



FEDERAL ENERGY REGULATORY COMMISSION

Date May 15, 2008

Chairman Marc Sptizer

Docket Nos. OA08-32-000, OA08-53-000, OA08-42-000,
OA0841-000, OA08-58-000 and OA08-21-000

Item Nos. E-1, E-2, E-3, E-4, E-5 and E-6

Statement of Commissioner Marc Sptizer On OATT Planning Compliance Filings

"One of the core components of Order No. 890 is "Attachment K" of the pro forma tariff – the establishment of a coordinated, open and transparent planning process. Transmission congestion imposes reliability and economic burdens upon consumers and requires enhanced transmission investment. This Commission therefore mandates that transmission providers establish a planning process through which they coordinate with customers, neighboring transmission providers, state authorities and other stakeholders. The Commission believes this process will promote coordination, minimize opportunities for undue discrimination through open participation and ensure comparable transmission service.

As I stated in support of Order No. 890, regional planning provisions will promote a public dialogue that I believe will result in new transmission investment where it is most needed. The open process envisioned in Order No. 890 will ultimately produce this needed transmission through discussions of the economic and environmental aspects of demand response, new generation and other resources.

Today we vote on several of these "Attachment K" compliance filings. In Order No. 890, the Commission allowed transmission providers flexibility to develop planning processes that work best for their systems, with the proviso that tariff rules must be specific and clear to ensure compliance by transmission providers and put customers on notice of their rights and obligations. Consistent with this flexibility, the Attachment K proposals demonstrate that there is great variety in how transmission providers and interested stakeholders conduct the planning process. While each of the proposals herein is subject to further compliance, the proposals demonstrate the efforts of transmission providers towards an open and inclusive planning process. Accordingly, I support these Orders.

I believe the transmission planning process should not discriminate against alternative forms of ownership structure of a proposed transmission upgrade or project. We should do all we can to eliminate barriers to innovative methods to finance transmission. Further, I continue to believe that joint ownership between public and private entities, independent transmission, and merchant transmission, should be considered as effective tools to facilitate necessary transmission investment, particularly in the case of large backbone upgrades or additions.

In summary, the planning processes described in the Orders before us, as modified, provide an important method for this Commission to foster competitive wholesale markets and encourage the development of needed energy infrastructure.

Finally, I would like to thank staff for their on-going efforts to ensure thorough and consistent compliance with Order No. 890."