

## **Suedeem Kelly's statement on long-term transmission rights NOPR**

This NOPR implements Congress' directive, under EPCRA 2005 section 1233(b), requiring FERC to exercise its authority in a manner that facilitates the planning and expansion of transmission facilities to meet the reasonable needs of load-serving entities to satisfy their service obligations and enable them to secure firm transmission rights on a long-term basis for associated long-term power supply arrangements

The NOPR parallels the statutory language by requiring that RTOs make long-term rights available sufficient to support load obligations served by long-term resources.

I fully support this effort.

I recognize that this effort may be complicated by the fact that the current RTO markets were not specifically designed to support long-term transmission rights or, for that matter, long-term power supply arrangements.

Nevertheless, there is nothing inherently unreasonable about the business model of entities who prefer to rely on such long-term arrangements to serve their load.

Essentially, they have chosen to trade off a certain amount economic efficiency for the enhanced reliability and price certainty of long-term arrangements.

Provision of electricity is an important service, certainly important enough to justify such a trade-off for those who prefer to make it and are willing to pay the associated economic cost.

Accordingly, I am pleased that Congress directed this action and I am pleased that we are carrying it out today.

Many thanks to staff for its hard work preparing this document.