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**Interview with Susan McGinnis, The Energy Report  
CleanSkies.tv**

Introduction by Susan McGinnis: Busy as he is, the newly appointed Chairman of FERC stopped by Clean Skies studios today to talk energy. We asked about his plans for the Commission and his views on issues like energy efficiency, renewable energy, and the prospect of a national portfolio standard.

Susan McGinnis: Chairman Wellinghoff, thanks for joining us.

Chairman Wellinghoff: Thank you, Susan.

Susan McGinnis: Congratulations on your chairmanship.

Chairman Wellinghoff: Thank you very much.

Susan McGinnis: Tell me how you view the Commission, what do you think are your team's strengths?

Chairman Wellinghoff: Well, I think our team strength is a very deep bench, which is a very good thing. We have people who have been at the commission for 20, 30 years. They have an extreme level of experience, knowledge and competence in areas that I have a lot of interest in, and that is making the electric energy infrastructure more efficient. And that team, I think, stands ready to help me with that. So, it's good that we can really hit the ground running. Not comparing to some of the other administration agencies, but a lot of those agencies do have to still fill a considerable number of positions with undersecretaries and deputy secretaries and we've not had that problem...

Susan McGinnis: Right.

Chairman Wellinghoff: ..fortunately, because our team is in place, and so we're ready to move forward.

Susan McGinnis: Tell me, what is at the top of your agenda as you take the helm, would you say that it's enabling and encouraging the renewables?

Chairman Wellinghoff: It is, but that's both sides of the equation. It's enabling renewables by looking at the transmission side, which is one that we've been working on over the past couple of weeks – very heavily, with some testimony on the hill, also some work, interagency work. We've been having meetings with representatives of DOE, the Department of the Interior, the Council on

Environmental Quality, and Department of Agriculture on transmission. In fact, I had a meeting with those secretaries of those agencies yesterday. But we're really looking at the demand side, because we have to hit home, and push through the point, that ultimately to make the renewables work, to integrate them into the grid, we have to enable consumers to be able to modify their loads, to use loads in ways that can be supportive of the transmission system. In essence, changing the way that you may use your air conditioner, the way you may use your refrigerator – all those things can be beneficial to consumers because they can actually save money by controlling those loads. But it can be extremely beneficial to putting in more renewables into the grid because those renewables are largely going to be variable renewables, in other words they will come in and out at different times, and so will have to be able to modify the loads and load side to balance the grid and make sure that it is stable.

Susan McGinnis: Now, I know that you expect a significant amount of new generation from wind and other renewables driven in part by states' renewable standards. Do you support a national renewable portfolio standard and do you think it should be, if so, a low carbon standard or do you think it should specifically target specific renewables?

Chairman Wellinghoff: Well I worked very hard for a renewable portfolio standard in the state of Nevada. I actually worked on developing that legislation and worked in a number of other states with their state legislators and groups to get renewable portfolio standards going in states. I think it's time though now, that we have renewable standards in about 29 states, that we should look to a federal, national renewable portfolio standard. I think a renewable portfolio standard is a perfectly appropriate way to approach this. That doesn't discount the fact of also having some kind of carbon legislation that would be a cap and trade, would sort of be an umbrella, over the renewable portfolio standards.

Susan McGinnis: But should it specifically target wind, solar – certain renewables – or just target a carbon level?

Chairman Wellinghoff: I think it should in fact spell out renewables in the overall standard. And again, we may have a separate cap and trade that would talk about carbon and keeping carbon at a certain level, but I think it's important also to send that signal out that renewables are extremely important, probably the most important way that we're going to reduce our overall carbon footprint.

Susan McGinnis: Are you still opposed, or reluctant, for FERC to supervise a possible cap and trade system?

Chairman Wellinghoff: Well I'm not opposed, I want to make that clear. But I am reluctant, I will say that as well.

Susan McGinnis: You have a full plate over there.

Chairman Wellinghoff: We have a full plate, it's getting fuller all the time. And again, a cap and trade, to supervise that as opposed to a renewable portfolio standard that we could supervise, would cause us to not only expand considerably our overall staffing but also bring in a whole different type of staff, more of a financial staff, that would be looking at the financial market aspects of a cap and trade regulation.

Susan McGinnis: Monumental.

Chairman Wellinghoff: So, it would be monumental. Absolutely.

Susan McGinnis: You mentioned efficiency, could FERC have a big role in efficiency?

Chairman Wellinghoff: FERC could have a very big role in efficiency. We are right now encouraging organized wholesale markets to incorporate efficiency into those markets – energy efficiency and, of course, demand response, is what I would term to be dispatchable conservation, so it's a type of efficiency as well, because it provides for efficiency not only in the consumer side. When you in essence change and modify the way loads are used on the consumer side you make the overall grid more efficient because the generating plants that are inefficient don't have to operate as much, so you increase efficiency on the grid side as well.

Susan McGinnis: All right. Chairman Wellinghoff, thank you so much for coming in.

Chairman Wellinghoff: Thank you Susan, I appreciate it.