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Siting Energy and Transmission Line Projects in Arizona

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While Arizona's patchwork of jurisdictions creates complexity, early engagement with regulators and careful project design can enable project proponents to navigate these challenges successfully, particularly given the state's historically pro-development stance.

Five key takeaways from this 2025 Arizona energy siting guide include:

1. New Rules Clarify CEC Triggers

- A 2023 statutory amendment clarified that only transmission lines with 5+ structures spanning more than one mile at 115kV+ require a Certificate of Environmental Compatibility (CEC).

2. Renewable Mandates Under Attack Despite Market Momentum

- Commission voted to repeal $3 billion renewable energy standards
- Major utilities (APS, TEP, SRP) continue pursuing renewable goals independently
- Market forces may continue driving renewable development, but REST rules may not

3. Federal Land Complicates Project Development

- Less than 20% of Arizona is privately held—this increases the probability of NEPA triggers
- Developers spend considerable time and money avoiding or addressing NEPA issues
- Many project proponents prioritize private lands or State Trust lands to avoid federal triggers where possible

4. Tribal Sovereignty Creates Legal Complexity

- Excellent resources but complex sovereign immunity and federal trust land issues

5. Navigating Arizona Water Law and Rights Is Tricky

- Complex groundwater/surface water distinctions vary by geographic location
- Colorado River shortages are impacting water needs for a range of projects
- Municipal effluent, a “third category of water,” can be an option

Read Here

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