Element #2 - Streamlined siting and permitting

- **Key gaps/needs:**
  - Expedited siting and permitting for priority projects to increase the pace of development through assistance in navigating permitting frameworks.
  - Streamlined siting and permitting to increase efficiency across all projects, while maintaining existing protections and meaningful opportunities for public comment.
  - Strengthened public engagement, starting early in the process.
- **Enabling actions for priority projects:**
  - Establish dedicated state liaisons to accompany priority projects from start to finish and provide support through planning and permitting.
  - For priority projects, provide clear direction from the Governor's Office and agency directors to prioritize moving these projects through the process.
  - Consider extending EFSC's jurisdiction to priority projects to ensure consistency and focus state resources. This could be paired with actions aiming to speed up the siting process.
  - Deem priority projects to have met the need standard in the EFSC process.
- **Enabling actions for all projects:**
  - Increase qualified staff at agencies to meet increased demand for permits.
  - Fund increased staffing needs, including liaison positions, through developer contributions.
  - Establish EFSC standards specific to transmission lines.
  - Update Statewide Planning Goal 13, Energy Conservation.
  - Enable counties to defer transmission siting authority to EFSC.
  - Expand the "Green Corridor" rule for transmission coordination in Morrow and Umatilla Counties to all counties.
  - Adjust state permitting processes to reduce redundancy and delays while maintaining sufficient opportunity for public comment. This includes cooperation between EFSC, ODOT, OPUC, DLCD, other relevant agencies, local governments, and state and federal processes.
  - Develop a framework for community benefits to inform projects.
  - Create an opt-in system for landowners in early outreach, with compensation.

Element #3 - Deploying targeted non-wires alternatives

- **Key gap/need:**
  - Deployment of targeted non-wires alternatives at increased pace and scale, particularly in the very near term.
- **Enabling actions:**
  - Establish a statewide network for peer learning and technical assistance in deploying non-wires alternatives.
  - Continue to advance mechanisms through OPUC processes for investor-owned utilities to improve existing grid utilization.

- Adopt DLCD's recommendation to develop statute and rule provisions regarding stand-alone Battery Energy Storage Systems.
- Expand funding for energy efficiency and demand side flexibility by removing the cap on the public purpose charge contribution for large loads.

Element #4 - Catalyzing projects through financial support and procurement

- **Key gaps/needs:**
  - Construction of priority transmission lines at the pace and scale needed to meet reliability, affordability, and state clean energy goals.
  - Mitigating ratepayer impacts of transmission development.
- **Enabling actions:**
  - Address wildfire liability and accountability, building on the report expected from the OPUC in fall 2026.
  - Direct an existing agency or state transmission entity to attract federal funding for transmission projects, including supporting Tribes, utilities, and counties in securing federal funding.
  - Enable state bonding authority to support low-cost transmission infrastructure development.
  - Establish the state as a transmission developer-of-last-resort, including the ability to issue competitive tenders to ensure needed transmission is built in a timely manner.

3. Process and Key Findings

In preparing this framework, ODOE, with assistance from the OPUC and in coordination with the Governor's Office, researched perspectives on challenges to building transmission infrastructure in Oregon and studied approaches to prioritizing and building transmission infrastructure in other states. These include Washington, Colorado, and New Mexico, which have all established or are in the process of establishing transmission authorities, as well as California, which has an independent transmission system operator. This framework draws on lessons from Oregon and other states in identifying elements of a proposed framework for strategic transmission siting in Oregon.

ODOE received technical assistance from the National Governors Association Policy Academy in undertaking research to inform this framework. This included convening an in-person workshop in May 2026, during which ODOE collected perspectives on challenges and potential solutions from investor- and consumer-owned utilities, the Bonneville Power Administration, private developers, Tribes, local governments, landowners, advocacy groups, and peer agencies. NGA, in coordination with ODOE, also issued a questionnaire in August 2026 to deepen understanding of the themes that emerged from the workshop and seek broader perspectives on key issues. Insights from that questionnaire have informed the final recommendations. In October 2026, ODOE will hold a final workshop, through the NGA Policy Academy, to discuss the findings of this framework in the context of broader work underway to address the need for transmission expansion in Oregon.

Core values at the center of transmission infrastructure development

Transmission infrastructure is critical for Oregonians' personal well-being, economic prosperity, and climate and environmental protection. It delivers the electricity that powers our daily lives and enables businesses to grow and thrive. It also provides access to least-cost clean electricity across Oregon and

the West, making it a critical component for achieving Oregon's decarbonization objectives.[6] For these reasons, expanding and modernizing the grid is an essential goal for Oregon.

At the same time, transmission poses challenges. Transmission lines and infrastructure can have negative impacts for specific local communities in contrast to the benefits for the larger system. As long, linear projects, transmission lines often cross a combination of Tribal reservations and ceded lands, private property, and protected state and federal lands and waters. While transmission lines may bring overall economic benefit, they can adversely affect cultural and natural resources as well as home and property values where they are sited. Early and frequent meaningful engagement helps ensure that negative effects are avoided wherever possible, minimized, and mitigated.

In the research conducted for this framework, five core values repeatedly surfaced that should be considered as the state pursues transmission acceleration: (1) affordability, (2) securing reliability, (3) preserving cultural resources, (4) protecting natural and working lands, and (5) fostering transparency and engagement.

Affordability

Transmission is necessary to access least-cost, clean resources for Oregonians. Constrained transmission leads to higher prices, hurting ratepayers. At the same time, investing in transmission means investing ratepayer dollars in new or upgraded infrastructure. Identifying the least-cost options available may mean considering how a combination of non-wires alternatives, together with transmission upgrades, can work together to meet energy needs at least cost. Where new infrastructure is necessary, the highest-priority, "least-regrets" transmission projects should be invested in first, informed by a state- and region-wide perspective, rather than relying solely on a utility-by-utility approach to transmission planning. Reducing the cost of building transmission, including through leveraging federal funding, providing state bonding authority, and addressing uncapped wildfire liability and accountability, can contribute to affordability. Finally, there may be opportunities for large loads to help fund expanded transmission infrastructure while mitigating risk to ratepayers. The OPUC is implementing critical steps to protect ratepayers pursuant to the POWER Act; however, the POWER Act only covers investor-owned utility service territories.[7] Consumer-owned utilities are implementing their own approaches to shield ratepayers in their service territories from the costs of data center expansion.

Securing Reliability

Oregon and the Northwest are likely to face reliability challenges where demand growth risks outpacing the supply of electricity. Data centers are the greatest near-term driver of this growth, followed by electrification of vehicles, population growth, and other economic growth. The potential reliability risks could affect public health, financial stability, and Oregon's economy. The limited availability of transmission is one of the biggest constraints to building and connecting needed generation. It is essential to find ways to build transmission faster. Maximizing non-wires alternatives can increase reliability and could be deployed more quickly than transmission expansion. Non-wires alternatives include grid-enhancing technologies, batteries, energy efficiency, demand response, and identifying planning and contractual approaches to get maximum use out of existing lines (to the extent this is within the state's jurisdiction).

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[6] In this framework, "clean electricity" has the definition provided in the Oregon Energy Strategy: "…electricity that produces zero or very few greenhouse gas emissions under the Oregon Department of Environmental Quality's Greenhouse Gas Emissions Reporting Program and which comes from a facility that is operated in accordance with all applicable legal requirements…" Oregon Energy Strategy p. 132.

[7] HB 3546 (2025). *See* Order 26-154 in UM 2377.

Preserving cultural resources

Transmission lines can cross lands within Oregon's borders that Tribes have inhabited for time immemorial, including existing reservations and ceded lands. Tribes are not stakeholders or affected landowners; they are sovereigns who often have decision making responsibilities for projects. Many Tribes are interested in energy sovereignty, including in having transmission access for power generation that could provide revenue for the Tribe, and reliable and affordable electricity for Tribal members. Tribes also seek to have transmission lines avoid historically and culturally significant lands, burial grounds, and critical habitats for First Foods and species. Developers of projects that cross Tribal reservation boundaries and ceded lands need to work with Tribal agencies and their resource planning processes to uphold treaty rights and seek mutually agreeable pathways.

Protecting natural and working lands

Transmission is essential for meeting Oregon's clean energy goals, and supporting resources that reduce the climate, environmental, and public health impacts of fossil fuels for electricity, transportation, and direct uses. At the same time, transmission projects can have direct effects on natural and working lands and waters. It is critical to minimize and mitigate the potential negative effects of transmission while recognizing its benefits. This means engaging with Tribes, agricultural and timber landowners, affected communities, and conservation groups to navigate the least-impact pathways for transmission across the state.

Fostering transparency and engagement

Public notice and engagement are critical to sharing plans and identifying least-conflict routes for transmission. This requires a transparent and clear process combined with early and frequent meaningful engagement. Conflict is inevitable in some cases, and it is important to have a fair, consistent, and time-efficient path to resolving or mitigating conflict. These are some of the most difficult and personal parts of transmission development and require careful consideration. As part of this meaningful engagement with affected communities, it is important to develop an understanding of who benefits, who is harmed, and who is burdened. These questions are key considerations for environmental justice.[8] When developing policies to expand and modernize transmission, Oregon must acknowledge concerns from some communities that projects may primarily benefit urban areas or companies developing and utilizing data centers. There are burdens borne by some agricultural and timber landowners through property devaluation or disrupted operations. While acknowledging these potential negative effects, transmission is essential to mitigating the effects that climate change is having and will have on many priorities in Oregon and across the West. For this reason and from an environmental justice perspective, it is critical to find a balanced path forward.[9]

Key areas of complexity

Transmission infrastructure projects are large, capital-intensive, and complex. Several areas were identified that can contribute to long timelines to plan for, permit, and construct transmission infrastructure. We do not characterize these areas as good or bad, or as problems that need to be

[8] HB 4077. "Environmental justice" means the equal protection from environmental and health risks, fair treatment and meaningful involvement in decision making of all people regardless of race, color, national origin, immigration status, income or other identities with respect to the development, implementation and enforcement of environmental laws, regulations and policies that affect the environment in which people live, work, learn and practice spirituality and culture.

[9] The Equity and Justice Framework in the Oregon Energy strategy provides further guidance on how to develop more just and equitable practices within a framework to advance strategic transmission siting.

"solved." Rather, these are complexities that need to be addressed when considering how to reduce the timelines for transmission development:

- Long, linear projects cross multiple lands and waters, including under Tribal, private, state, and federal ownership, and often require long processes to undertake the required biological and anthropological studies, and to gain access.
- Permitting processes are complex and involve multiple jurisdictions (Tribal, local, state, multi-state, federal) and timelines. Multiple permitting and process layers can lead to long timelines, including where processes run sequentially rather than concurrently. Varying appeal pathways for major decisions in permitting at the state and local levels and condemnation proceedings add legal complexity, draw out timelines, and add to the cost of transmission line permitting.
- Projects that cross multiple states may surface questions about cost allocation and increase complexity around siting and permitting.
- Outreach to affected landowners and broader public engagement is essential to securing access to land and identifying least-conflict solutions to siting. This takes time.
- The process to secure financing for large transmission investments can be lengthy, and often multiple parties are involved in sponsoring a project. These are multifaceted interactions and transactions that require time to negotiate.
- Utilities in Oregon and across most of the West are not part of a Regional Transmission Organization. This leads to fragmented approaches to transmission planning and investment, increasing complexity and timelines, creating inefficient solutions, and risking underbuilding necessary infrastructure.
- Wildfire risk and liability is raising borrowing costs for some utilities, making it more difficult and expensive to finance lines, which ultimately drives up electricity rates.

The rest of this framework identifies opportunities for the state to help navigate some of this complexity, to streamline processes where possible, and to uphold the values described earlier.

4. Identification and Designation of Strategic Transmission Priorities

Context and definition of need

Currently, Oregon lacks a statewide transmission planning process that cohesively assesses the transmission infrastructure needed to serve rapidly growing energy demand across the state. There is no mechanism, state-led or otherwise, to holistically identify the transmission projects that most effectively align with Oregon's policies and priorities, including supporting the most affordable path to meeting statewide demand for electricity. This leaves it to the owners and operators of individual (but interconnected) transmission systems to identify and build what is needed from their localized perspective, and increasingly raises concerns that necessary transmission will not be built at the pace and scale needed. Multiple entities pursuing more and more high-cost transmission infrastructure projects all at once is making it increasingly difficult for the state to identify how and where to prioritize its resources to help advance transmission expansion more quickly, more affordably, and with less conflict.

Statewide and regional dimensions to this challenge

For Oregon's footprint, planning for the expansion of transmission infrastructure across the state is accomplished by a mix of federal, locally owned, and investor-owned entities. The primary three are federal and investor-owned: the Bonneville Power Administration, which owns and operates the largest

network of transmission infrastructure in Oregon and across the Pacific Northwest; PacifiCorp; and Portland General Electric.[10] Some of Oregon's smaller utilities also own segments of in-state transmission tied to their lower-voltage local distribution systems. Each entity plans for its own individual system, leading to a fragmented planning regime and the risk of missing opportunities for collaboration and efficiencies.

Oregon's transmission grid is interconnected with the broader regional grid,[11] and regional planning occurs through various entities. BPA's planning covers a multi-state footprint covering much of Oregon, Washington, Idaho, and Montana. The Federal Energy Regulatory Commission (FERC) sets regional planning requirements across the country. In the Pacific Northwest and Intermountain West, NorthernGrid is the regional entity responsible for facilitating coordinated transmission planning under FERC.[12] There are two other Western regional planning entities under FERC: the California Independent System Operator and WestConnect.[13] The NorthernGrid planning process does not result in binding recommendations, and there is no formal regional process that pulls these three regional plans together.

Key gaps/needs:

- Prioritization of transmission projects.
- Principles and criteria to identify strategic transmission priorities.

Enabling actions:

- Establish a dedicated state resource – within an existing agency or through creation of a new transmission entity – to identify state priorities.
- Define criteria for identifying strategic transmission priorities.
- Recognize WestTEC 10- and 20- year projects as state priorities and engage with utilities, large loads, and neighboring states to identify paths forward.

This fragmentation in planning and lack of a West-wide and Oregon-wide view of transmission needs creates risks. These include under-building necessary transmission infrastructure and advancing inefficient solutions across interconnected but separately operated transmission systems. There is also a risk of not attracting enough investment for the largest lines that hold regional significance and require much larger investment than many utilities alone can secure. For these reasons, the state should consider ways to help identify and prioritize transmission infrastructure projects with a statewide and regional view, and to have the ability to focus investment on state-level and regional priorities where needed.

Criteria for identifying strategic transmission priorities

Oregon should develop a process to define transmission priorities and focus state resources, given the volume of projects in existing plans, the fact that not all transmission projects will require state support, and the limited state resources available. A transmission priority may be based on evaluation of a project identified in an existing plan, such as a utility IRP. It may also be an independently identified area of need identified by a dedicated state resource with specialized staff, within an existing agency or in a state transmission entity.

[10] Oregon Department of Energy, Biennial Energy Report, Energy 101: Electricity Transmission. 2020. 2020-BER-Energy-101.pdf, pp. 6-7.
[11] Oregon's highest capacity interconnections are with Washington, followed by California. *See* WECC 2026 Path Rating Catalog, March 2026. 2026 Path Rating Catalog Public.pdf, p. 6.
[12] Northern Grid, https://www.northerngrid.net/northerngrid/purpose/
[13] Federal Energy Regulatory Commission, Regions Map Printable Version Order 1000, 2024. https://www.ferc.gov/media/regions-map-printable-version-order-no-1000

Identifying transmission priorities would involve applying clear criteria that support prioritization of projects that (1) align with policy objectives of clean, reliable, affordable energy, (2) apply best practices to identifying least-cost, least-conflict solutions, and (3) focus state resources where they are most likely to help move projects forward.

Ultimately, it would be most appropriate for a dedicated agency resource or transmission entity to define specific criteria and how those criteria would be applied to evaluate a project. This would require close cooperation with the agencies that play a role in transmission siting, permitting, and cost recovery and include a public process that applies the Oregon Energy Strategy's Equity and Justice Framework to ensure meaningful involvement. The agencies include the **Energy Facility Siting Council**, which permits transmission lines meeting certain criteria including exceeding 10 miles in length and a voltage of 230 kV or higher; the **Oregon Department of Energy**, which staffs EFSC and has an active role informing energy policy through the Oregon Energy Strategy; the **Oregon Public Utility Commission**, which issues certificates of public convenience and necessity and is responsible for determining cost recovery for transmission lines of investor-owned utilities; and the **Department of Land Conservation and Development**, which oversees application of the Statewide Planning Goals. The process would also need to include coordination with regional partners, including the **Northwest Power and Conservation Council** and **Western Power Pool**, and federal partners, including the **Bonneville Power Administration**, **Army Corps of Engineers**, and **U.S. Department of Energy**. Other land use agencies, which have a role in permitting projects depending on the lands and waters that a project passes through, should also be involved.

The following is a list of proposed criteria based on available information from Oregon and other states:

1. Alignment with policy objectives of clean, reliable, affordable energy

To be considered a strategic transmission priority, a project must demonstrate alignment with state policy objectives, including the objectives of reliable, clean, and affordable energy, and supporting economic prosperity across the state.

Questions/criteria to inform a determination of state priority:

a. Will the project bolster grid reliability?
b. Will the project relieve congestion and facilitate access to low-cost, clean resources in the state and region to benefit Oregon customers?
c. Does the project provide interconnection opportunities to clean electricity resources or enhance access to geographic areas with strong renewable energy resources?
d. Does the project substantially support local economic development and diversification by increasing available supplies of electricity to support expected load growth, improve access in underserved areas, or otherwise contribute to job creation and broader economic activity?

2. Avoiding, minimizing, and mitigating negative impacts on cultural resources especially for Tribes, energy burden, natural and working lands, and affected communities[14]

A transmission project must demonstrate alignment with the policy set forth in the Oregon Energy Strategy to avoid, minimize, and mitigate negative effects of transmission development across all projects. It also includes prioritizing transmission infrastructure development within existing linear

[14] Oregon Energy Strategy, 2025, Oregon Energy Strategy, Policy 2a.

rights-of-way (often referred to as corridors)[15] to reduce the need for greenfield development.[16] Meaningful public engagement early and often is essential to navigate sensitive areas and find the least-conflict route through any area.

Questions/criteria to inform a determination of state priority:

a. Has the project proponent/sponsor considered opportunities to meet or mitigate the need with cost-effective non-wires alternatives, including but not limited to: utility-scale batteries, demand flexibility, energy efficiency, and grid-enhancing technologies? (Note that investor-owned utilities in Oregon are already required to analyze cost-effective GETs and non-wires alternatives when making the case for a transmission project.)
b. Has the project proponent/sponsor considered how to meet the need within or alongside land that has already been developed or zoned for transmission infrastructure?
c. Has the project proponent/sponsor considered opportunities to meet the need within and along land that is already developed or zoned for development and rights-of-way for *other* existing infrastructure, such as roadways, railways, and brownfields?
d. Have Tribes, landowners, and affected communities been consulted early to identify potential opportunities to avoid, minimize, or mitigate potential impacts, or is there a clear plan with dedicated time and resources to do so?

3. Value of state involvement

Given limited state resources and the need to prioritize them, a project must demonstrate that state support could make a significant difference in a project's viability or in accelerating its timeline. A project would need to first demonstrate that it advances state policy objectives and is structured to avoid, minimize, and mitigate negative effects before being considered against these criteria.

Questions/criteria to inform a determination of state priority:

a. Is there a critical need that state support can help address for the project?
b. Could state bonds help overcome financing barriers, bring parties to the table, or otherwise catalyze the project?
c. Could state support in applying for federal grants or technical assistance help overcome barriers to project development?
d. Is the risk high that the line will not be built unless the state steps in as developer of last resort?

These criteria can be applied by the state to prioritize projects that are aligned with the public interest, including those on public lands (state and federal), and that would benefit from state support. The following sections introduce ways that Oregon could expedite permitting and support financing and procurement of priority projects. There are also recommendations that could facilitate development of any transmission project in the state.

[15] These include existing transmission rights of way and might also include other utility transmission corridors such as fiber optics, pipelines, or transportation rights-of-way. They may also include federal rights of way overseen by the Bureau of Land Management or with shared jurisdiction between the Oregon Department of Transportation and Federal Department of Transportation.

[16] Greenfield land, as used in this framework, refers to land that has not been previously developed.

5. Streamlined Siting and Permitting

Context and need

Key gaps/needs:

- Expedited siting and permitting for priority projects to increase the pace of development through assistance in navigating permitting frameworks.
- Streamlined siting and permitting to increase efficiency across all projects, while maintaining existing protections and meaningful opportunities for public comment.
- Strengthened public engagement, starting early in the process.

Permitting is an essential part of the transmission development process. Permits are needed to comply with local, state, and federal laws and regulations. These include laws focused on protection of critical habitats, natural and working lands, air, and water. They also include treaties that define Tribes' rights as they relate to reservations and ceded lands, including the right to hunt, fish, and gather traditional foods and practice culture. These laws and rules include process requirements (1) to give Tribes, landowners, communities, and other interested parties an opportunity for meaningful engagement to protect and balance multiple state priorities like those associated with Oregon's land use goals; (2) to address and resolve conflicts through a fair, standardized, and consistent manner; and (3) in general, to seek the least-harm pathways for implementing transmission projects that provide broad public benefits.

This system of permitting laws and regulations involves many state agencies, local governments, federal agencies, and Tribes. Rules and processes can conflict with each other, create redundancy in reporting requirements, and extend timelines to getting transmission projects permitted and built.

The Energy Facility Siting Council is the primary centralized state venue for transmission permitting. EFSC was established in 1975 to ensure that the construction and operation of energy facilities be accomplished consistent with protection of public health and safety, in compliance with energy policy, air, water, solid waste, land use, and other environmental protections in the state. It brings together state agencies that have regulatory or advisory responsibilities relating to an energy facility, as well as Tribes, cities, and counties affected by the application.[17]

Historically, the EFSC has seen very few applications for transmission projects. Most of the transmission (and distribution) infrastructure in Oregon today was built in the 1960s–1980s, before EFSC was established.[18] EFSC has jurisdictional boundaries. It reviews transmission lines over 10 miles in length, that cross multiple counties, and are 230 kV or higher. Most transmission lines fall short of these criteria and are approved at the county level or fall fully within BPA's federal jurisdiction.[19] The Council has approved two transmission projects: Eugene to Medford (constructed in the early 1990s) and Boardman

[17] ORS 469.310 and 469.360.

[18] *See, e.g.,* Bonneville Power Administration, The Evolving Grid, Update on the State of Transmission, 2023. https://www.bpa.gov/-/media/Aep/transmission/Grid-Expansion-and-Reinforcement-Portfolio-GERP/042723-Evolving-Grid-BPAT-final.pdf (slide 18).

[19] Under the Supremacy Clause of the US Constitution, BPA as a federal agency is not subject to state EFSC jurisdiction. Rather, BPA lines go through federal processes to comply with the National Environmental Policy Act, Endangered Species Act, National Historic Preservation Act, and other laws. However, per the Federal Land Policy & Management Act of 1976, BPA is required to comply with EFSC's siting standards for purposes of constructing "systems for generation, transmission, and distribution of electric energy" on federal land.

to Hemingway (construction recently commenced). Two applications have been submitted and then withdrawn before completing the siting review process.

In anticipation of increased transmission projects, Oregon should consider how permitting processes can be streamlined to support the increased volume and need. There is no simple way to streamline the EFSC process or siting and permitting processes led by local governments.[20] There may be opportunities within specific local, state, and federal processes, as well as opportunities to better align process timelines. ODOE's *Report on Siting and Permitting Large-Scale Electricity Infrastructure*, released concurrently with this framework, includes a description of past and current streamlining efforts and recommendations for ODOE and the state to consider.

The following represent opportunities to expedite permitting for identified state priority transmission projects. There are also recommendations to streamline existing processes for all transmission projects while protecting the values and rights built into the existing laws and regulations. This is particularly difficult to do since expediting permitting processes can often come at the expense of protecting important values and rights. Opportunities to streamline the EFSC siting process that are not transmission-specific and may apply across other large energy projects are addressed in the separate report under EO 25-29 referenced above.[21] This framework refers to those recommendations in places.

Priority projects: opportunities to expedite siting and permitting

Transmission planning documents by BPA, PGE, and PacifiCorp demonstrate a significant need for upgraded and new transmission in the next 5-10 years. This will increase pressure on state, county, and city resources to review and permit these lines. For example, a review of utility planning documents indicates that several large transmission projects can be expected to come to EFSC for approval in the coming years. Two projects have recently submitted a preliminary Application for a Site Certificate: Cascade Renewable Transmission System and Umatilla-Morrow County Connect Project.

Both state jurisdictional and local projects will need to navigate the complex state, federal, and local permitting requirements, which will vary depending on their location. Projects in existing rights-of-way may be simpler to permit, since they cross over land for which ownership, easements, or other permissions to use the land for transmission have already been secured. However, these projects may also run into challenges, as they may still affect cultural resources, natural resources, and water.

Enabling actions:

- Establish dedicated state liaisons to accompany priority projects from start to finish and provide support through planning and permitting.
- For priority projects, provide clear direction from the Governor's Office and agency directors to prioritize moving these projects through the process.
- Consider extending EFSC's jurisdiction to priority projects to ensure consistency and focus state resources. This could be paired with actions aiming to speed up the siting process.
- Deem priority projects to have met the need standard in the EFSC process.

The following are steps the state could take to support projects that have been identified as state priorities:

[20] *See* Report on Siting and Permitting Large-Scale Electricity Infrastructure for a detailed description of steps taken to streamline the siting process under the Energy Facility Siting Council.
[21] Report on Siting and Permitting Large-Scale Electricity Infrastructure.

Dedicated state transmission liaisons

Establish dedicated state transmission liaisons to coordinate across state and federal agencies, shepherd projects from pre-application planning to permitting and completion, and work with agency staff and leadership to overcome barriers. Liaisons would work with counties, developers, and utilities to identify all applicable permits and approvals from state and federal agencies and the associated timelines. To be effective, the liaison position would need to be empowered to track timelines, milestones, and deliverables; help prioritize schedules; and if necessary, have authority to direct agencies to resolve issues. The liaison position could be integrated into Regional Solutions, a transmission entity, or another dedicated body. The liaisons could further support the work of the Permitting Alignment & Coordination Task Force, a bipartisan effort being formed under the leadership of the Western Governors' Association with participation of 12 western states, including Oregon. The PACT aims to support development of interstate transmission projects across the West and could complement state efforts to expand transmission availability in Oregon.[22]

Clear direction for priority projects

Set clear direction from the Governor's Office and agency directors to secure and prioritize staff resources for permitting of transmission projects that have been identified as a state priority. This could generate a clear signal to agencies and could be accompanied by milestones and check-ins to track progress, such as those being set under HB 4020.[23] It could support the work of the state transmission liaisons in shepherding projects through the local, state, and federal siting and permitting processes.

Extending EFSC authority to priority projects

Consider extending EFSC authority to apply to priority projects. Some transmission lines may fall outside EFSC jurisdiction but still be identified as priority projects for the state. The state could choose to require this set of projects to be subject to EFSC jurisdiction. This would ensure consistent treatment of projects and leverage EFSC's role in consolidating multiple processes into one. To evaluate an application for a site certificate, EFSC brings together the permitting processes from across state agencies under one umbrella. This can create more certain timelines, appeal pathways, and process for many transmission projects that are expected to otherwise fall outside EFSC jurisdiction. It would also ensure a standard approach in outreach to Tribes and interactions with federal agencies where applicable. At the same time, it would be important to advance recommendations in this report and in the *Report on Siting and Permitting Large-Scale Infrastructure* to streamline the EFSC process and ensure that it can meet the increased need and urgency of transmission development.

EFSC need standard

Deem priority projects to meet the EFSC need standard. ORS 345-023-0005 requires electric transmission lines to demonstrate need on the basis of least-cost planning, system reliability, or by demonstrating that the transmission line is proposed to be located within a National Interest Electric Transmission Corridor designated by the U.S. Department of Energy. Priority projects could be deemed to meet this standard, through the evaluation of the criteria in Section 4.

[22] Permitting Alignment and Coordination Taskforce Statement of Agreement.

[23] HB 4020 (2026) requires certain agencies to develop or identify a performance measure that tracks the timeliness of processing and issuance of permits and renewals of permits. The performance measure must be accompanied by a description of what slows processing and issuance or renewal of permits and what steps in the processing of permits takes the most time.

All projects: opportunities to streamline siting and permitting

There are several steps the state can take to support transmission projects, regardless of whether they are identified as priority projects qualifying for additional state support. For projects at the county level or being developed by BPA, continued dialogue will be needed to understand where the greatest opportunities are for cooperation to facilitate transmission expansion.

Sufficient qualified staffing

Ensure that agencies have sufficient qualified staffing resources and compensation levels to manage an influx of applications for transmission projects. Insufficient staffing can slow permit processing timelines down. The need to significantly expand the transmission system over the next 10-15 years requires that agencies have the additional resources needed to address growing application volumes. This includes dedicated transmission staff at EFSC. Transmission project permitting carries increased staffing needs and complexity, and at least two FTE staff per transmission project are needed once at the preliminary Application for a Site Certificate phase. Sufficient compensation levels are important to attract and retain qualified staff.[24] This recommendation aligns with the Report on Siting and Permitting Large-scale Infrastructure, which points out the need to address staff's ability to be responsive to changes in increasing workloads.[25]

Funding increased staffing needs

Fund increased staffing needs through developer contributions. Transmission expansion is needed to support energy affordability, security, and economic prosperity. Supporting responsible transmission development requires upfront resources, including in state agencies. Relying on developer contributions to fund transmission liaisons and increased staffing needs to manage expanded workloads would ensure that restrictions to the state budget do not slow transmission expansion. It would also help match contributions with the level of support needed based on the volume of projects in the pipeline. While some positions, such as those supporting staff at the Energy Facility Siting Council, are already billed to developers, limitations remain in the ability to ramp up staff early enough to support new projects and to support the increased workload across state agencies.

Enabling actions:

- Increase qualified staff at agencies to meet increased demand for permits.
- Fund increased staffing needs, including liaison positions, through developer contributions.
- Establish EFSC standards specific to transmission lines.
- Update Statewide Planning Goal 13, Energy Conservation.
- Enable counties to defer transmission siting authority to EFSC.
- Expand the "Green Corridor" rule for transmission coordination in Morrow and Umatilla Counties to all counties.
- Adjust state permitting processes to reduce redundancy and delays while maintaining sufficient opportunity for public comment. This includes cooperation between EFSC, ODOT, OPUC, DLCD, other relevant agencies, local governments, and state and federal processes.
- Develop a framework for community benefits to inform projects.
- Create an opt-in system for landowners in early outreach, with compensation.

[24] Transmission projects involve a level of complexity that requires at least two FTEs to participate in lengthy and frequent meetings, review documentation, and coordinate task delegation and completion. For example, the Cascade Renewable Transmission project is estimated to take 3,000 hours for just the first phase (application review and order drafting).
[25] Report on Siting and Permitting Large-Scale Electricity Infrastructure.

Specific EFSC standards for transmission lines

EFSC has the statutory authority to create standards in rule. EFSC could undertake a rulemaking and determine which standards apply for transmission lines and could revise or change existing standards to align the evaluation for linear facilities. This would help facilitate more efficient permitting by reducing requirements of an applicant to provide unnecessary information, while allowing ODOE, EFSC, and members of the public to focus on more critical information and issues. A rulemaking with development and guidance from a Rulemaking Advisory Committee would review opportunities to apply standards in a more focused manner (e.g., looking at distance thresholds and/or PUC oversight for regulated facilities as a means of satisfying the requirements of the standard). A rulemaking of this nature would likely take 12 months but would not require statutory change.

Updating Goal 13

Consider updating Statewide Planning Goal 13, Energy Conservation. The Department of Land Conservation and Development presented this recommendation in their report under Executive Order 25-29. It would provide the "opportunity to modernize state land use policy, related to balancing energy efficiency and renewable energy development with resource conservation to responsibly meet Oregon's energy needs now and in the future."[26] While this recommendation would take time and resources to implement, it could provide guidance to facilitate responsible renewable energy and transmission development across Oregon.

Optionally deferring siting authority to EFSC

Counties can face capacity constraints in permitting transmission lines. State transmission liaisons could offer one form of support to shepherd a project through the permitting process. Another option could be to offer counties the option to defer permitting authority to EFSC. This would be similar to the option that local governments have to defer certain types of generation facilities to EFSC review, even if a facility falls below the mandatory jurisdictional thresholds.[27]

Green Corridor Rule

The "Green Corridor" rule in OAR 660-033-055 allows Morrow and Umatilla Counties to coordinate on the location of preferred transmission corridors and was motivated by the Boardman to Hemingway transmission project. Expanding this rule statewide would create a coordination mechanism with the goal of simplifying the county approval process and encouraging transmission development in the corridor. This recommendation is set forth in DLCD's report under Executive Order 25-29.[28]

Streamlining EFSC processes

The Report on Siting and Permitting Large-Scale Electricity Infrastructure examines opportunities to increase the efficiency of siting and permitting processes of large-scale energy projects in Oregon pursuant to EO 25-29. The following recommendations reflect and elaborate on steps EFSC could take to streamline the process for transmission expansion.

- **Advance notice**. When an applicant requests a cost estimate from ODOE under ORS 469.421(3) at the beginning of the project, ODOE could incorporate a staffing assessment to determine sufficient resources to complete the forecasted amount of work within a 2-3 year timeframe. If

[26] Executive Order 25-29 Recommendations, Accelerate Clean Energy Deployment through Oregon's Land Use Planning Framework.
[27] ORS 469.320
[28] Executive Order 25-29 Recommendations: Accelerate Clean Energy Deployment through Oregon's Land Use Planning Framework.

ODOE's Siting Division does not have available position authority, this may require legislative or Governor approval, or may require ODOE's use of consultants through an approved contract.

- **Aligning state and federal processes**. Several steps could be taken to help better integrate the timelines for state and federal siting processes. EFSC could require developers to start their federal permitting reviews before coming to EFSC, and request information on federal processes from developers before submitting a Notice of Intent or Preliminary Application for a Site Certificate. Understanding which federal permits and information are necessary for the facility would enable EFSC to make adjustments to avoid redundancy in the NOI process and to rely on the federal process where possible.
- **Existing rights-of-way**. ODOE can currently work with ODOT and the U.S. Department of Transportation to identify criteria for siting transmission in transportation corridors; this includes state highways and interstate highways. Working together, ODOE and the appropriate U.S. DOT staff can identify requirements, criteria, templates, and potential long term maintenance impacts and costs to the U.S. DOT and the traveling public for siting in these rights-of-way. Additionally, agencies can evaluate if there are steps that could expedite siting along (but not within) transportation corridors.
- **Certificates of public convenience and necessity.** In some cases, a transmission developer may turn to the OPUC to issue a certificate of public convenience and necessity for a portion of the project. There is overlap between evidence submitted in the site certificate process that EFSC undertakes and the process the OPUC undertakes as it relates to land use findings. Revisions underway at the OPUC could lead to streamlined land use decisions related to transmission lines if EFSC has made such findings before the OPUC issues an order on a petition for a CPCN. This would eliminate the redundancy of having two agencies consider the same information in granting a site certificate and CPCN.[29]

Framework for community benefits

The Oregon Energy Strategy recommends developing a community benefits framework at ODOE that could inform how to incorporate community benefits in energy-related projects across the state.[30] The first step in developing this framework has been undertaken in collaboration with Oregon State University. OSU conducted a case study analysis of eight jurisdictions outside of Oregon, five Oregon case studies, and conducted twelve interviews to map best practices in implementing community benefits frameworks, plans, and agreements. A future step could be to develop a model framework that could be used and adapted as needed to support communities in negotiating benefits around transmission development.

Opt-in system for landowners

The state could work with utilities, developers, and transmission line proponents to create a landowner "opt-in" system in the general vicinity where a transmission project may be needed. The opt-in system would be offered in early public outreach and be a way for landowners to opt into hosting a portion of a transmission project on mutually agreeable terms. This system would illustrate less controversial routes (from a landowner/condemnation perspective). The opt-in could link to an incentive program like a landowner payment fund that could be set up with utilities and developers to compensate landowners and be used in negotiations. Money that is otherwise allocated and spent on legal and condemnation

[29] HB 3681 and AR 687.

[30] Oregon Energy Strategy, 2025. oregon.gov/energy/Data-and-Reports/Documents/Oregon-Energy-Strategy.pdf pp. 89-90.

proceedings would be allocated to a fund to be able to pay landowners a higher amount than they might get by negotiating with a utility or going through condemnation.

While some of these recommendations may be implemented quickly, others may be started now but require more time to fully realize. Transmission expansion will take time, which poses a challenge of meeting near-term increases in electricity demand without new transmission. The following section explores opportunities to advance non-wires alternatives to help meet near-term system needs.

6. Deploying Targeted Non-Wires Alternatives

Context and need

Investment in non-wires alternatives, including energy efficiency, load flexibility, battery storage, and grid enhancing technologies, can help better utilize existing infrastructure. Non-wires alternatives can reduce loads, shift loads to times that transmission lines are under-utilized, and improve the efficiency of existing lines with grid-enhancing technologies. Some of these measures are the quickest path to meeting near-term demand and must be deployed today while longer lead-time investments are made.

In the 1990s, the Bonneville Power Administration convened a non-wires committee of interested parties to review opportunities to leverage non-wires alternatives to meet system needs. The committee determined that the barriers to non-wires alternatives were institutional rather than technical, and were related to planning, cost allocation, contracting, and how to measure and allocate the benefits of non-wires alternatives.[31] Since that time, there have been many advancements around the country and in Oregon in implementing non-wires alternatives. This includes significant progress in promoting GETS following passage of HB 3336 and advancing in OPUC's docket UM 2409.

The near-term urgency of meeting rising demand before transmission infrastructure can be built makes it an important time to re-visit the topic of non-wires alternatives across Oregon's utilities, including continuing to advance implementation of HB 3336 while focusing on other areas of potential. This aligns with the Oregon Energy Strategy, which finds a need to increase the pace and scale of energy efficiency, demand flexibility, and distributed energy resources to ensure reliable, affordable, clean energy. It also aligns with the Northwest Power Act, which establishes energy efficiency as the priority resource for the region.[32]

A key issue to resolve is how to identify, plan, fund, and implement targeted non-wires alternatives to avoid or delay the need for transmission upgrades, often concentrating efforts in a specific geographic area. This is a particularly vexing problem for energy efficiency, demand-response, and load flexibilty programs where this is not a common practice.[33] These types of programs are generally first-come-first-serve over an entire service territory of a utility, rather than targeted in a specific area. In addition, there is a need to overcome the skepticism that these types of programs can work at scale and be deployed

[31] The National Council on Electricity Policy, Updating the Electric Grid: An Introduction to Non-Transmission Alternatives for Policymakers, September 2009. updating-electric-grid-introduction-non-transmission-alternatives-policymakers

[32] Northwest Power Act, Section 4(e)(1).

[33] In Oregon, Energy Trust of Oregon has experience implementing "geo-targeted" energy efficiency investments, and other states such as New York have experience implementing non-wires alternatives to avoid or delay otherwise needed investments. It will be important to build on this experience both to illustrate that this approach can deliver dependable results, and to inform program design and funding needs. Energy Trust's 2026-2030 Multi-Year Plan includes a focus on developing an approach to enable potential targeted load management. https://www.energytrust.org/wp-content/uploads/2025/08/Energy-Trust-2026-2030-Multiyear-Plan-1.pdf Possibly the biggest deployment of demand-side solutions is ConEdison's Brooklyn-Queens projects. The non-wire alternative: ConEd's Brooklyn-Queens pilot rejects traditional grid upgrades | Utility Dive

fast enough to avoid or delay transmission infrastructure investments. Implementation of more energy efficiency, demand response, and load flexibility programs will require additional policies and funding mechanisms to target specific areas at sufficient scale and pace.

Key gaps/needs:

- Deployment of targeted non-wires alternatives at increased pace and scale, particularly in the very near term.

Enabling actions:

- Establish a statewide network for peer learning and technical assistance in deploying non-wires alternatives.
- Continue to advance mechanisms through OPUC processes for investor-owned utilities to improve existing grid utilization.
- Adopt DLCD's recommendation to develop statute and rule provisions regarding stand-alone Battery Energy Storage Systems.
- Expand funding for energy efficiency and demand side flexibility by removing the cap on the public purpose charge contribution for large loads.

Opportunities to advance non-wires alternatives

Oregon is already implementing steps to accelerate deployment of energy efficiency, grid-enhancing technologies, batteries, and load flexibility. However, these efforts vary across utilities, and experience with demand response in particular is limited and more recent. The following actions could help further advance non-wires alternatives in Oregon.

Establish a non-wires alternatives statewide peer learning and technical assistance network

The network would be a forum for utilities, the Bonneville Power Administration, state agencies, labor unions, and other implementers like Energy Trust of Oregon, Northwest Energy Efficiency Alliance, and communities to design near-term actions to accelerate non-wires alternatives. In addition to peer support, Oregon could apply for technical support from national labs to help identify near-term opportunities and approaches to deploy non-wires alternatives. Participants would set clear timelines and objectives, with regular convenings and a peer network to troubleshoot challenges. ODOE or a dedicated transmission entity could serve as the convener of this group and as a central point to identify needs and provide technical assistance directly, or through national labs.

Continue to advance mechanisms to improve existing grid utilization

The OPUC has moved quickly in establishing guidelines for utilities for transparent evaluation of existing grid utilization under HB 3336, and in expanding the pool of non-wires alternatives in utility resource plans. These include energy efficiency, demand response, and other distributed resources. This work should continue as a top priority in utility resource plans for Oregon.

Adopt DLCD's recommendation to develop statute and rule provisions regarding stand-alone BESS

Battery energy storage systems can also improve grid utilization. In its report under EO 25-29, DLCD has recommended that Oregon "[d]evelop statute and rule provisions regarding stand-alone Battery Energy Storage Systems (BESS). Creating clear authorization for this use likely requires legislative action to adjust ORS Chapter 215, which would trigger necessary conforming updates to OAR Chapter 660, Division 33. Additional administrative rulemaking could be necessary if directed by the Legislature."[34] This would be an important step to overcome the lack of clear authorization and standards for BESS in Oregon, which has led to inconsistent treatment of BESS across the state.

Energy efficiency surcharge for loads over 10 aMW

[34] Executive Order 25-29 Recommendations, Accelerate Clean Energy Deployment through Oregon's Land Use Planning Framework.

Oregon charges customers of investor-owned utilities a small fee to implement cost-effective energy efficiency programs and demand response resources. Large loads have a cap on the amount they can be charged (ORS 757.054). The charge may not exceed $4 million annually for each consumer that uses more than 10 aMW of electricity at any site, rising to $4.5 million in 2031. In Order 26-154, the OPUC has created a new rate class, Schedule 96, for Portland General Electric Company's large data center loads. That order raises the question of whether this cap produces an inequity in the proportional contribution of large loads over 100 MW to energy efficiency compared to other customers.[35] Oregon could amend ORS 757.054 to eliminate this cap and set a standard calculation that is proportional to load. Statute could be further amended to require a portion of this contribution go to a revolving loan fund, advancing a key action in the Oregon Energy Strategy and helping to increase the pace and scale of energy efficiency and demand-side flexibility investment in a fiscally responsible way.[36] A revolving loan would replenish spent funds as loans are paid back, protecting against boom-bust investment cycles that can result from a primary reliance on grants.

Increasing deployment of non-wires alternatives will help meet growing electricity demand in the near-term, while reinforcing mechanisms to continue to invest in non-wires alternatives over time. This is a key part of an approach to avoid, minimize, and mitigate the impacts of transmission development in Oregon. The following section turns to opportunities to financially support transmission infrastructure expansion.

7. Catalyzing Projects Through Financial Support and Procurement

Context and need

The need for significant transmission infrastructure investment in a short period of time raises concerns about the effect on electric bills. The need for investment is driven by load growth as well as the need to update aging infrastructure. There are several ways that the state can work to alleviate the pressure on ratepayers while supporting construction of transmission infrastructure.

Key gaps/needs:

- Construction of priority transmission lines at the pace and scale needed to meet reliability, affordability, and state clean energy goals.
- Mitigating ratepayer impacts of transmission development.

Enabling actions:

- Address wildfire liability and accountability, building on the report expected from the OPUC in fall 2026.
- Direct an existing agency or state transmission entity to attract federal funding for transmission projects, including supporting Tribes, utilities, and counties in securing federal funding.
- Enable state bonding authority to support low-cost transmission infrastructure development.
- Establish the state as a transmission developer-of-last-resort, including the ability to issue competitive tenders to ensure needed transmission is built in a timely manner.

Opportunities for state support

The following represent areas where the state could expand its support to reduce the cost, risk, and time involved in developing transmission projects.

Wildfire liability and accountability

The Oregon Energy Strategy points out that "[i]ncreasingly frequent and intense wildfires have affected many Oregonians and represent a growing risk for households and businesses. They further threaten utilities' ability to finance

[35] Order 26-154, p. 16.
[36] Oregon Energy Strategy, 2025, Oregon Energy Strategy, Cross-cutting Action 2.

and build utility-scale electricity infrastructure, which raises reliability and cost concerns for ratepayers. It is important to consider policy options to mitigate these impacts."[37] The OPUC is currently undertaking a study on wildfire liability and accountability (docket UM 2427). A top priority will be to take steps to adopt recommendations informed by this process.

Dedicated entity to help fund and finance transmission

Another way to mitigate potential increases in ratepayer costs is to attract federal dollars to support transmission investment. Oregon leadership needs to establish clear direction for the state to attract federal dollars. This includes helping Tribes, utilities, and counties to identify opportunities, and supporting applications to secure federal funding for transmission infrastructure.

State bonding authority

Granting state bonding authority for priority transmission projects can provide low-cost financing to further help reduce the cost of transmission lines. Over time, the revenues from repayment of those bonds could help support the staff needed to oversee various state functions that support transmission development.[38]

Establish the state as developer of last resort

A critical concern is that while there are many plans to build transmission infrastructure, it is up to utilities, merchant developers, and the Bonneville Power Administration to build it in time to meet state policy goals. One way to protect statewide interests is for the state to step in, if needed, as a developer of last resort where a clear public need has been identified and is not being met. One method that has worked well in California is for the state to issue competitive tenders to build transmission infrastructure. This could be combined with state bonding authority to help identify a developer willing to build a line, and to leverage state bonding to attract the financing to get the line built.

8. Next Steps

This proposed framework complies with the directive set forth in Executive Order 25-29 to evaluate and propose a framework for strategic transmission siting. Many of the recommendations in this report require action by legislators, the Governor, and other decisionmakers, and may involve legislation or other measures. On October 7, 2026, ODOE, through ongoing technical assistance from the National Governors Association Policy Academy, will convene a workshop to discuss this proposed framework in the context of other actions proposed and underway by utilities, developers, the OPUC, BPA, and in legislative conversations. We hope that the proposed framework will be useful in these and future legislative and policy conversations.

[37] Oregon Energy Strategy, 2025. Oregon Energy Strategy, p. 17.

[38] The New Mexico Renewable Energy Transmission Authority (RETA), for example, recovers its costs through its operations. *See* https://www.nmlegis.gov/Sessions/07%20Regular/bills/house/HB0188.html and New Mexico Renewable Energy Transmission Authority, Financial Statement and Independent Auditors' Report, June 30, 2024. Microsoft Word - NMRETA FS 2019.docx