Advancing a New Era of Energy Delivery in the West

Western Area Power Administration’s (WAPA’s) Transmission Infrastructure Program (TIP) is a unique federal financing program that leverages WAPA’s statutory borrowing authority, along with its depth of transmission project development experience and expertise, to advance projects aimed at expanding and modernizing the electric grid.

TIP manages WAPA’s $3.25 billion revolving loan program that has a congressional mandate to support projects that facilitate and optimize the delivery of reliable, affordable power generated by clean energy resources. TIP provides development and analytical support to eligible project partners who require technical assistance prior to submitting a loan application.

The Changing Energy Landscape

TIP was established to address market constraints hindering infrastructure investment and provide the debt capital needed to drive energy infrastructure development to bring clean energy to market.

The West, in particular, is continuing a major energy transformation. Tapping into abundant clean energy resources, western states have been proactive in deploying clean electricity. Of the 15 states in WAPA’s service territory, the majority have a renewable portfolio standard or clean energy goal; almost all have either met or are on track to meet those targets. Additionally, the cost for renewable generation continues to drop, which is driving interest in and the need for transmission and related infrastructure including energy storage to integrate and reliably deliver clean energy to evolving and growing markets.

These changes in the energy landscape underscore the ongoing need and role for public-private partnerships focused on addressing current market gaps to help accelerate energy infrastructure development and investment in the West.

“The Transmission Infrastructure Program is excited to partner with applicants to support the development and expansion of critical electric transmission and utility-scale energy storage infrastructure that will deliver clean energy to communities throughout the West.”

— Paul Schwabe
Transmission Infrastructure Program Manager
Cultivating Economic Opportunities in the West

New investments in transmission infrastructure and utility-scale storage solutions provide opportunities to improve economic development in the region—and TIP is uniquely positioned to support those opportunities.

Supporting Development to Help Make Projects More “Bankable”

TIP works closely with successful applicants to address a wide variety of project development hurdles and preliminary work ranging from siting and permitting to engineering and financial analysis—all of which are essential to securing both equity and debt financing. Once a project partner has successfully completed the development phase, they submit their loan application to TIP.

For details about this process, from development assistance to loan application, please contact TIP@wapa.gov.

Harnessing Innovation to Modernize the Grid

Leveraging WAPA’s significant transmission expertise and access to federal financing at competitive rates, TIP represents a unique opportunity to harness energy innovation and build a modern transmission system. By partnering with qualified developers to move viable projects forward, TIP is advancing a new era of energy delivery in the West.

Representative TIP Projects

- **Montana Alberta Tie Ltd (MATL)** — Energized in 2013, the MATL transmission project was developed to deliver wind energy from Montana to serve interconnected markets. The 230-kV transmission project received a $162 million construction loan from TIP, which was repaid in full.

- **Electrical District No. 5 - Palo Verde Hub (EDS-PVH)** — Placed into service in 2015, this 110-mile transmission project added up to 410 MW of bidirectional capacity to the grid in solar-rich Arizona and includes 254 MW connecting to the vital Palo Verde market hub that serves consumers in Arizona, Southern California, and Nevada. The project is in active repayment status.

- **Arizona Peaking Capacity Energy Storage Project** — The planned utility-scale 100 MW (400 MWh) battery energy storage project under development by The AES Corporation in Maricopa County, Arizona will connect to APS’s Westwing substation.

- **Ten West** — The Ten West Link project is a 114-mile, 500-kV overhead transmission connection that will add 3,500 MW of capacity between Delaney substation in Tonopah, Arizona, and Colorado River substation near Blythe, California. The proposed project will provide critical transmission infrastructure to efficiently share generation resources between the two states, promote renewable energy development and improve the efficiency of the bulk transmission network.

TIP Statutory Eligibility Criteria

To qualify for financing or development assistance from TIP, a project must:

- Have at least one terminus within WAPA’s 15-state service territory
- Facilitate delivery of renewable energy resources
- Demonstrate and establish a reasonable expectation of its ability to generate enough transmission service revenue to cover all of its operating costs (including overhead) and repay the loan principal and interest by the end of its service life
- Not adversely impact system operations or reliability
- Serve the public interest

Contact Us

To learn more about TIP, visit: wapa.gov/transmission/TIP

For questions about the application process, contact us:

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