Congress of the United States
Washington, DC 20510

April 20, 2022

The Honorable Richard Glick, Chairman
The Honorable James Danly, Commissioner
The Honorable Allison Clements, Commissioner
The Honorable Mark Christie, Commissioner
The Honorable Willie Phillips, Commissioner
Federal Energy Regulatory Commission
888 First Street NE
Washington, D.C. 20426

Dear Chairman Glick and Commissioners Danly, Clements, Christie, and Phillips:

Our country is facing several challenges that require ambitious Federal policies to lower energy costs and provide economic security for American families and businesses. We have technologies we can deploy today to reduce household energy bills, improve reliability, create jobs, and cut harmful carbon pollution. We urge you to take next steps as expeditiously as possible to upgrade and expand our electric grid to enable power sharing across regions and the connection of more affordable and abundant renewable energy to power our homes, businesses, and vehicles at lower costs. In particular, improving transmission planning and cost allocation and unclogging interconnection queues are key strategies to reduce household energy bills, improve reliability, and facilitate a faster transition to a clean energy economy that will create jobs and reduce harmful carbon pollution.[1] The investments would save money and increase reliability: Midcontinent System Operator (MISO) Multi-Value Projects carried benefits 2.6 to 3.9 times the cost,[2] and during periods of severe weather such as winter storm Uri, they kept the lights on in the Midwest by delivering power from the Mid-Atlantic to the Upper Midwest.

Reducing Costs

An upgraded and expanded electric grid will reduce household energy bills by reducing congestion and allowing more affordable and abundant renewable energy to be connected to the system. Currently, Americans pay billions of dollars annually in higher energy bills due to transmission congestion.[3] There are commercially available advanced transmission technologies

[1] The Congressional Climate Crisis Action Plan outlines recommendations on transmission and power markets.
[2] David Boyd and Edward Garvey, A Transmission Success Story: The MISO MVP Transmission Portfolio 5 (AESL Consulting, Nov. 8, 2021).
[3] Jesse Schneider, "Transmission Congestion Costs in the U.S. RTOs," (Grid Strategies LLC, updated Nov. 12, 2020).

that would help upgrade and modernize our existing electric grid so we can move more electricity over existing infrastructure.[4]

We also need to expand the electric grid because we are blessed in the United States with affordable and abundant renewable energy that could lower costs for households across the country if it could be connected to the electric grid. Building new transmission lines to connect large geographic regions would save billions of dollars annually."[5] Clearing out interconnection queues would also save Americans money; at the end of 2019, there were over 700 MW of new generation waiting to connect to the electric grid, 90% of which is affordable renewable energy and storage resources.[6] A 2020 study of the potential to connect more renewable energy resources across the Eastern Interconnection showed that consumers would save on average $300 per year.[7]

The benefits are clear: better planning means a more efficient grid for consumers. A more robust transmission grid helps protect consumers from price spikes due to major storms. Transmission build-out will allow greater connection of our energy grid to low-cost renewable energy that reduces customer rates and bills.

Improving Reliability

As demand for electricity grows and as the impacts of climate change become more severe, the reliability of the electric grid is more important than ever. The 2021 winter storm Uri and the 2014 Polar Vortex event underscore the importance of strong transmission ties to other regions. Power outages due to weather cost Americans at least $25-70 billion each year.[8] A modernized and expanded transmission grid enhances system reliability for all generation sources. A flexible and modern grid will help us better utilize all resources and integrate higher levels of renewable energy. A more robust transmission grid helps better ensure reliability so that the lights stay on and come back on quickly in the event of major storms.

Policy Solutions

We have the technology and we also know which policies will be essential. Key transmission planning and cost allocation changes that should be considered include:

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[4] Chair Castor led a bicameral letter to FERC encouraging deployment of advanced transmission technologies. *See* House Select Committee on the Climate Crisis "Castor, Tonko, Casten, Heinrich, Smith Urge FERC to Help Deploy Advanced Grid Technologies" (Mar. 24, 2022).
[5] Michael Goggin, Transmission Makes the Power System Resilient to Extreme Weather (American Council on Renewable Energy and Grid Strategies, Jul. 2021).
[6] Jay Caspary, Michael Goggin, Rob Gramlich, Jesse Schneider, Disconnected: The Need for a New Generator Interconnection Policy (Americans for a Clean Energy Grid (ACEG), Jan. 2021).
[7] Christopher T.M. Clack et al., Consumer, Employment, and Environmental Benefits of Electricity Transmission Expansion in the Eastern U.S. (ACEG, Oct. 2020).
[8] Executive Office of the President, Economic Benefits of Increasing Electric Grid Resilience to Weather Outages, (Aug. 2013).

- Proactive planning of transmission lines to connect anticipated future generation with load;
- Ensuring that the multiple benefits of a proposed project (such as increasing reliability, resilience, efficiency, or meeting public policy goals) be considered, not just the primary benefit of a project;
- Ensuring that the cost allocation process accounts for the widespread benefits for consumers of expanded transmission; and
- Streamlining inter-regional transmission planning with similar reforms.

Key interconnection queue reforms that should be considered include:

- Eliminating disproportionate participant funding of network upgrades; and
- Planning network upgrades through the regional transmission planning and cost allocation process rather than through the serial interconnection process.

As the ongoing European energy crisis demonstrates, there is no time to wait. We urgently need to shore up American energy independence and security by upgrading and expanding the electric grid. Doing so will place us on a firmer foundation to tackle the climate crisis, which grows increasingly dire with each year of delay. The April 2022 Intergovernmental Panel on Climate Change Sixth Assessment Working Group III report underscores that global greenhouse gas pollution must peak by 2025 and that we can halve global emissions by 2030.

We urge you to lead with the bold policies on transmission planning and cost allocation and interconnection queue reform that will enable us to clean up the power grid and use it to power our homes, businesses, and vehicles with American clean energy.

Thank you for your attention to this matter.

Sincerely,

Kathy Castor
Member of Congress

Bobby L. Rush
Member of Congress

Paul Tonko
Member of Congress

Julia Brownley
Member of Congress

/s/ Raja Krishnamoorthi

Raja Krishnamoorthi
Member of Congress

Sean Casten
Member of Congress

Veronica Escobar
Member of Congress

Mike Levin
Member of Congress

Sheldon Whitehouse
U.S. Senator

/s/ Martin Heinrich

Martin Heinrich
U.S. Senator

Edward J. Markey
U.S. Senator

Tina Smith
U.S. Senator