



FEDERAL ENERGY REGULATORY COMMISSION

December 2, 2008

Docket No. ER08-1601-000

Commissioner Philip D. Moeller

**Statement of
Commissioner Philip D. Moeller
on
FERC Approval of Southwest Power Pool Expansion into Nebraska**

"I applaud the Commission's approval of an expansion of the Southwest Power Pool, Inc. (SPP) to include three public power utilities in Nebraska. As one of several regional transmission organizations (RTOs) approved by the Commission over the past few years, SPP's expansion is a reminder that the voluntary model for RTOs has fundamentally been a success, starting with the Commission's landmark Order No. 2000, issued in December, 1999. The Nebraska utilities were not required to join an RTO; they did so after examining the basic value offered by membership in the SPP.

I believe that this expansion will bring significant benefits to consumers in both the state of Nebraska and in the other eight states that already have utilities participating in the SPP. Consumers will benefit by both spreading the fixed costs of the RTO across a larger footprint, and by the improved efficiency and coordination available to Nebraska and all SPP members in the SPP market.

This expansion is designed to provide Nebraska utilities with improved reliability, operational flexibility, and enhanced coordination -- all at a time when the nation, and the SPP in particular, is addressing transmission expansion and more efficient operation of the electric network."

On Sept. 30, 2008, the SPP asked FERC to allow SPP membership by Nebraska Public Power District (NPPD), Lincoln Electric System (LES), and Omaha Public Power District (OPPD). After a thorough review by the Commission and its staff, FERC approved the request on Nov. 26, 2008. As stated in the order, the Commission received no opposition to this expansion of the SPP. On April 1, 2009, the three Nebraska utilities expect to complete their transition activities, such as installing computer infrastructure and training staff, so that they can fully participate in SPP.

The order can be found here:

<http://www.ferc.gov/EventCalendar/Files/20081126143604-ER08-1601-000.pdf>