



# FEDERAL ENERGY REGULATORY COMMISSION

**Date** May 15, 2008

**Commissioner Suedeen G. Kelly**

**Docket Nos.** OA08-32-000, OA08-53-000, OA08-42-000,  
OA0841-000, OA08-58-000 and OA08-21-000

**Item Nos.** E-1, E-2, E-3, E-4, E-5 and E-6

## Talking Points of Commissioner Suedeen G. Kelly On OATT Planning Compliance Filings

"As I have said in the past, I consider our efforts in this area to be among the most significant undertakings the Commission has embarked upon since I have been a member and I'd like to thank the Chairman for initiating these reforms.

This country faces an array of energy challenges in the coming years. These include but are not limited to enhancing our electric system reliability, fulfilling the demands of renewable portfolio standards and carbon legislation, improving competition in wholesale markets. A robust, well-designed transmission system is a pre-requisite for successfully overcoming these challenges.

The nine planning principles adopted in Order 890, and applied here today, underlie movement toward that robust, well-designed transmission system. Transmission planning that is open and transparent relies on contributions from a broad spectrum of participants and stakeholders, all of whom must be able to have access to the same information, assumptions and rules.

Furthermore, it is critical that planning be applied to a regional geographic area. A larger region should allow for an optimal (or something approaching optimal) set of transmission solutions and will avoid duplicative efforts among participants. And the importance of the regional focus is underscored by the growing interest in building and accessing location-constrained resources.

And that brings me to today's orders. As the staff noted, we are accepting many elements of the various proposals before us. However, in some of these orders, we require applicants to do more, notably in the area of regional and local planning principles and in the area of regional coordination. I am pleased to see that, in two of these orders, we require the transmission operator to provide greater transparency with respect to the interplay of local and regional planning processes.

In another order, we find that an applicant cannot satisfy our regional participation principle merely by referencing agreements with neighboring regions and future commitments to coordinate. In this case, we require the applicant to describe how provisions in each of its agreements with neighboring regions fulfill the regional participation principle.

For these reasons I am pleased to support this suite of orders and I commend my colleagues for their support as well.

I would like to thank all of the members of the many teams that worked on these orders. These orders were very well-written and clear and that's made our efforts a lot easier. Thank you."