



Federal Energy Regulatory Commission
March 15, 2007
Open Commission Meeting
Statement of
Commissioner Jon Wellinghoff

Items E-2 and E-3: Midwest Independent Transmission System Operator, Inc. (Docket Nos. ER06-18-004, ER06-18-005, and ER06-18-006)

"In these proceedings, MISO has proposed methodologies that would allow for regional allocation of a portion of the costs associated with new transmission projects that meet MISO's criteria for Baseline Reliability Projects or Regionally Beneficial Projects.

It is important to recognize that the development of transmission facilities may benefit a wide range of customers, and that many types of benefits may warrant consideration in evaluating a project's impact. Where a project has widespread benefits, it is appropriate for costs associated with that project to be allocated broadly, as well.

Today's orders accept MISO's initial efforts to implement that principle. We also acknowledge that the views of state authorities are particularly important to our consideration of regional cost allocation proposals. In addition, we recognize the importance of the MISO stakeholder process. We encourage MISO to provide stakeholders the opportunity to express views on overall proposals that MISO plans to bring forward to this Commission, and we emphasize that we expect stakeholders to make a good-faith effort to reach consensus.

Finally, today's orders require MISO to submit reports that will help MISO, states, other stakeholders, and the Commission to evaluate MISO's cost allocation methodologies. These reports will provide the basis for potential future changes to MISO's approach.

For these reasons, I am pleased to support today's orders. I commend the Team for its hard work on these issues."