Transmission Incentives

The Federal Energy Regulatory Commission (FERC) seeks Comments by September 12, 2011, from a wide range of commentators on its electric transmission incentives program (Docket No. RM 11-26). This is an opportunity, not for just electric utilities, but for new entrants seeking to build transmission or generation companies requiring transmission services at competitive prices, to make their views and special circumstances known.

By way of background, in 2006, FERC first allowed various types of incentive rates to encourage development of transmission infrastructure. Those incentives have included equity adders, recovery of hypothetical capital structures and accelerated depreciation. Since 2006, FERC has received more than 75 applications seeking a variety of transmission incentives for an estimated $50 billion in investment.

With the FERC on record for using incentives to support new transmission, the filing of Comments could assist the Agency in developing new incentives that encourage development of transmission. If you have an interest in obtaining additional information or filing comments independently or jointly with WADE, contact David Sweet at dsweet@localpower.org or +1 202 667 5600.

FERC Order No. 1000 Update

FERC Order No. 1000 was a landmark decision on transmission policy that could create significant new opportunities for renewables and distributed power projects. A series of informational conferences will be held from September 12 – 13 in Washington, DC to discuss the requirements and implementation of the Order. Please contact David Sweet at dsweet@localpower.org or +1 202 667 5600 if you have an interest in these conferences.