



July 18, 2013

Commissioner Tony Clark

FEDERAL ENERGY REGULATORY COMMISSION

STATEMENT

Docket Nos. ER13-897-000, ER13-908-000 & ER13-913-000

Item No. E-1

Statement of Commissioner Tony Clark on SERTP Order No. 1000 Compliance Filings

"I am dissenting in part on this order because of the Commission's continuing insistence that Order No. 1000 Filing Parties remove language that acknowledges the reality of certain state laws or other statutory constructs that govern, and sometimes limit, the bounds of transmission planning.

"In contrast to the Commission's stated approach to not require standardized procedures in the regional transmission planning process, our order today suggests that a one-size-fits-all compliance filing is indeed the expectation. This cannot be reconciled with the Commission's statement in Order No. 1000-A:

"[We] believe that Order No. 1000 sets forth an approach that balances the need to ensure that specified regional transmission planning requirements are satisfied with our belief that the various regions of the country differ significantly in resources, industry organization, market design, and other ways so that a one-size-fits-all approach to regional transmission planning would not be appropriate. . . . [P]ublic utility transmission providers, in consultation with stakeholders, have the flexibility to ensure that their respective regional transmission planning process is designed to accommodate the unique needs of that particular region. We will then evaluate each of the Order No. 1000 compliance filings to ensure that they satisfy these requirements.

"Not unlike the Pacific Northwest, the SERTP Sponsors' region is unique as it pertains to transmission planning—and the Commission's boilerplate response fails to accommodate the unique characteristics of this non-market, non-RTO region.

"Today's order fails to note that many of the SERTP Sponsors remain vertically integrated in nature as they provide electric service to the majority of the load within the SERTP's expansive footprint. This vertically-integrated nature means that state commissions inevitably greatly influence transmission-related decisions with respect to those sponsors with significant retail load-serving responsibilities. Similarly, the Tennessee Valley Authority also retains decision-making authority for the construction of transmission lines.

"I cannot support a directive in this order that would require transmission providers to select a project for cost allocation when it is unclear whether it will be able to secure the necessary governmental approvals within the desired development schedule. If the selected project is not constructed, (and presumably months, if not years will have passed), the counter-productive result will not be more cost-effective and timely built transmission, but less.

"For these reasons, I respectfully dissent in part."