



**Federal Energy Regulatory Commission
June 15, 2006
Open Commission Meeting
Statement of
Commissioner Suedeen Kelly**

C-1: Regulations for Filing Applications for Permits to Site Transmission Facilities (RM06-12-000)

"In enacting new section 216 to the Federal Power Act, Congress recognized that this country has experienced, and continue to experience, a dramatic growth in electricity demand and generation, resulting in a need for substantial additional transmission facilities.

To that end, Congress has given the Commission the necessary authority to ensure reasonable siting requests are processed, and that critically needed future transmission lines are developed in a timely manner, in order to help maintain system reliability, by providing us with backstop authority to issue permits to construct or modify electric transmission facilities in designated national interest electric transmission corridors.

It is important to note that this backstop authority is triggered only under certain limited circumstances. Specifically, the Commission may consider a permit application only if a state is unable to, or unwilling to, timely provide a transmission solution where proposed transmission lines are deemed to be in the national interest.

Even then, the Commission must ensure that the proposed facilities will, among other things, be consistent with the public interest, and will significantly reduce transmission congestion and protect or benefit consumers. It is also important to note that, where permit applications are--or may be--filed with the Commission, all stakeholders—including the affected state—will have an opportunity to provide input pursuant to extensive pre-filing and post-filing processes.

I believe the Commission is uniquely qualified to take on this backstop authority. Our new authority over the siting of interstate transmission lines is similar in many respects to our interstate natural gas pipeline siting authority. Needless to say, the Commission has many years of experience in acting on certificate applications for natural gas pipelines, which, to my mind, has resulted in an extremely efficient process that respects the views of all stakeholders. I am confident that our efforts in implementing our new backstop authority will be no different.

For these reasons, I am pleased to support this proposed rule."