



July 18, 2013

Commissioner Philip D. Moeller

STATEMENT

FEDERAL ENERGY REGULATORY COMMISSION

Docket Nos. ER13-366-000, ER13-367-000, ER13-75-000 & ER13-100-000

Item No. E-2

Statement of Commissioner Philip D. Moeller on SPP Order No. 1000 Compliance Filing

"When Order No. 1000 was first proposed three years ago, I promised "to do my part to ensure that this Commission does not lose sight of the ultimate goal: a final rule that results in needed capital investment."¹ This ultimate objective is critical, as, "the lack of adequate transmission investments often disproportionately raises consumer rates due to congestion, threatens the reliability of the nation's bulk power system, and increases reliance on older and dirtier generating resources."² As I observed in my partial dissent on Order No. 1000, "instead of encouraging more regional cooperation, the rule could ultimately discourage such cooperation by encouraging more local transmission projects."³

"In particular, this order changes the highway/byway plan in a manner that will discourage the prompt planning and construction of needed transmission assets. In June 2010, this Commission approved the highway/byway plan, issuing a press release which stated that the plan, "would facilitate investment in new transmission facilities, reduce congestion, efficiently integrate new resources in the region and accommodate growth in demand while providing greater certainty of cost recovery."⁴

"Today's order removes the federal right of first refusal for byway facilities, but retains that right for reliability needs within three years. Thus, utilities retain their right to build, but only if they start planning their project within three years of its need, which obviously discourages projects that require more than three years to build."

¹ *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Notice of Proposed Rulemaking, FERC Stats. & Regs. ¶ 32,660 (2010) (Moeller, Comm'r, concurring).

² *Id.*

³ *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, FERC Stats. & Regs. ¶ 31,323 (2011) (Moeller, Comm'r, dissenting in part), *order on reh'g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh'g*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012).

⁴ FERC Press Release issued June 10, 2010. *Also see*, *Southwest Power Pool, Inc.*, 131 FERC ¶ 61,252 at PP 3-4 (2010).