

## COLORADO ELECTRIC TRANSMISSION AUTHORITY

To: Board of Directors  
Colorado Electric Transmission Authority

From: Maury Galbraith, Executive Director, CETA

Date: September 27, 2024

Subject: Recommendation for Revisions to the Draft Community Engagement Principles

### RECOMMENDATION

CETA's Executive Director recommends that the Board adopt the attached revised Principles of Community Engagement (Principles), which will guide and inform CETA's public engagement and will be incorporated into future partnership agreements as appropriate.

### PROJECT BACKGROUND

The purpose of the Community Engagement Toolkit project is to develop a principled, inclusive, and equitable approach to community engagement for CETA and to develop associated public educational materials. The project launched in Feb. 2024 and is expected to be completed by Dec. 2024.

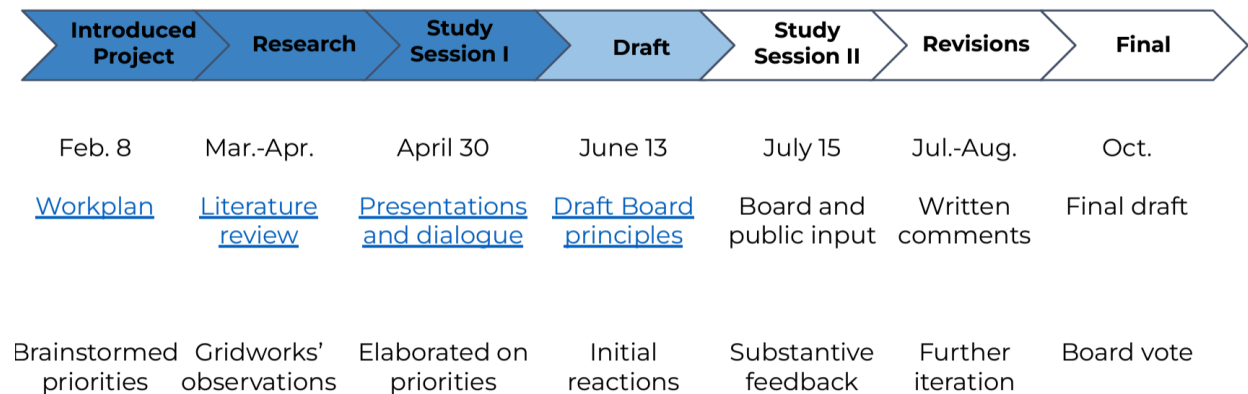
Project steps are illustrated below and include:

- [Work plan](#) presented to the CETA Board (Feb. 8, 2024 Board meeting)
- [Literature review](#) to provide foundational research (April 11, 2024 Board meeting)
- [Study session](#) to learn from experts in transmission and energy development, foster thinking among Board directors about their priorities for community engagement, and take public comment (April 30, 2024)
- [Draft principles](#) presented to the Board and made available to the public (June 13, 2024 Board meeting)
- [Second study session](#) to examine the draft principles, solicit Board directors' reactions, and take public comment. Ten speakers provided comments at this study session (July 15, 2024)
- [Written comments](#) received from fifteen stakeholders (July-Aug 2024)
- Revised principles shared with the Board directors for review (Sept. 2024)

At numerous points during this work, CETA provided opportunities for public input, including at three Board meetings, two study sessions, and a written comment period. Documents associated with these project steps are available at the CETA website at:

<https://www.cotransmissionauthority.com/resources>.

**Figure 1: CETA Community Engagement Toolkit Project Steps**



## DISCUSSION

### Overview

CETA appreciates stakeholders' time and thoughtful feedback on the draft Principles, both in oral remarks at the July 15 study session and through written remarks received in August 2024. CETA observes that transmission developers generally agreed with and are supportive of the draft Principles with no or very few changes; some community advocates urged CETA to adopt more specific and more prescriptive community engagement principles; and industry trade associations expressed caution about overreach and unintended consequences.

The attached recommended revisions to the draft Principles, shown in track changes, endeavor to strike a balance within this range of responses. Specifically, the revised draft Principles are designed to strike a balance by setting forth appropriate guidance, best practices, and reasonable expectations while also allowing for flexibility and creativity in the application of the principles to specific projects.

The following discussion responds to stakeholder input thematically. Input not specifically addressed in this memo or captured in the revised principles is not recommended for adoption. Appendix 1 provides a list of commenters, organization acronyms, and links to written statements.

### Purpose and Scope

Many commenters questioned the intended purpose of the Principles and the scope of their application.<sup>1</sup> To address these questions, the revised Principles include a new section at the beginning of the document entitled *Purpose and Application* articulating both the purpose and intended scope of application of the Principles.

<sup>1</sup> COSSA, p. 1; EDF, pp. 2, 12-14, 21; Eaton, p. 2; Interwest, p. 2; RMI, pp. 3-4; WRA, p. 1; WRI, p. 1; Xcel p. 1.

### *Implementation*

Many commenters observed that the Principles lack the necessary specificity to implement them. Several community advocates urged the need for guidance materials, definitions of key terms, increased disclosure requirements, details on landowner compensation structures, and performance-based metrics.<sup>2</sup> Industry trade associations, however, argued for flexibility in implementation, removing minimum requirements, and providing broad guidelines only.<sup>3</sup> The revised Principles contain some additional language to provide clarity where needed but do not impose overly prescriptive methods or terminology. As noted above, the revised Principles are intended to strike a balance, providing guidance to induce desired outcomes while allowing flexibility in implementation methods.

### *Accountability*

Accountability and monitoring were also highlighted in several stakeholder comments. Many questioned how CETA will determine compliance.<sup>4</sup> As identified in the *Purpose and Application* preamble, CETA expects the revised Principles will be incorporated into its legally enforceable partnership agreements. CETA will be responsible for ensuring that the negotiated terms of its contracts are fulfilled consistent with its expectations. CETA will ensure compliance with the Principles by holding a project partner accountable to the terms of a partnership agreement.

### *Community Benefits*

There was significant discussion from commenters about community benefits, including who should pay for them, whether they should be optional, and what types of agreements should be required. Community advocates expressed disappointment that Principle 3 is not recognized as a minimum requirement, arguing that these benefits should be guaranteed through a variety of legally binding agreements.<sup>5</sup> Industry trade associations, on the other hand, argued that it is not CETA's role to advocate for host communities and that this Principle should be deprioritized.<sup>6</sup> Other commenters expressed concern that these expenditures would put upward pressure on project costs.<sup>7</sup> Further, several suggested CETA should provide education and conduct outreach on types of community benefits as many communities may not be familiar with the range of possibilities.<sup>8</sup>

Principle 3 is revised to clarify that CETA will advocate *for its project partners to provide* the community benefits and third-party advisory resources. CETA observes that community engagement budgets are typically a small fraction of total capital expenditures for major transmission projects and that transmission developers are best resourced to provide these monetary benefits. Money spent early in the process to identify compromise solutions and palatable outcomes for host communities is much preferable (and less costly) than protracted

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<sup>2</sup> CATF, pp. 2, 5; Eaton p. 2; EDF, p. 12-14; RMI, pp. 1-2; WRI, p. 1.

<sup>3</sup> COSSA, p. 2; Interwest, p. 2.

<sup>4</sup> CATF, p. 4; DFP, p. 8; Eaton, p. 4; EDF, p. 2; RMI, p. 4; WRA p. 1; WRI, p. 1.

<sup>5</sup> CATF, p. 3; DFP, p. 5; Eaton, p. 3; EDF, p. 21.

<sup>6</sup> COSSA, p. 3; Interwest, p. 2.

<sup>7</sup> COSSA, p.1; Xcel, pp. 1-2.

<sup>8</sup> DFP, p. 6; EDF, p. 16; WRA, p. 4; WRI, p. 1.

litigation and construction delays. Principle 3, however, is not revised to itemize required legal agreements or a required education component. Here, too, the revised Principles endeavor to strike a balance, seeking community benefits for host communities but allowing developers flexibility to tailor agreements to specific situations.

### *Equity and Inclusivity*

Many commenters recommended aligning the Principles to Justice40 principles, the Department of Energy's community benefits guidance documents, the Colorado Public Utility Commission's equity docket (22M-0171 ALL) or rulemaking on historic and culturally significant sites (24R-0306E).<sup>9</sup> Still others suggested specific requirements to make community engagement more accessible and diverse, such as required communication mediums, minimum required outreach activities, website specifications, and translation requirements.<sup>10</sup>

CETA recognizes the community engagement and equity work happening at both the federal and state level and commits to monitoring developments. CETA notes that federal materials, including the Justice40 Initiative and DOE community engagement guidance documents, were included in the literature review and informed the framework upon which the Principles are based. CETA also recognizes that the equity and justice initiatives at the state level are still under development. CETA will continue to monitor their progress and once finalized will consider how they might be applied to the Principles. As to accessibility requirements, the revised Principles do not adopt the suggested prescriptive requirements.

### *Tribal Engagement*

Several commenters addressed CETA's commitment to Tribes, suggesting that Tribal members should also be identified for outreach (in addition to Tribal governments) and that CETA should facilitate Tribal project ownership, comprehensive collaboration, and staff training.<sup>11</sup> Principle 2 is revised to identify Tribal members as one of the identity groups for meaningful engagement. CETA welcomes the idea of Tribal project ownership and CETA staff training but finds them out of scope for the Principles.

### *Labor*

A few commenters encouraged CETA to add stronger labor provisions to the Principles. These suggestions ranged from recognizing labor as a community stakeholder to requiring project labor agreements to apprenticeship and workforce requirements.<sup>12</sup> Principle 2 is revised to identify local labor groups as one of the identity groups for meaningful engagement. Any further labor requirements are more appropriately developed in a separate labor policy guided by the state law governing CETA's labor standards and apprenticeships.<sup>13</sup>

### *Flexibility in Project Design*

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<sup>9</sup> CATF, p. 2; Eaton, p. 1; EDF, p. 11; WRA, pp. 2-3.

<sup>10</sup> Cameron, p. 1; CATF, p. 2; DFP, p. 2; EDF, p. 5.

<sup>11</sup> DFP, p. 4; Eaton, p. 3; RMI, p. 2; WRA, p. 4.

<sup>12</sup> Eaton, p. 3; DFP, p. 5; EDF, p. 17.

<sup>13</sup> [Sect. 40-42-107](#), CRS.

Commenters diverged significantly regarding the amount of latitude communities should be given to influence project design. Industry trade associations expressed wariness of community input in project design, suggesting this provision should be struck entirely or limited in scope and time of application.<sup>14</sup> Community advocates, on the other hand, sought greater accountability for responding to community input.<sup>15</sup> This provision is revised to direct project partners to *be open* to adapting project design *prior to construction*. A time limitation on this provision is reasonable.

#### *Insufficient Outreach*

One commenter remarked that CETA's outreach for stakeholder comments was insufficient and argued the need for another round of comments with heightened outreach and visibility.<sup>16</sup> While limited by its small staff and budget constraints, CETA endeavored to provide many opportunities for public input. CETA would welcome additional feedback and, as noted in the *Purpose and Application* preamble, the revised Principles may be amended in the future based on CETA's experience.

#### *Out of Scope*

A handful of comments were out of scope for consideration, including requirements for CETA to inform communities about alternative transmission technologies, tariff and cost recovery questions in a regional market, and project commercial readiness commitments.<sup>17</sup> CETA acknowledges the importance of all of these issues but views them as outside the scope of the draft community engagement principles.

### **CONCLUSION**

With these Principles, CETA endeavors to set expectations for all stakeholders regarding its interactions with potential host communities. The recommended revisions in the attached strike a balance between clear guidance and reasonable expectations, while providing latitude for flexibility and creativity. CETA appreciates stakeholders' input throughout this endeavor, and stakeholder comments will continue to inform CETA's thinking about any future amendments. CETA looks forward to implementing these Principles and any stakeholder feedback based on that experience.

### **PROPOSED BOARD MOTION**

Adopt the revised CETA Principles of Community Engagement.

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<sup>14</sup> COSSA, p. 3; Interwest, pp. 4-5.

<sup>15</sup> CATF, p. 3; EDF, p. 12.

<sup>16</sup> EDF, pp. 2-3.

<sup>17</sup> Miloshevich, pp. 1-2; Beuning, pp. 1-2.

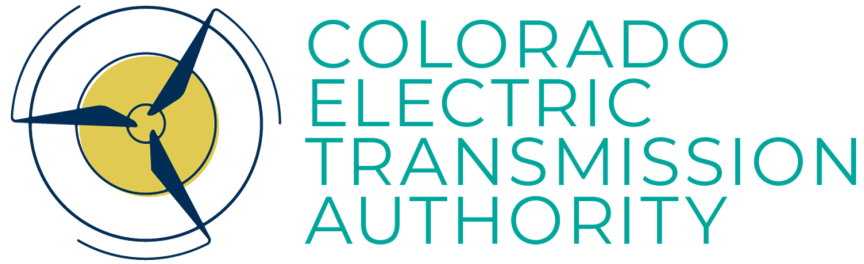
## **Appendix 1: Stakeholder Input**

### **Study Session Speakers, July 15, 2024 ([recording](#) and [meeting materials](#))**

1. Senator Greg Brophy, The Western Way
2. Don Cameron, Golden City Councilor
3. Joe Taylor, Xcel Energy
4. Peter Colussy, NextEra
5. Christina Tamayo, Grid United
6. Anna Evans, Interwest
7. Ken Wilson, COSSA
8. Doug Howell
9. John Parks, CEO
10. Kristine Chan-Lizardo, RMI

### **Written Comments, August 2024 ([CETA website](#))**

1. Craig Barraclough, San Luis Valley Development Resources Group
2. Steve Beuning, independent electric industry consultant (Beuning)
3. Don Cameron, Golden City Councilor (Cameron)
4. Clean Air Task Force (CATF)
5. Colorado Solar and Storage Association (COSSA)
6. Data for Progress (DFP)
7. Pam Eaton, Green West Strategies (Eaton)
8. Environmental Defense Fund (EDF)
9. Grid United (Grid)
10. Interwest
11. Larry Miloshevich, independent consultant (Miloshevich)
12. RMI
13. Western Resource Advocates (WRA)
14. World Resources Institute (WRI)
15. Xcel Energy (Xcel)



## **~~DRAFT~~ Principles of Community Engagement**

### Purpose and Application:

- The Colorado Electric Transmission Authority (CETA) is a state entity created by the Colorado General Assembly in 2021;
- CETA's mission is to plan and develop electric transmission in the state to increase grid reliability, help Colorado meet its clean energy goals, promote powerline trails, and aid in economic development;
- In furtherance of this mission, CETA developed these Principles of Community Engagement (Principles) to enable efficient, productive, and beneficial transmission development that reflects the objectives of CETA;
- In adopting and applying these Principles, CETA will continue to place high priority on the urgency to meet state clean energy goals, the need to expedite transmission development and improve efficiencies to support these goals, and the desire for improved outcomes for both transmission developers and host communities.
- As such, these Principles apply to CETA's activities related to major new transmission development only;
- CETA intends to incorporate these Principles into its partnership agreements with specific requirements negotiated between CETA and its project partner;
- CETA's partnership agreements will be legally enforceable, and CETA will oversee the proper implementation of these Principles through partnership agreement terms;
- Effective implementation of these Principles by CETA's partners will ensure a productive relationship with CETA;
- CETA acknowledges that these Principles may be amended in the future based on experience gained, changed circumstances, or other factors;

The Colorado Electric Transmission Authority (CETA) is committed to fostering transparent, credible, and open public engagement processes; meaningfully involving local communities, Tribes, and other governmental entities; advocating for resources and tangible benefits for local communities; and ensuring long-term commitments from project developers to host communities. CETA will achieve these goals in the following ways:

## INFORMATION SHARING

**Principle 1: Require a transparent, credible, and open process.** To build a credible stakeholder and community engagement process, **while still recognizing the time critical nature of project completion**, CETA will require its partners<sup>1</sup> to engage in open communication about projects and their impacts, provide access to fact-based educational materials and other resources, and provide an open and transparent exchange of information. CETA's minimum requirements include:

- **Process Documentation:** Maintain thorough documentation of all steps leading to project decisions, including meeting notices, agendas, summaries, public input opportunities, and supporting technical information, **subject to reasonable confidentiality considerations**.
- **Public Information Repository:** Create and maintain a publicly accessible repository of project information, including a project timeline with highlighted public engagement opportunities, **subject to reasonable confidentiality considerations**.
- **Timely Updates:** Provide regular and timely updates on project status to local communities and affected stakeholders.
- **Project Points of Contact:** Clearly identify project points of contact for community questions and stakeholder feedback. **Points of contact should respond to project inquiries within a reasonable timeframe**.
- **Transparency about Other Infrastructure Projects:** Inform the public about other facilities project sponsors build, own, or operate.

## COMMUNICATION

**Principle 2: Require meaningful engagement with local communities, including local governments, community stakeholders, Tribal members, and local labor groups.** To ensure that local input is integrated into the decision-making process, CETA will require its partners to conduct early, responsive, and inclusive communication with local communities ~~and stakeholders~~. CETA's minimum requirements include:

- **Comprehensive Engagement Plans:** Develop **and implement** community engagement plans **consistent with these Principles** detailing public outreach goals, budgets, staffing requirements, pre-application community engagement schedules, and strategies to reach diverse community interest groups.<sup>2</sup>

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<sup>1</sup> A public or private transmission developer as defined in CETA's Partnership Policy.

<sup>2</sup> Resources that can be used to inform these plans include: DOE's About Community Benefits Plans, DOE's energy communities review tool, and the Climate and Economic Justice screening tool, among others.



- **Pre-Application Information Sessions:** Hold information sessions in local communities before filing applications with permitting authorities, scheduling these sessions at times and places convenient for the community **with virtual and in-person options**.
- **Private Tribal Meetings:** Conduct private meetings with Tribal governments to share and discuss sensitive information ~~respectfully~~.
- **Inclusivity and Diversity:** Ensure that engagement efforts identify all affected interests and actively seek out marginalized or underrepresented groups within the community to provide a truly inclusive process.
- **Adaptable and Responsive:** Design engagement methods that are tailored to address regional and local issues, cultures, and relationships. Continuously monitor the effectiveness of these methods, actively seek feedback from stakeholders and the public, and modify engagement processes as necessary to ensure they remain relevant and effective.
- **Flexibility in Project Design:** **Be open** ~~Show willingness~~ to adapt project design and location based on community feedback **prior to construction**.
- **Land Agent Code of Conduct:** Instruct project sponsors' land agents to be respectful, forthright, and truthful, clearly identifying themselves as project representatives.
- **Language Services:** Provide language translation services when significant non-English-speaking populations are present, **including key documents contained in the public information repository**.
- **Documentation of Public Input:** Record local community input and the project sponsor's responses, especially regarding siting considerations.

## COMMUNITY BENEFITS

**Principle 3: Advocate for public resources and both financial and non-financial benefits that support local communities.** CETA recognizes that local communities should benefit from hosting transmission projects in their community and may need additional resources to effectively evaluate proposed transmission projects and influence project design and siting decisions. CETA will advocate for **its project partners to provide:**

- **Fair Landowner Compensation:** Establish a consistent methodology for determining landowner compensation to ensure that ~~all~~ landowners receive fair and equitable compensation, regardless of when they sign an easement agreement. While this consistent methodology should be applied as uniformly as possible for a project, there should also be limited flexibility for unique circumstances.
- **Tangible Community Benefits:** Ensure transmission projects contribute to local community improvements, such as better roads, enhanced local workforce, improved emergency services, or upgraded public spaces.
- **Self-Determination of Benefits:** Provide mechanisms for local communities to determine the allocation of community benefits.
- **Third-Party Advisory Resources:** Offer resources for local communities to hire third-party consultants to advise on the proposed project and the permitting process.
- **Mediation Services:** Offer mediation services to help facilitate discussions and **promptly** resolve issues between the community and project developers.

## ACCOUNTABILITY

**Principle 4: Require long-term commitments to host communities.**<sup>3</sup> Transmission infrastructure is used for decades; a similar commitment should be ~~afforded to~~**enforced for** local communities hosting that infrastructure. CETA's minimum requirements include:

- **Construction Stage Engagement:** During the construction stage, designate a point of contact or community liaison to hear concerns, take action to address them, ensure safety, and minimize adverse unintended consequences.
- **Restoration Commitments:** ~~At a minimum, E~~**ensure** roads and public facilities are returned to their pre-construction status.
- **Clear Monitoring Metrics:** Establish clear metrics to monitor and enforce project commitments to local communities.
- **Dispute Resolution Processes:** Establish and implement processes to **promptly** resolve disputes regarding project commitments.
- **Operation Stage Engagement:** During the project's operation stage, foster long-term engagement with communities through locally based efforts and activities. These can include site visits, monitoring, research and educational programs, and regular information updates on the project's effects on the community.

Approved by the CETA Board of Directors: <<<Insert Date>>>

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<sup>3</sup> Should there be a change in project ownership, all long-term commitments to host communities should pass to the subsequent owner/operator.