Interstate Compact on the Siting of Electricity Transmission Lines

Background

- Interstate electricity transmission lines are the backbone of America’s energy infrastructure.

- The nation’s transmission system is at a critical crossroads. Rising power demands and transmission bottlenecks make it difficult to keep the power grid operating smoothly.

- Each state determines how transmission lines will be sited within its borders. However, if states are unable to agree on a line’s routing, federal agencies may step-in and take over the decision process.

- The Energy Policy Act of 2005 granted the Federal Energy Regulatory Commission (FERC) so-called ‘backstop authority’ to site transmission lines should states be unable to agree on routing; such authority has been fiercely contested by the states.

- The Energy Policy Act of 2005 also granted states a way to keep control of the siting of interstate electricity transmission lines: advance congressional consent to create regional interstate compacts to govern the siting of lines; such interstate compacts would limit federal siting authority.

CSG’s Project

- CSG is working to fulfill the needs of its members through its National Center for Interstate Compacts – the nation’s only resource fully dedicated to helping states work together to solve today’s most pressing interstate policy challenges.


- A new National Advisory Panel has been created to explore the possibility of creating a model interstate compact that would allow states to maintain control of the interstate siting of electricity transmission lines.

- The group will begin its work this summer and is composed of approximately twenty issue experts, including: state policymakers, state and federal energy regulators, regional transmission organizations, representatives from the electricity generation and distribution industries as well as other key researchers and stakeholders.

- Should the National Advisory Panel’s recommendations endorse the creation of a model interstate compact, CSG will pursue the development of a model agreement as well as the creation of educational tools to assist state policymakers in better understanding the issue area and relevant policy options.

- CSG will seek future project funding for compact development and state education from a range of sources, such as: U.S. Dept. of Energy, FERC, Regional Transmission Organizations, and industry.

Interstate Compacts

- Compacts are enforceable contracts between states that govern how the states will interact on a given issue.

- Create independent, multistate authorities to govern an issue or interaction.

- Establish uniform guidelines and standards among the states.

- Create economies of scale.

- Respond to national priorities with one voice.

- Retain state sovereignty over issues belonging to the states.