



Benjamin Longbottom

Associate
303.295.8474
Denver, Phoenix
BALongbottom@hollandhart.com



Janet Howe

Partner
602.507.9706
Phoenix
JMHowe@hollandhart.com



Andrea Driggs

Partner
602.507.9703
Phoenix
ajdriggs@hollandhart.com

Siting Energy and Transmission Line Projects in Arizona

Insight — July 10, 2025

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](#)



Christopher D. Thomas

Partner
602.507.9704
Phoenix
cdthomas@hollandhart.com

Subscribe to get our Insights delivered to your inbox.

This publication is designed to provide general information on pertinent legal topics. The statements made are provided for educational purposes only. They do not constitute legal or financial advice nor do they necessarily reflect the views of Holland & Hart LLP or any of its attorneys other than the author(s). This publication is not intended to create an attorney-client relationship between you and Holland & Hart LLP. Substantive changes in the law subsequent to the date of this publication might affect the analysis or commentary. Similarly, the analysis may differ depending on the jurisdiction or circumstances. If you have specific questions as to the application of the law to your activities, you should seek the advice of your legal counsel.