



WIRES

WORKING GROUP FOR INVESTMENT IN RELIABLE AND ECONOMIC ELECTRIC SYSTEMS
VOICE OF THE ELECTRIC TRANSMISSION INDUSTRY



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WIRES: FERC's Transmission Final Rule Is a Welcome Development

WASHINGTON, DC – WIRES President J. Jolly Hayden today issued the following statement related to FERC's new rule on transmission planning and cost allocation:

"The FERC transmission planning and cost allocation final rule goes a long way towards putting the public policy pieces in place that will produce a robust U.S. interstate power infrastructure.

"The rule removes one of the obstacles to developing the grid that the U.S. needs for the 21st Century – narrow cost allocation that does not recognize the way the grid operates and impedes cost recovery for grid investment. Under this new rule, no one who does not benefit from new transmission projects will pay for grid expansion. But the rule recognizes the broad reliability, economic, and public policy benefits from grid expansion and avoids the mistake of adopting a rigid benefits test.

"WIRES also applauds the Commission's initiative in making the planning of projects, especially those that cross state or RTO boundaries or otherwise affect the interstate market, more systematic. Efficient and open decision making in all regions serves the larger public interest.

"While members of WIRES and the industry as a whole more fully assess the impact of the rule, we want to express our support for the Commission's effort to move the transmission industry towards the strong, smart network transmission system that a modern economy needs. We know that investments in the grid are needed to promote fuel diversity and greater reliability. Investments in a more robust transmission system could create up to 200,000 jobs annually over the next two decades. To make that kind of difference, regulators are going to have to do their part. Today is a good start."

WIRES (Working group for Investment in Reliable and Economic 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 202-378-2316.