

December 18, 2009

Secretary Chu Announces Efforts to Strengthen U.S. Electric Transmission Networks

Washington, DC—Energy Secretary Steven Chu announced today award selections for \$60 million in funding from the American Recovery and Reinvestment Act to support transmission planning for the country's three interconnection transmission networks. The 6 awards will promote collaborative long-term analysis and planning for the Eastern, Western and Texas electricity interconnections, which will help states, utilities, grid operators, and others prepare for future growth in energy demand, renewable energy sources, and Smart Grid technologies. This represents the first-ever effort to take a collaborative, comprehensive look across each of the three transmission interconnections.

Secretary Chu also announced that he has joined with Federal Energy Regulatory Commission (FERC) Chairman Jon Wellinghoff to sign a [Memorandum of Understanding](#) between the agencies to coordinate efforts related to interconnection-level electric transmission planning. DOE will lead electricity-related research and development activities, including research and demonstrations for hardware and software technologies that help operate the country's transmission networks. FERC will continue to oversee electricity reliability standards nationally and will enforce regulations to ensure that all transmission planning happens in an open, transparent and non-discriminatory manner.

"As we move the country toward a clean energy future, it is critical that we analyze the capacity of the country's transmission infrastructure and plan for future growth in this important industry," said Secretary Chu. "The initiatives announced today will support collaborative planning efforts among a broad range of industry, government and third party organizations. This will ensure that we are effectively planning, building and strengthening the transmission networks the U.S. needs to operate a reliable, efficient and secure electricity system."

"This agreement will allow FERC and DOE to take the regional planning groundwork that transmission operators have laid to the important next step of developing interconnection-wide plans," FERC Chairman Jon Wellinghoff said. "These plans have the potential to improve the efficient operation of the transmission system and to reliably integrate new resources such as renewable energy and smart grid technologies. We at FERC look forward to working with DOE, our state colleagues and all stakeholders in this important effort."

The transmission infrastructure in the continental United States is separated into three distinct electrical networks, or "interconnections"— the Eastern, Western, and Texas interconnections (for a map of the interconnections, visit [HERE](#)). Portions of the Eastern and Western interconnections also extend into Canada and Mexico. Within each interconnection, the addition of new electricity supply sources and the development of transmission needed to deliver electricity to consumers requires careful coordination to maintain the grid's reliability while limiting costs and environmental impacts.

The transmission planning supported through today's awards will develop an open, transparent, and collaborative process that will involve participants from industry, federal, state and local government agencies, universities, and non-governmental organizations. This will include discussions among states within an interconnection on how best to meet the region's electricity supply needs, along with collaboration among industry and government agencies from Canada and Mexico.

As a result of these planning efforts, each of the awardees will produce long-term resource and transmission planning studies in 2011, with updated documents in 2013. The knowledge and perspective gained from this work will inform policy and regulatory decisions in the years to come and provide critical information to electricity industry planners, states and others to develop a modernized, low-carbon electricity system.

The awards announced today are divided into two topic areas – funding for transmission planners and funding for state agencies. Awards under the first topic area will fund transmission planners' work with stakeholder organizations within an interconnection to project options for alternative

electricity supplies and the associated transmission requirements. The second group of awards will go to state agencies or groups of agencies to develop coordinated interconnection priorities and planning processes.

The following organizations have been selected for awards:

Eastern Interconnection

- Eastern Interconnection Planning Collaborative - \$16 million
- Eastern Interconnection States' Planning Council - \$14 million

Western Interconnection

- Western Electricity Coordinating Council - \$14.5 million
- Western Governors' Association - \$12 million

Texas Interconnection

- Electric Reliability Council of Texas (ERCOT) - \$2.5 million
- Electric Reliability Council of Texas (ERCOT) for work with Texas government agencies - \$1 million

Media contact(s):

(202) 586-4940