



FEDERAL ENERGY REGULATORY COMMISSION

Docket Nos. ER10-1791-000

Item No. E-1

December 16, 2010

Chairman Jon Wellinghoff

STATEMENT

Statement of Chairman Jon Wellinghoff on Removing Barrier to Development of Needed Transmission in Midwest Region

"As I've mentioned before, cost allocation for transmission facilities is one of the most difficult issues facing the energy industry and regulators, whether state or federal. The Midwest ISO's proposal, which we accept today subject to some conditions, was the result of a lengthy stakeholder process that included participation and hard work by all stakeholders, including state commissions. I'd like to commend all of the Midwest ISO stakeholders for their hard work in forging a regional solution to this difficult issue.

The Midwest ISO's proposal is the next step in the evolution of its transmission planning and cost allocation process. The creation of a new category of projects, "Multi Value Projects," will enable the Midwest ISO to identify those projects which create regional benefits. As evaluation of these projects will occur in the MTEP process, Midwest ISO's existing open and transparent transmission planning process, stakeholders will have the opportunity to analyze proposed projects in the context of a regional planning process that takes into account the diverse needs of the Midwest ISO footprint.

Accordingly, I support today's order approving the Midwest ISO proposal. By providing additional certainty regarding transmission cost allocation, today's order removes a barrier to and therefore supports transmission development in the Midwest ISO."