



Building New Transmission

March 2009

LPPC supports increased investment in electric power infrastructure, including high voltage transmission, where needed for delivery of renewable generation.

1. Siting – LPPC Supports Additional Federal Transmission Siting Authority

- LPPC supports expanding federal siting authority for interstate transmission projects in a manner which respects state and local interests and expertise.

2. Funding – LPPC Supports Allocating the Costs of New Transmission to those who Use it.

- Costs of new transmission should be paid for by project developers or utilities that need it to meet renewable requirements. Allocating costs to all consumers in a region regardless of whether they directly benefit from the project would: (1) punish those who have already invested in transmission for renewables and demand side measures to meet applicable mandates; (2) penalize utilities who can't use the transmission; and (3) subsidize transmission at the expense of conservation, demand side management, energy efficiency and local generation resources that may be more cost effective in meeting RES requirements.
- If Congress determines that a national subsidy for transmission costs to deliver renewables is needed, LPPC believes that using general tax revenue is the more direct, transparent approach.

3. Planning – LPPC Supports Existing Transmission Planning Processes

- LPPC supports the use of existing regional transmission planning processes and organizations as the platform for planning and developing high voltage transmission, consistent with FERC Order 890.
- LPPC opposes mandatory central planning by new interconnection-wide organizations, whose work would be duplicative and counterproductive.

4. Public Authorities - LPPC Supports Least Cost Transmission Development and Partnerships

- Transmission should be developed on a least cost basis, including construction by publicly-owned utilities where that would reduce costs.
- LPPC supports removing obstacles to public-private partnerships, including restrictions on the use of tax exempt debt.