



- **Rhode Island** Gov. Gina M. Raimondo, Chair
- **Kansas** Gov. Sam Brownback, Vice Chair
- **Executive Director**, Larry Pearce

November 6, 2017

The Honorable Kevin McIntyre,
Chairman, and Cheryl LaFleur, Richard Glick,
Robert Powelson, Neil Chatterjee, Commissioners
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Dear Chairman McIntyre and Commissioners LaFleur, Glick, Powelson, and Chatterjee:

On behalf of our Coalition colleagues, please accept our congratulations on your recent confirmations. As you join Commissioner LaFleur, with whom the Coalition has had a long and productive relationship, we look forward to a similar relationship with each of you on the energy issues that affect our states.

Importance of Renewable Energy to the States

The Coalition is a bipartisan group of the nation's governors representing states from coast to coast. Our states are home to hundreds of wind and solar energy facilities which employ hundreds of thousands of Americans and make enormous financial contributions to our states' and the nation's economies.

Many of our member states are now generating as much as 30 percent of their electricity from renewable energy sources that have become cornerstones of their economies. For example, in February 2017, wind made up more than 50 percent of the energy consumed in the 14-state Southwest Power Pool, and wind and solar, for the first time, accounted for more than 10 percent of U.S. electricity generation in March. Renewable energy continues to provide our states with more and more economic, security, and environmental benefits. Often overlooked is the diversification of generating fuels that solar and wind energy offer. These two sources—with zero fuel costs—reduce the price volatility impact of conventional fuels. The nation's governors, mayors, and corporate leaders expect that the Commission will continue to support the states' sustainable energy development equitably.

National and Regional Transmission Challenges

Modernizing the nation's electrical transmission and distribution system is as important to our states' economic development today as creating the nation's interstate highway system was 60 years ago. Much of the nation's high voltage network is outdated, constrained, and aging. It was planned and built for more limited electricity markets and uses and is inadequate for the electrical demands of the states' modern information-based economies. As a result, all energy resources, including wind and solar energy, which are abundant in most states, cannot be readily shared with other states where market demand is high and remains underserved.

Another transmission challenge is that it is nearly impossible to transmit electricity among the nation's three major grids — Eastern Interconnection, Western Interconnection, and Electric Reliability Council of Texas. As a result, very little electricity moves among these regions, further weakening the reliability of the nation's overall transmission system and making it impossible to offer the lowest cost energy to consumers across the nation. Increasing transmission capacity between these grids will strengthen the resilience and reliability of the nation's electricity systems.

The Commission's Order 1000 is the nation's legal and policy foundation for the expansion and modernization of our electrical transmission system. It provides the framework to improve reliability and competition so that consumers have access to lower cost and cleaner energy sources, such as wind and solar energy. And Order 1000 also requires regions to develop plans for how electric transmission lines are planned and paid for so the private sector can efficiently develop the transmission systems

Order 1000, however, has not succeeded in promoting the national and inter-regional transmission planning that is needed. It often takes 10 years or more to build major transmission lines from concept to service. And while our states differ in many respects, they all recognize that enhanced transmission is essential to strengthening grid resilience and reliability while realizing the opportunities for renewable energy development.

Next Steps

To address these concerns, we ask the Commission, in cooperation with the U.S. Department of Energy and the governors, to convene a series of meetings in partnership with members of Congress and the private sector to discuss and to identify the nation's transmission needs, including integration of the nation's major grids as well as multi-state and inter-regional transmission challenges. It is time for all interested parties to work together to ensure that our electric grid is thoughtfully planned.

It is our hope that you will recognize the vital role that renewable energy now plays in our states' economies — creating jobs and strengthening national security. As the nation's governors have demonstrated, strong state renewable energy policies support the energy growth our nation needs.

Thank you for your consideration of our request and for FERC's commitment to the nation's energy future. Please contact us or Larry Pearce, the Coalition's executive director (402-651-2948 or larry@governorscoalition.org) if we can be of assistance.

Sincerely,



Gina M. Raimondo
Governor of Rhode Island
and Chair



Sam Brownback
Governor of Kansas
and Vice Chair