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**For immediate release
September 29, 2010**

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WIRES COMMENTS SUPPORT FERC'S EVOLVING VIEWS ON REGIONAL TRANSMISSION PLANNING, COST ALLOCATION

WASHINGTON, DC – WIRES today filed comments on what is expected to be FERC's most important transmission planning and cost allocation reforms in a decade (Docket No. RM10-23). It called on FERC to provide guidance and structure to the diverse planning and cost allocation processes that, in many cases, are slowing transmission investment and construction. (See the WIRES Web site for the complete filing: http://www.wiresgroup.com/images/WIRES_NOPR_Comments_092910.pdf)

WIRES said it views the NOPR, "if implemented thoughtfully and with regard to the common needs of this integrated, interstate network system . . . as taking a significant step towards ensuring that all proposed upgrades and expansions of the nation's transmission system are considered efficiently and that plans are executed as seamlessly as possible."

WIRES members said in the comments filed today that they support:

- FERC's proposal to require all public utility transmission providers to participate in regional transmission planning processes that produce transmission plans complying with Order 890, "provided that the Final Rule does not unduly delay or undo the productive planning efforts now before the Commission or otherwise well-underway."
- FERC's proposed requirement that open access transmission tariffs provide planning procedures and mechanisms for evaluating transmission projects driven by public policy, including state or federal renewable portfolio standards. This, WIRES noted, "will be of growing importance as we explore and access clean energy resources."
- Special emphasis within the NOPR on improving inter-regional coordination among transmission providers and planners for planning of new inter-regional facilities and allocation of their costs. WIRES urged FERC "to develop and require specific procedures and timelines for accomplishing this collaborative effort."

WIRES had petitioned the FERC in November 2009 to build upon its Order No. 890 reforms and develop transmission cost allocation principles so as to create a "clearer path to cost recovery" for America's electric transmission investors, providers, and customers. (Read the petition:

http://www.wiresgroup.com/images/WIRES_Petition_on_Cost_Allocation_111209.pdf)

Today, WIRES President Paul McCoy of Trans-Elect Development Company expressed hope that FERC – which is guaranteed to receive a flood of comments on the NOPR – "will pause to reflect on the record it is receiving and then, if necessary, ask parties to further address what it deems the most important issues." As of now, WIRES has not decided whether it needs to file reply comments, as the Commission has requested. "Once the participants in this rulemaking have had a chance to digest the comments, I think we will find out a lot about which of the competing views of what the future holds – or should hold – for the critical electric transmission system have merit," McCoy said. "We really appreciate the Commission setting the table for this debate."

*WIRES (Working group for **I**nvestment in **R**eliable and **E**conomic electric Systems) is a non-profit trade association of transmission providers, customers, and equipment and service companies formed to promote investment in electric transmission and progressive State and Federal policies that advance energy markets, economic efficiency, and consumer and environmental benefits through development of electric power infrastructure. For more information, visit www.wiresgroup.com or contact Jim Hoecker at 202-639-6500.*