



FEDERAL ENERGY REGULATORY COMMISSION

NEWS

September 18, 2008

Docket Nos. NJ08-3-000; OA08-27-000; OA08-36-000; OA08-37-000; OA08-46-000 and
OA08-46-001; OA08-50-000 and OA08-51-000; OA08-59-000

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FERC Accepts Compliance Plans to Improve Regional Transmission Planning in the Southeast

The Federal Energy Regulatory Commission (FERC) today conditionally accepted compliance filings on the transmission planning process associated with Order No. 890 from transmission providers in the Southeastern United States. FERC already has acted on similar compliance filings from entities in the Northeast, the Midwest, the West, California and Florida.

Order No. 890, issued in February 2007, reformed the *pro forma* open access transmission tariff, or OATT, to clarify and expand the obligations of transmission providers to ensure that transmission service is provided on a non-discriminatory basis. The detailed information provided in the proposals accepted today brings more specificity as to how customers and other stakeholders should be treated in the transmission planning processes of transmission providers and sub-regional and regional planning entities in the Southeast.

"This marks a major step toward strengthening open access transmission for the benefit of the market and consumers in the Southeast," FERC Chairman Joseph T. Kelliher said. "Our process recognizes regional differences in the power grid, and today we are acting appropriately to reflect the individual circumstances of the Southeast as it works to improve the planning process that is so vital to competitive markets."

Order No. 890 directed transmission providers to develop a transmission planning process that satisfies nine principles and makes the process a new attachment to the providers' OATTs. The nine planning principles are: (1) coordination; (2) openness; (3) transparency; (4) information exchange; (5) comparability; (6) dispute resolution; (7) regional participation; (8) economic planning studies; and (9) cost allocation for new projects. FERC also directed transmission providers to address the recovery of planning-related costs.

Today's actions are addressed in the following seven orders:

- **Southwestern Power Administration (NJ08-3-000)** This order conditionally grants Southwestern's transmission planning process yet encourages further refinements and improvements as Southwestern and its customers and other stakeholders gain more experience through actual implementation.
- **E.ON U.S. LLC (OA08-27-000)** This order accepts E.ON's transmission planning compliance filing, with modifications.
- **Cleco Power LLC (OA08-36-000)** This order accepts, with modifications, Cleco's transmission planning compliance filing.
- **Southern Company Services, Inc. (OA08-37-000)** This order accepts, as modified, the joint transmission planning process for Southern.





- **South Carolina Electric & Gas Co. (OA08-46-000 and OA08-46-001)** This order accepts the transmission planning compliance filing, subject to further compliance filings.
- **Duke Energy Carolinas, LLC and Progress Energy Carolinas Inc. (OA08-50-000 and OA08-51-000)** This order accepts, as modified, the joint transmission planning process for the two companies.
- **Entergy Services, Inc. (OA08-59-000)** This order accepts, as modified, the joint transmission planning filing from Entergy.

Generally, the conditions attached to each of the orders seek more specifics on how the companies and stakeholders will coordinate with each other on planning.

All but Southwestern Power Administration will create a new process within the Southeast Inter-Regional Participation Process (SIRPP) to more fully address the regional participation aspect of Order 890 for the multiple transmission systems in the Southeast. SIRPP will establish an annual series of three meetings among stakeholders that will select up to five annual inter-regional economic studies and provide input regarding the assumptions, criteria, and methodologies used for each inter-regional economic study. A SIRPP study coordination team will perform the studies, developing inter-regional study assumptions and additional model development, and will coordinate with stakeholders and affected external planning processes.

Transmission owners participating in SIRPP will provide transmission planning personnel to serve on the SIRPP coordination team. After a study is completed, the coordination team will distribute applicable reports to the SIRPP transmission owners and stakeholders, subject to appropriate confidentiality restrictions.