



April 19, 2012

Commissioner John R. Norris

**STATEMENT**

FEDERAL ENERGY REGULATORY COMMISSION

Docket Nos. AD12-14-000 and AD11-11-000

Item No. E-3

## Statement of Commissioner John R. Norris on Notice of Inquiry on Open Access and Priority Rights on Interconnection Facilities

"Item No. E-3 on today's consent agenda is a Notice of Inquiry seeking comments on the Commission's current case-by-case policy with respect to open access and the granting of priority rights to capacity on certain interconnection facilities. The NOI includes a number of excellent questions that I hope will elicit thoughtful comments from the public.

I believe today's NOI also raises the bigger picture issue of the application of the Commission's open access policies to some of the electricity industry's newly emerging challenges. Our open access policies were developed almost 20 years ago, when the electricity industry was facing different challenges, most notably the need for new generation market players to access the market and customers. Those policies continue to achieve important, broad goals for the public.

However, we must also consider how these open access policies address, or fail to address, challenges that may have only more recently emerged. One of those challenges involves developing new renewable resources in remote locations that require significant interconnection facilities to deliver their output to the grid. This issue is squarely presented in today's NOI.

Under Commission precedent, we treat these interconnection facilities as transmission lines subject to the Commission's open access requirements. The larger question we have to ask is: how do we balance our statutory duties to ensure just, reasonable and non-discriminatory interstate transmission service with the need to meet new challenges like this?

I hope that commenters will thoughtfully consider the broader issue of the suitability of our open access policies for addressing such challenges as they prepare their submissions."