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STATEMENT

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March 21, 2013

Commissioner Cheryl A. LaFleur

**STATEMENT**

FEDERAL ENERGY REGULATORY COMMISSION

Docket Nos. ER13-198-000, ER13-75-000, and ER13-187-000

Item Nos. E-1, E-2 & E-3

## Statement of Commissioner Cheryl A. LaFleur on Order No. 1000 Compliance Filings

"I would like to thank the FERC teams who worked very diligently on these complex orders, and also the many stakeholders within PJM, MISO and WestConnect who brought us the compliance proposals on which we act today.

"Today's orders are an important step forward toward enhanced regional planning and cost allocation for the benefit of customers in broad and diverse regions of the country.

"These three orders, I believe, reflect the value we place on robust transmission planning and flexible cost allocation to meet regional needs both in established RTOs and in bilateral market regions with a substantial public power presence.

"On the matter of cost allocation in particular, we have approved different approaches that all respect the central principle that costs must be allocated in a manner at least roughly commensurate with benefits. I am particularly pleased that we are approving a hybrid methodology for PJM that balances both specific local benefits as measured by an improved flow-based methodology and broad regional benefits that accrue from high-voltage transmission projects.

"As with Order 1000 itself, the most difficult issues in these orders for me related to the proposals made by PJM and MISO to comply with our requirement to eliminate rights of first refusal from transmission tariffs. In ruling on the detailed compliance proposals, we have tried to ensure that the benefits of competition in transmission planning for customers while also recognizing the need for workable processes and allowing transmission planners to meet reliability needs.

"I look forward to the next steps in these processes and to our further cases in months to come."