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October 17, 2013

Commissioner Cheryl A. LaFleur

STATEMENT

FEDERAL ENERGY REGULATORY COMMISSION

Docket Nos. RM13-9-000 and RM12-1-000

Item No. E-2

Statement of Commissioner Cheryl A. LaFleur on Transmission Planning Reliability Standards

"I want to note that today the Commission is voting out a final rule substantially approving Reliability Standard TPL-001-4 (including footnote 12, a/k/a "the provision formerly known as footnote b"). This standard defines the circumstances under which transmission planners can plan for non-consequential load loss following a single contingency. We substantially approve the standard as proposed by NERC, finding it just, reasonable, not unduly discriminatory, and in the public interest. I want to note a few aspects of today's Order.

"First, I am pleased that we are putting behind us one of the most difficult outstanding issues dating from the Commission's March 2010 reliability orders. This case was an example in which NERC and the industry proposed an "equally efficient and effective" alternative solution to address a concern articulated by the Commission, an opportunity clarified by the Commission in Order No. 743 in November 2010. The alternative proposal that NERC presented includes limitations and safeguards regarding planned non-consequential load loss, including a defined stakeholder and regulatory review process. This proposal reflects the careful balancing of reliability and cost to customers. It also respects the complementary roles of federal and state regulators in balancing those considerations.

"Because of the innovative nature of the proposal, particularly the stakeholder process it entails, the Commission requires NERC to submit a report based on the first two years of implementation of the new standard.

"I would like to thank the standards team that worked on the proposed standard, NERC, and the team at the Commission that prepared today's Order."