

FERC Order 1920 (before 1920 A&B)

Regional Transmission Planning Process Requirements

Transmission Providers must participate in long-term planning that includes:

- 20-year planning horizon
- 7 Required factors (inputs)
- Multiple scenarios
- 7 minimum benefit categories
- Transparent selection criteria
- Ex-ante cost allocation
- Evaluation of network upgrades needed for generation interconnection
- Consideration of alternative transmission technologies
- Local/reliability transmission transparency
- Right-sizing: Improved coordination between regional and local transmission
- Inter-regional coordination

FERC Order 1920A&B Updates

Greater role for states:

- Transmission providers must file a state agreement
- Time added for state consultation

Cost allocation approach suggested and encouraged:

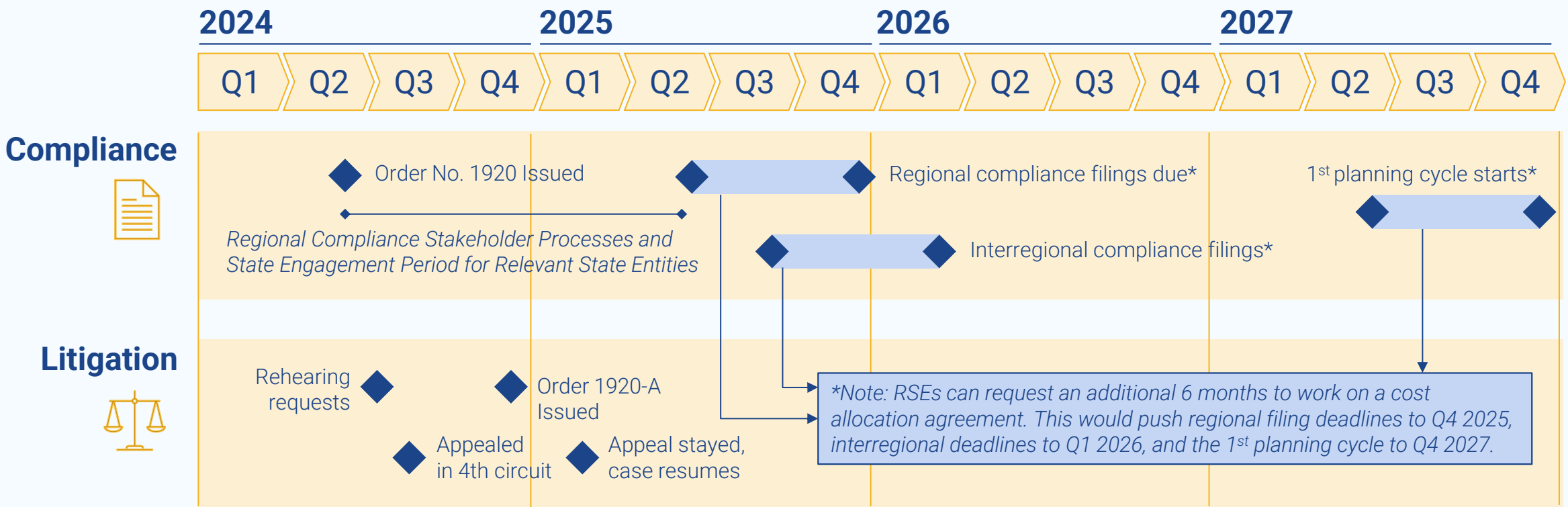
- 1. Evaluate what is needed for economics and reliability before public policy
- 2. Separately evaluate incremental needs for public policy
- Charge the delta in net benefits between scenarios 1&2

NASUCA comments in planning NOPR	Outcome in FERC Order 1920 (Same in 1920A&B)
Proactively plan for future gen and load	✓
Holistic—multi purpose/benefit	✓
Beneficiary pays cost allocation	✓
Reasonable, “not overbroad” list of benefits	✓
Open, transparent process	✓
Consumer advocate direct participation	Not specifically. (PP528-537)
Severe weather scenarios	✓
Use existing corridors, GETs first	✓
Minimize cost	✓
Eliminate bad incentives	Improved with right-sizing
EJ-recognize historic injustice, incorp in planning	Not specifically (P960)
Regional variation/flexibility	✓
Preserve competitive transmission	✓
Independent transmission monitor	No
Eliminate CWIP (constr. wk in progress)	No
Coordinate with streamlined federal land permitting	Not in 1920. But DOE doing a lot.

FERC Order 2023: Generator Interconnection Process Reform

- Replace sequential with cluster approach
- Generator obligations increased
 - Replace 1st come 1st served with 1st ready 1st served
 - Readiness, site control
 - Higher deposits
- Transmission Provider obligations increased
 - Penalties for missed deadlines
- Renewable tech reliability standards (requires “ride-through” capability)
- Advanced Transmission Technologies

FERC Order 1920: Compliance timeline



NOTE: Planning cycles take 5 years, but project selection happens 3 years into the cycle, so **projects do not have to be selected until the end of 2030**. States then have an additional 6 months to use a State Agreement Approach before the transmission provider’s cost allocation approach is used (1920A P 15). Five-year planning cycles mean the second long-term regional planning cycle is not required to start until the end of 2032.

FERC Order No. 1920 planning cycle



≥ 3 “plausible and diverse” long-term (≥ 20 -year) scenarios considering 7 planning factors.

Include state input on scenario development, analyze reasonable scenarios suggested by states.

Identify both long-term transmission needs and candidate facilities.

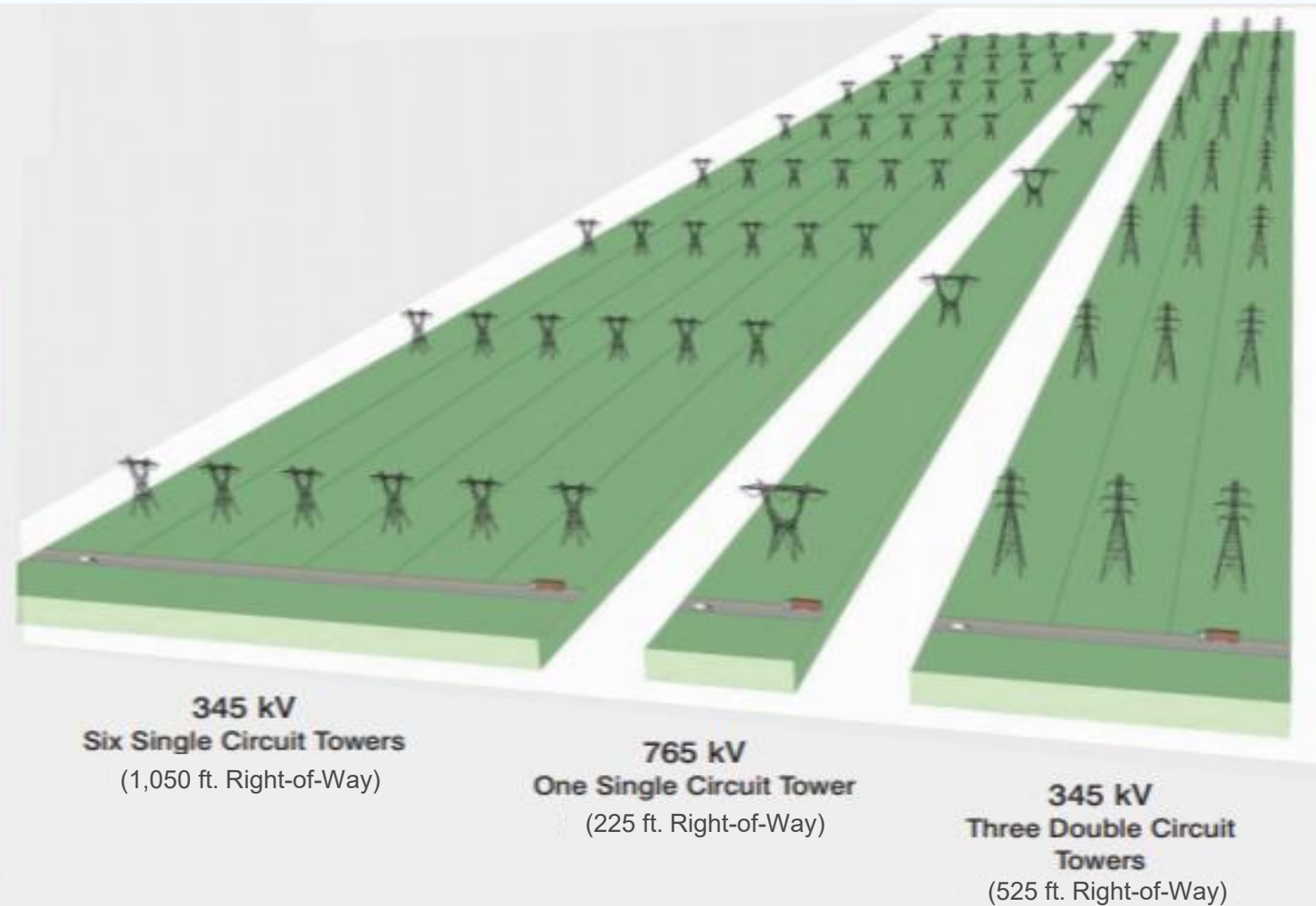
Quantify ≥ 7 reliability and economic benefits for all candidate facilities or the portfolio as a whole.

Transparent project selection. Encourages maximizing net benefits.

Economies of scale

Plan ahead to consume less \$ and land

Transmission Voltage (kV)	Cost per Mile (\$/mile)	Capacity (MW)	Cost per Unit of Capacity (\$/MW-Mile)
230	\$2.047 million	657	\$3,115
345	\$3.273 million	1792	\$1,827
500	\$4.080 million	2598	\$1,574
765	\$5.120 million	6625	\$773



p. 37, 39, 45 https://cdn.misoenergy.org/20220208%20PSC%20Item%2005c%20Transmission%20Cost%20Estimation%20Guide%20for%20MTEP22_Draft622733.pdf