

# FERC NOPR

- The Commission is proposing to amend the transmission planning and cost allocation requirements for public utility transmission providers established in Order No. 890 to ensure that transmission services are provided on a basis that is just, reasonable and not unduly discriminatory or preferential.

# Overview

- **With respect to transmission planning processes, the proposed rule would:**
  - Require each public utility transmission provider to participate in a regional transmission planning process that produces a regional transmission plan and that meets certain transmission planning principles established in Order No. 890.
  - Require that local or regional transmission planning processes account for public policy requirements established by state or federal laws or regulations that may drive transmission needs.
  - Remove from FERC-approved tariffs or agreements any right of first refusal that provides an incumbent public utility with an undue advantage over a non-incumbent transmission project developer, while preserving state authority.
  - Require each public utility transmission provider through its regional transmission planning process to enter into a transmission planning agreement with the public utility transmission providers in each neighboring transmission planning region.

# Overview (cont.)

- **With respect to transmission cost allocation, the proposed rule would:**
  - Establish principles for allocating the costs of new transmission facilities in a manner that is at least roughly commensurate with the distribution of benefits.
  - Require each public utility transmission provider to have a cost allocation method for new transmission facilities in the regional transmission plan that satisfies certain proposed cost allocation principles.
  - Require each public utility transmission provider to have a cost allocation method for new transmission facilities resulting from the planning agreements implemented by neighboring regions that satisfies certain proposed cost allocation principles.