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STATEMENT ON FERC’S TRANSMISSION PLANNING PROPOSAL

Today, the Federal Energy Regulatory Commission (FERC) announced plans to amend its requirements for planning and allocating the costs of regional electricity transmission projects. The proposed rule is an important step towards proactive and interregional planning needed for the grid of the future. For the past decade, transmission planning has relied on historical analysis and effectively prioritized local projects. Today’s proposal seeks to reorient the process.

The Commission proposes to require long-term, forward-looking transmission planning, and consideration of resilience to low-frequency, high-impact events. It also proposes to require planning entities to articulate and justify project selection criteria, and to formally recognize states’ role in adopting those criteria and applying them to project selection and cost allocation decisions.

Sarah Ladin, Senior Attorney at the Institute for Policy Integrity at NYU School of Law, issued the following statement:

“Today’s proposal recognizes that transmission planning should take a more future-oriented and regional approach. This is a modest but important step toward more efficient planning that can facilitate decarbonization, save customers money, and make the grid more resilient to climate-related extreme weather events. Ultimately, the rule’s success will depend on implementation, as the Commission appears to leave significant discretion to planning entities to accommodate regional differences.”

Ladin is available for interviews on this issue.

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