



Updates on the FERC NARUC Task Force on Transmission VSPC Briefing

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High Level Summary

- ▶ In some regions like New England Tx rate base has increased 2 to 3-fold over 10 years. Expect growth to increase in coming decades to meet market, reliability, and policy ambitions.
- ▶ FERC NARUC Task Force created in Summer of 2021 (3-year effort) recognizing that when it comes to Tx there are important overlap and gaps that need to be addressed.
- ▶ Major ANOPR in July 2021 on planning, cost allocation, and interconnection (also cost containment and oversight)
- ▶ 4 meetings held followed by 2 NOPRs on planning, cost allocation and interconnection
- ▶ Focus on creating better planning framework (broader, more long term, better, faster, lower cost), cost allocation (fairer, faster, less apt to distortion), interconnection (better, lower cost and faster) and enhanced transparency and cost containment.
- ▶ Process continues and next meeting is in November on cost containment and transparency.

Four meetings ..., plus one forum on winter reliability

- ▶ FERC NARUC Introductory Meeting -- (Louisville, Kentucky) November 2021
- ▶ FERC NARUC 2nd Meeting on Long Range Planning -- (Washington, DC) February 2022
- ▶ FERC NARUC Task Force on Transmission Meeting on Interconnection – (online) April 2022 (later part of RM22-14-00)
- ▶ FERC NARUC Task Force on Transmission Meeting on Interregional Planning (San Diego, CA) – July 2022

- ▶ FERC Conference on Winter Reliability (Burlington, VT) -- September 2022

Rulemaking Timeline for ANOPR RM21-14-000 and Related NOPR

- ▶ ANOPR into Bulk Transmission Planning, Interconnection and Cost Recovery (RM21-17-000) – July 2022
- ▶ NOPR on Long Range Planning and Cost Allocation – April 2022

(The Notice of Proposed Rulemaking, approved by the commission April 21 on a 4-1 vote, would direct transmission providers to identify infrastructure needs on a long-term, forward-looking basis and propose a list of benefits on which they would base their selections of proposed projects.)

- ▶ NOPR on Interconnection (RM22-14-000) – June 2022

Main Issues (my view)

- ▶ Holistic and very long-term Regional Tx planning
- ▶ Cost allocation following FERC 1000 principles ..., states (Commissions or designated state entities) as lead
- ▶ Streamline interconnection processes
- ▶ Transparency and cost management (oversight and containment) including Independent Transmission Monitor (analogous to market monitor)
- ▶ Better planning for interregional transmission
- ▶ Better working framework for FERC and State Regulators
- ▶ Better and more coordinated planning between local and regional Tx
- ▶ Generally enabling needed Tx investments to grow but with more oversight in recognition of the massive investments needed for the future

Next Steps

- ▶ Discuss Transmission Planning and Cost Management pathways in New Orleans on November 15, 2022.
- ▶ Possible rulemakings related to interregional planning and cost containment.

Questions