

# Remarks of Jim Hoecker

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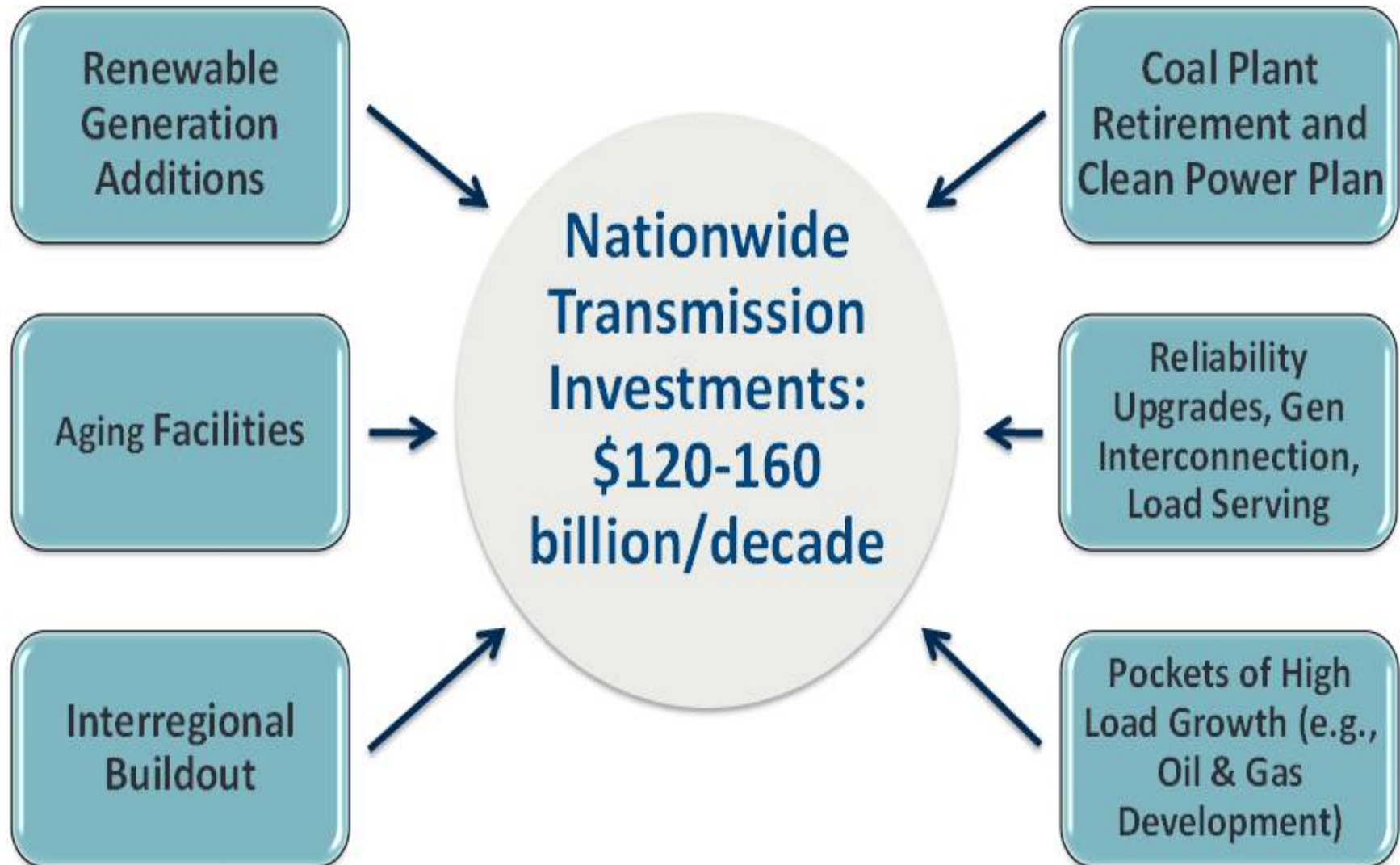
Former Chairman, Federal Energy Regulatory Commission

*Governors' Wind Energy Coalition  
Workshop*

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Slides courtesy of The Brattle Group

# Drivers of Transmission Investment



# Considering All Transmission Benefits



# Why Considering All Benefits Is Important



# The High Risks and Costs Of Sub-Optimal Planning

- Compartmentalization -- “reliability” “market efficiency” “public policy” “multi-value” – creates barriers, esp. for Interregional/seams projects
- Failure to account for long-term risks
- Assumes normal system conditions; ignores extreme market conditions/challenges
- No evaluation of how less robust infrastructure forecloses lowest-cost options
- No risk mitigation or consideration of insurance value
- “Wait and see” or “least regrets” limits future options

Will QER’s “national review” of planning and barrier assessment help improve our ability to develop the most beneficial projects for regional and interregional markets?