



September 17, 2021

Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

Docket No. RM21-17-000

**RE: Building for the Future Through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection**

**Robin Vos**  
Assembly Speaker  
Wisconsin  
President, NCSL

**Martha R. Wigton**  
Director  
House Budget & Research  
Office  
Georgia  
Staff Chair, NCSL

**Tim Storey**  
Executive Director

Dear Commissioners,

The National Conference of State Legislatures (NCSL), the bipartisan organization representing the legislatures of our nation's states, commonwealths, and territories, welcomes the opportunity to provide comments to the Federal Energy Regulatory Commission regarding its advanced notice of proposed rulemaking on electric regional transmission planning and cost allocation and generator interconnection. NCSL appreciates FERC's willingness to engage with interested parties prior to issuing a formal proposal.

NCSL urges the federal government, including FERC, to promote policies which recognize that reliable electricity supply depends, in part, upon modernization of the electric power grid, and that to meet current and future demands for electricity, additional investments in the electric power grid will need to be made. NCSL acknowledges the need for a robust national transmission system that can both support new technology, and allow for additional power production to be brought onto the grid. As such, we welcome the commission's work to explore the need for reforms to existing regulations that improve electric regional transmission planning and cost allocation, and the generator interconnection processes.

Should FERC move forward with formal regulatory changes, NCSL urges the commission to ensure that any updates address the uncertainties which hamper investment in generation, transmission, and distribution. Such changes should enhance the likelihood that appropriate technologies will be developed, and other solutions implemented to achieve the desired outcomes in the most economical manner possible. More importantly, there must be a coordinated effort between FERC and states in the development and implementation of any regulatory change, including devising improved mechanisms to bring state legislatures into the energy decision-making process as full participants on an ongoing basis.

In response to the commission's specific request for comment concerning identifying geographic zones for transmission development, NCSL urges the commission to facilitate the development of state-created regional mechanisms. This can include, but is not necessarily limited to options such as interstate compacts and regional reliability boards which are designed to address transmission reliability, problems related to the interconnectedness of the energy grid, environmental impact of generating electricity, and other regional energy issues.

Though we do not anticipate it being a focus of the commission at this time, energy facility siting must remain under state jurisdiction devoid of federal mandates and preemption. The federal government should not exercise the power of eminent domain in its pursuit of constructing energy facilities or related purposes. To the extent to which federal activity has restricted state authority over electric facility siting, specifically electricity transmission lines, NCSL urges the federal government to work together with the states to ensure a seamless system of regulatory action and minimize the necessity for the federal backstop to be used. Further, within any new framework, states must have the flexibility to work with electric utilities to coordinate in a manner that will ensure the continued supply of electricity while also allowing for regulatory options necessary for grid reliability.

It is also important to highlight the linkages between state legislatures and public utility commissions (PUCs), also called public service commissions. In the early 1900s, state legislatures established PUCs to regulate companies providing public services to ensure equitable and quality service. Where legislators make policy decisions across a broad range of issues relevant to the direction and goals of the state, PUCs are delegated a significant level of responsibility and expected to possess deep subject matter expertise on the industries they regulate. Although state statutes that establish and empower public utility commissions are similar, the ways PUCs operate, both independently and with the legislature, is not uniform across states. In some cases, PUCs interact regularly with policymakers, serving as trusted sounding boards, whereas other PUCs have only budgetary interactions and exclusively focus on carrying out policy mandates on the ground. This divergence is more a result of practice—built on experiences and relationships—rather than explicit design.

Generally, under state law, PUCs have an obligation to ensure the establishment and maintenance of utility services and to ensure those services are provided at rates and conditions that are fair, just, and reasonable for all consumers. In most states, at least one committee in each chamber has jurisdictional oversight over the commission due to its critical role in implementing state energy policy. Commission engagement with the legislature typically focuses on these committees. As these state regulatory bodies are close to consumers, utilities, and industries, and are concerned for state environmental and economic well-being, they are in the best position to evaluate consumer needs and address questions relative to fuel choice, economic development implications and system reliability.

NCSL looks forward to an ongoing conversation with the commission as it moves forward with any potential changes to electric regional transmission planning and cost allocation and generator interconnection process. If you have any questions, please do not hesitate to contact NCSL staff Ben Husch (202-624-7779 or [ben.husch@ncsl.org](mailto:ben.husch@ncsl.org)).

Sincerely,



Representative Stephen Handy  
NCSL Natural Resources and Infrastructure  
Committee Co-Chair  
Utah House of Representatives



Representative David Tarnas  
NCSL Natural Resources and Infrastructure  
Committee Co-Chair  
Hawaii House of Representatives