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# FEDERAL ENERGY REGULATORY COMMISSION



WASHINGTON, D.C. 20426

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## NEWS RELEASE

FOR IMMEDIATE RELEASE

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### COMMISSION PLANS CONSTRAINT STUDY, CITES COSTS TO CUSTOMERS

The Federal Energy Regulatory Commission indicated its concern today over electric transmission constraints at a Commission meeting and estimated the costs to customers at two of the nation's most serious constraint locations.

Staff told the Commission that a transmission constraint study would be completed later this year and indicated that in a one-month period constraints on Path 15 in central California cost customers an estimated \$73 million. Constraints on the Central East Interface in New York State cost customers an estimated \$19 million during a one-month period. Path 15 divides northern and southern California and the Central East Interface runs along the Hudson River to central New York State.

In addition to increasing costs, transmission constraints threaten reliability.

The Commission made it clear that infrastructure issues will receive a high priority at the Commission, which will work with federal and state authorities to solve the problem. The Commission expects to forward its findings to the Department of Energy for its national grid study which is under way.

The Commission indicated that the staff comments today underscored the need to address transmission constraints, which occur when transmission lines lack the capacity to move the amount of power in demand. This causes buyers to pay higher prices because they lack access to lower-cost power.

In a related action, the Commission indicated it would hold four open meetings in

different regions of the country to identify energy infrastructure issues.

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