



Federal Energy Regulatory Commission Transmission Update

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DISCLAIMER: Speaking on my own behalf and my comments do not necessarily reflect the views of the Commission, individual Commissioners, or other Commission staff members



About FERC

- FERC regulates natural gas wholesale facilities
 - Considers applications to build interstate pipelines, onshore LNG facilities and underground storage facilities that are tied to the wholesale market
 - Regulates the rates/tariffs of pipelines on a contract basis
- FERC regulates the wholesale electric market
 - Sets rates/tariffs for wholesale transactions on interstate lines (100 KV and higher)
 - Siting for transmission lines is primarily done at the state level
 - Backstop siting proposed rule and IIJA
- FERC oversees NERC reliability standards, including cybersecurity
- FERC provides licenses for non-federal hydro facilities (about half of all hydro in the U.S.)



About FERC, cont.

- Five Commissioners, appointed by the President, confirmed by the Senate for staggered five-year terms
 - Chairman Willie Phillips (D)
 - Commissioner James Danly (R)
 - Commissioner Allison Clements (D)
 - Commissioner Mark Christie (R)
 - Vacancy



Priority Transmission Items

- **Interconnection Queue Reform**
 - Finalized in July 2023
 - Published in Federal Register, Sept. 6, 2023
 - Compliance Filings Due: Dec. 5, 2023
- **Backstop Transmission Siting Proposed Rulemaking**
 - Still in rulemaking process
- **Long-Term Transmission Planning Proposed Rulemaking**
 - Still in rulemaking process

Improvements to Generator Interconnection Procedures and Agreements (Order 2023)

- Finalized July 27, 2023; Published in Federal Register Sept. 6, 2023
- Requires all utilities to adopt generator interconnection procedures & agreements to enable interconnection customers (generators) to connect their project to the grid in a reliable, efficient, transparent, and timely manner, and to prevent undue discrimination
 - Compliance filings due 90 days after final rule is published in the Federal Register
- Huge order—literally and figuratively: approximately 1480



Improvements to Generator Interconnection Procedures and Agreements (Order 2023)

- Cluster Study Process
 - Streamlines process by requiring transmission providers (utilities, RTOs) to conduct larger studies consisting of numerous generating facilities, rather than separate studies for each facility—instead of first-come, first served it is now first ready, first served
- Speed Up Interconnection Queue Processing
 - Requires firm deadlines and establishes penalties if transmission providers do not complete interconnection studies on time
- Incorporate Technological Advancements into the Interconnection Process
 - Permits flexibility for generators by allowing more than one generating facility to co-locate on a shared site behind a single interconnection point and requiring realistic operating assumptions for storage resources
 - Requires consideration of alternative transmission technologies



Improvements to Generator Interconnection Procedures and Agreements (Order 2023)

- Next Steps

- Rehearing Requests filed, currently under consideration
 - Commission Action, TBD
- Publication of Order 2023 in Federal Register, Sept. 6, 2023
 - 90-Day compliance window open
- Transmission Provider compliance filings due, Dec. 5



Backstop Transmission Siting Proposal

- Issued Dec. 15, 2022, Docket No. RM22-7-000 (181 FERC ¶ 61,205), in response to Infrastructure Investment and Jobs Act of 2021
- Proposes to revise the Commission’s regulations governing applications for permits to site electric transmission facilities under section 216 of the Federal Power Act (FPA)
 - For a transmission project to be subject to this authority, it must be so designated by the Department of Energy
 - After DOE designation, backstop authority “triggered” if a state has either: not acted on a transmission siting application for a transmission project more than one year after filing or outright denied an application



Long-Term Grid Planning Proposal

- Issued April 21, 2022, Docket No. RM21-17-000
- Transmission Providers Would Be Required to:
 - Conduct regional transmission planning on a sufficiently long-term, forward looking basis
 - Identify grid needs through long-term scenarios incorporating minimum set of factors, including federal, state, local laws & regulations impacting the future resource mix
 - Seek agreement of relevant state entities in transmission planning region regarding cost-allocation for facilities selected as part of long-term regional planning
 - Establish a cost allocation method for transmission facilities selected as part of long-term regional grid planning that is ex ante cost-allocation method or state-agreement process
- Would amend Order 1000 Right of First Refusal requirements to allow transmission providers' federal rights for transmission facilities selected through a regional plan for cost-allocation purposes, provided that incumbent transmission provider establishes joint ownership



About the Office of External Affairs

- FERC's primary contact point with Congress, the States, Tribal governments, International governments, the public, and the media
- Three divisions
 - Congressional Affairs
 - Media Relations
 - State, International, Tribal Affairs (SITA)
- SITA
 - Responsible for communicating Commission activities/decisions/events to state, local, Tribal, and international governments
 - Briefings, emails, conferences, meetings assistance



Questions?

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