

## **Office of Transmission Section-By-Section**

**Background:** The energy sector of the United States is at a critical juncture. More transmission capacity is necessary to unlock critical reliable, affordable, and renewable electricity. However, transmission is often planned without any meaningful oversight, coordination, or independent analysis. This results in inefficient outcomes and higher prices paid by consumers.

This legislation proposes a centralized Office of Transmission housed at the Federal Energy Regulatory Commission (FERC), which would examine local, regional, and interregional transmission plans and outcomes and identify efficient and cost-effective transmission solutions in each Transmission Planning Region. This will benefit consumers, stakeholders, and States with a more coordinated, open, transparent, and regionally comparable process, and will help prevent unnecessarily high energy bills for households.

### **Section 1. Short Title.**

The bill title is the “Office of Transmission Act”

### **Section 2. Office of Transmission**

This section amends the Federal Power Act to create an Office of Transmission

- a) This subsection includes definitions for terms used in this section.
- b) This subsection establishes the Office at the Federal Energy Regulatory Commission (FERC).
- c) This subsection establishes that the Office be administered by a Director appointed by the FERC Chair.
- d) This subsection lays out the duties for the Office, which is tasked with
  - 1) Providing independent review and oversight of transmission planning and operation at each Transmission Planning Region. This includes:
    - Reviewing local, regional, and interregional plans and planning processes, including their consistency with public policies.
    - Reviewing relevant inputs, assumptions, and modeling.
    - Reviewing transmission outcomes.
    - Identifying inefficiencies in transmission planning and outcomes, including those that may lead to unjust and unreasonable rates, discrimination, delaying the integration of new renewable energy, burdens on households with a high energy burden, burdens on sensitive environmental areas and cultural heritage sites, or reliability concerns, including the ability to maintain functionality during extreme weather and wildfire scenarios.

- Identifying ways those inefficiencies could be addressed, including by improved data, forward-looking transmission and interconnection planning, advanced transmission technologies, additional transmission facilities, distributed renewable energy resources, weatherization and energy efficiency, demand-response technologies, or other process and market enhancements.
  - Tracking estimated and actual project costs and verifying benefits and commitments, including from asset replacement projects.
- 2) Providing technical assistance to Transmission Planning Regions prior to filings, including by supporting coordination and joint planning among neighboring Transmission Planning Regions on interregional transmission facilities.
  - 3) Composing and presenting a public annual report for each Transmission Planning Region that includes information on the performance of the planning process, any planning deficiencies or inefficiencies identified, comparison across Transmission Planning Regions, and recommended enhancements.
- e) This subsection requires that all Transmission Planning Regions share all operating data and planning assumptions needed for the Office to carry out the aforementioned duties. It also requires that the Commission share data with public interest stakeholders as requested to assist the public interest stakeholders in providing alternatives analyses, unless the Commission determines that confidentiality is necessary.
  - f) This subsection allows the Director to appoint employees with pay flexibility.
  - g) This subsection includes a savings provision that affirms the authority of FERC.
  - h) This subsection includes an authorization of appropriations to carry out this section.