UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Inquiry Regarding the Commission's Electric Transmission Incentives Policy	Docket No. PL19-3-000

COMMENTS OF INVENERGY WIND DEVELOPMENT NORTH AMERICA LLC, INVENERGY SOLAR DEVELOPMENT NORTH AMERICA LLC, INVENERGY THERMAL DEVELOPMENT LLC, AND INVENERGY STORAGE DEVELOPMENT LLC

Pursuant to the Federal Energy Regulatory Commission's ("FERC" or "Commission") March 21, 2019 Notice of Inquiry ("NOI"),[1] Invenergy Wind Development North America LLC, Invenergy Solar Development North America LLC, Invenergy Thermal Development LLC, and Invenergy Storage Development LLC (collectively, "Invenergy") hereby submit these comments in the above-captioned proceeding, wherein the Commission is evaluating its transmission incentives policy and gauging whether additions or modifications are needed.[2] Invenergy submits that the NOI focuses too narrowly on return on equity ("ROE") and other monetary incentives. The Commission needs to more holistically examine its transmission planning policies to identify solutions to the chronic lack of interregional transmission capacity and the negligible proportion of new projects open to non-incumbent competition.

Invenergy develops, constructs and operates projects throughout the nation; and over the last 18 years, its new projects under contract, under development or in operation account for

[1] *Inquiry Regarding the Commission's Electric Transmission Incentives Policy*, 166 FERC ¶ 61,208 (2019).

[2] NOI at P 13.

22,659 MW of renewable, thermal and storage capacity. Invenergy can attest to the fact that there is insufficient interregional transmission capacity to cost-effectively interconnect and deliver remotely-located low-cost renewable energy generation to the urban load centers.

There are many reasons why these much needed projects are not being built, none of which would be solved by simply offering additional incentives. The RTOs[3] are not effectively engaging in interregional transmission planning, instead focusing disproportionate resources on market operations. And state interests complicate matters by opposing a new transmission investment based solely on the possibility that it may increase rates. ROE incentive adders are not the answer and would only make new projects even more difficult for states to approve by increasing new project costs. The Commission should instead examine its policies to assess whether additional structure is needed for RTOs to effectively plan for and develop interregional transmission.

In addition, new transmission projects often are not subject to any competitive pressure, leaving customers stuck paying transmission owners' inflated costs, and creating obstacles and disincentives to developing large scale generation resources that may be remotely-located from load centers. The Commission took a good first step in Order No. 1000[4] in eliminating the federal right of first refusal, but it clearly did not go far enough and it should now assess what

[3] "RTO" is used herein to refer to both Regional Transmission Organizations and Independent System Operators.

[4] *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, 136 FERC ¶ 61,051 (2011), *order on reh'g*, Order No. 1000-A, 139 FERC ¶ 61,132, *order on reh'g and clarification*, Order No. 1000-B, 141 FERC ¶ 61,044 (2012), *aff'd sub nom. S.C. Pub. Serv. Auth. v. FERC*, 762 F.3d 41 (D.C. Cir. 2014).

further steps are required such that all transmission expansion projects can be subject to competitive processes.

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II. COMMENTS

B.8: Incentive Objectives – Interregional Transmission Projects

Large Projects Are Not Being Built Across Seams.

There is a chronic shortage of interregional transmission capacity needed to cost-effectively interconnect and deliver generation to the load centers where it is needed. This shortage disproportionately impacts consumers' ability to access low-cost, high capacity renewable resources, which are more likely to be located far from load centers. Simply offering additional monetary incentives will not remedy the many obstacles to getting large transmission projects built across seams. The Commission must reexamine its Order No. 1000 interregional planning policies to assess whether, based on experience gained, structure can be added, including specific procedures and metrics, to facilitate interregional transmission development.

First, the RTOs have not been effective at interregional transmission planning and development. While the Commission's mandate for an interregional planning framework in Order No. 1000 was a good first step, it has not been effectively implemented. As an initial

matter, efficient interregional planning is difficult when a potential project requires three separate approvals – the RTOs' respective regional transmission planning processes and the interregional process – the timelines for which may not be aligned.[5] And these efforts are further complicated by the different modeling and study assumptions used in the various approval processes.[6] Structural obstacles like these have made it nearly impossible in some regions to approve interregional projects, even where mutually beneficial projects are identified.[7] For instance, in 2013-2014 Midcontinent Independent System Operator, Inc. ("MISO") and PJM Interconnection, L.L.C. ("PJM") spent a year on interregional planning processes and meetings. In that time more than 75 projects were proposed and studied. The RTOs narrowed it down to two projects that met the cost benefit ratio, but both projects failed to meet the voltage threshold for regional projects under MISO's tariff, so the projects did not materialize.[8]

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[5] Order No. 1000 at P 443 ("public utility transmission providers in a transmission planning region will not be required to accept allocation of the costs of an interregional transmission project unless the region has selected such transmission facility in the regional transmission plan for purposes of cost allocation. That is, based on the information gained during the joint evaluation of an interregional transmission project, each transmission planning region will determine, for itself, whether to select those transmission facilities within its footprint in the regional transmission plan for purposes of cost allocation."); Order No. 1000-A at PP 506, 509.

[6] *See e g.,* "Revisions to SPP-MISO Joint Operating Agreement to Enhance the Coordinated System Planning Process," Southwest Power Pool, Inc., Docket No. ER19-1896-000, at 4-6 (May 17, 2019) ("SPP Filing"); "Revisions to SPP-MISO Joint Operating Agreement to Enhance the Coordinated System Planning Process," Midcontinent Independent System Operator, Inc., Docket No. ER19-1895-000, at 5-6 (May 17, 2019) ("MISO Filing"); *see also Northern Indiana Public Service Company v. Midcontinent Independent System Operator, Inc. and PJM Interconnection, L.L.C.*, 155 FERC ¶ 61,058 at P 131 (2016), *reh'g and clarification*, 158 FERC ¶ 61,049 (2017) (agreeing that having to navigate three separate and significantly different processes and their applicable criteria "prevent interregional economic transmission projects from being evaluated in the interregional transmission planning process.").

[7] *See e.g.,* SPP Filing at 2 ("In 2014 and 2016, SPP and MISO performed two large-scale multi-year joint studies: the 2014 CSP and the 2016 CSP. While several mutually beneficial projects were initially identified in both CSPs, none of those projects met the criteria for approval under the existing framework.").

[8] "Joint MISO-PJM Planning Study," MISO-PJM IPSAC 16th Meeting (Aug 6, 2014), available at: https://cdn.misoenergy.org/20140806%20MISO%20PJM%20IPSAC%20Joint%20Planning%20Study112750.pdf.

Second, RTOs focus significant efforts on market functions, but given the limited resources available, this can be to the detriment of efficient and sufficient transmission expansion. Market rules intended to encourage sufficient generation resources and properly value resources dominate RTO agendas and resource allocation. While these are important goals, transmission expansion and interregional planning also needs to be prioritized. The two are interrelated, and, as Commissioner LaFleur recently put it, "when necessary infrastructure incentivized by market signals is not built, it impacts the market's ability to function as intended."[9] Generation in an adjacent RTO or non-RTO footprint, for instance, might find that, despite RTO energy or capacity market signals suggesting a need, lack of adequate transmission capacity defeats efforts to meet that need economically.

Third, state regulators and lawmakers, prioritizing low rates for their constituents, may resist programs that, while beneficial to the region as a whole, might also increase costs. States may also dispute how benefits are measured and costs are assessed, with states located near a seam having a different perspective than those that are not. Wisconsin legislators, for instance, have actively opposed a new 345 kV project proposed by American Transmission Company ("ATC") to connect northeast Iowa and western Wisconsin, and have raised particular concern with respect to the level of return on investment that would be guaranteed to ATC "at the expense of Wisconsin ratepayers."[10] State political issues may be outside the RTO's control,[11]

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[9] "Written Testimony of Cheryl A. LaFleur Before the Committee on Energy and Commerce Subcommittee on Energy, U.S. House of Representatives," Hearing on Oversight of the Federal Energy Regulatory Commission, at 6 (June 12, 2019), available at: https://www.ferc.gov/media/cong-affairs/2019/06-12-19-lafleur.pdf.

[10] Letter to Public Service Commission of Wisconsin," PSCW Docket No. 5-CE-146, at 1 (Mar. 8, 2019), available at: http://apps.psc.wi.gov/vs2015/ERF_view/viewdoc.aspx?docid=361228; *see also* "Tammy Baldwin calls for (Continued...)

and greater state collaboration should be pursued. While state interests may have a place in transmission planning, giving too much deference to individual states' self-interests can hinder RTOs' regional and interregional coordination efforts.

Fourth, incentive-based solutions such as ROE adders aggravate the lack of new transmission by increasing a potential project's costs, making the project more difficult to economically justify when project costs are balanced against project benefits.[12] They also provide an additional incentive for transmission owners to "gold plate" their system upgrades, because doing so only increases the ROE benefit, providing a guaranteed revenue source, and may be particularly attractive in comparison with other more uncertain investment options.

ROE Incentives Will Not Solve The Problem.

The Commission is correct that it should reassess its current transmission policies at this time.[13] But the NOI focuses almost exclusively on monetary incentives – whether ROE adders or other regulatory cost treatments – offered ostensibly to drive additional transmission investments. This is the wrong approach.

'meaningful analysis' of alternatives to high-voltage power line," Wisconsin State Journal (Apr. 5, 2019), available at: https://madison.com/wsj/news/local/govt-and-politics/baldwin-calls-for-meaningful-analysis-of-alternatives-to-high-voltage/article_606437c5-bc51-5226-bf9b-a75948ef13c6.html.

[11] *See* "State Regulatory Sector Response March 2019 AC Hot Topic: Seams," Organization of MISO States, at 5 ("Since political and regional differences are – for the most part – outside of an RTO's control, actions from outside of the RTO will often be required to drive greater levels of collaboration on seams matters."), available at: https://www.misostates.org/images/stories/Filings/HotTopics/2019/March_2019_OMS_Hot_Topic_response_BOD_APPROVED.pdf.

[12] Benefits to cost ratio typically cannot exceed 1.25. Order No. 1000 at P 646.

[13] NOI at P 13.

When the Commission issued Order No. 888[14] and Order No. 2000,[15] utilities did not view transmission as a separate business line. Transmission was a subset of their main business of owning and operating a retail sales utility in a defined service territory. Indeed, facilitating additional transmission instead increased competitive pressures. Accordingly, using ROE incentives initially might have served the purpose of overcoming the traditional transmission expansion inertia that interfered with developing transmission projects that could facilitate the growth of competitive markets and new generation technologies, including those that would be located at some distance from the load centers.

Over the last two decades, however, the industry has changed and the old tools are no longer needed. Traditional utilities now have a strong interest in investing in transmission. And there is a new breed of competitive transmission developers. Traditional utility ROEs will be sufficient and will not deter the desire of traditional utilities to construct new transmission. Indeed, many traditional utilities now look well outside their retail service areas to construct new transmission.[16] Whether affiliated with traditional utilities or independent transmission

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[14] *Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities; Recovery of Stranded Costs by Public Utilities and Transmitting Utilities,* Order No. 888, FERC Stats. & Regs. ¶ 31,036 (1996) (cross-referenced at 77 FERC ¶ 61,080), *reh'g*, Order No. 888-A, FERC Stats. & Regs. ¶ 31,048 (cross-referenced at 78 FERC ¶ 61,220), *reh'g*, Order No. 888-B, 81 FERC ¶ 61,248 (1997), *reh'g,* Order No. 888-C, 82 FERC ¶ 61,046 (1998), *aff'd in part and remanded in part sub nom. Transmission Access Policy Study Group v. FERC*, 225 F.3d 667 (D.C. Cir. 2000), *aff'd sub nom. New York v. FERC*, 535 U.S. 1, 122 S. Ct. 1012 (2002).

[15] *Regional Transmission Organizations*, Order No. 2000, FERC Stats. & Regs. ¶ 31,089 (cross-referenced at 89 FERC ¶ 61,285), *reh'g*, Order No. 2000-A, FERC Stats. & Regs. ¶ 31,092 (2000) (cross-referenced at 90 FERC ¶ 61,201), *aff'd sub nom. Pub. Util. Dist. No. 1 of Snohomish County, Washington v. FERC*, 272 F.3d 607 (D. C. Cir. 2001).

[16] For instance, NextEra Energy, originally a traditional Florida utility business, now has a business line developing and owning transmission, including in California. *See* "Cost Savings Offered by Competition in Electric Transmission, Experience to Date and the Potential for Additional Customer Value," The Brattle Group, at Table 6 (April 2019), available at:
(Continued...)

companies, these new competitive transmission developers are anxious to get a piece of the transmission construction pie.

When a new transmission project is announced today, companies are clamoring to build it. It makes no sense to continue to award ROE incentives as a matter of course when there are so many companies ready, willing and able to construct new transmission. Indeed, today there may be many non-incumbent transmission developers that can undertake transmission projects more cheaply than the traditional utility relying on a traditional ROE without incentives.

The rate of return on an investment should accurately reflect the risk associated with the investment being made. Looking at returns on transmission investments in an international context, Invenergy recently participated in transmission tender processes in Uruguay and Chile. Working our competitors' bids and EPC prices into our internal models and keeping all our assumptions the same, the winning bids in Uruguay and Chile featured 5.4% and 8% returns, respectively. The credit ratings of both counties are lower than that of the U.S. (A+, BBB vs. AAA), yet, the returns expected by investors for transmission projects in those states are lower than in the U.S.

The Commission needs to look beyond ROE incentives to the structural barriers currently impeding much-needed transmission development. As described above, the RTO interregional

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https://brattlefiles.blob.core.windows.net/files/15987_brattle_competitive_transmission_report_final_with_data_tables_04-09-2019.pdf ("Brattle Report") (NextEra selected to develop the Estrella Substation and Suncrest Projects in CAISO); ITC, originally a Michigan utility affiliate, now has a transmission-only affiliate developing and owning transmission in the SPP footprint, *see* "ITC Great Plains," available at: https://www.itc-holdings.com/op/itc-great-plains; and Duke Energy, with traditional utility businesses in the Southeast and Midwest, has an affiliated business line owning transmission throughout the west. *See* "Section 203 Application For Authorization for Corporate Reorganization and Request for Confidential Treatment and Certain Waivers," American Transmission Company, LLC, et al., Docket No. EC17-79-000, at 5-6 (Feb. 14, 2017) (describing Duke interests in Duke-American Transmission Company, which itself has subsidiaries owning transmission in the west and Midwest).

planning processes have proven largely ineffective, and offering additional ROE incentives will only exacerbate the problem. The Commission correctly recognized the importance of interregional coordination in Order No. 1000, and a framework for "coordinating and sharing the results of respective regional transmission plans to identify possible interregional transmission facilities that could address transmission needs more efficiently or cost-effectively than separate regional transmission facilities."[17] This coordination needs to involve identification and joint evaluation of interregional transmission alternatives; interregional coordination requires more than RTOs "simply commit[ting] to share their regional transmission plans and other transmission planning information."[18] But beyond that, the Commission left RTOs wide latitude in developing practices, metrics and other criteria for coordinating with neighboring regions.[19] It did not require any particular procedures or an interregional transmission plan, and it declined requests to require certain specific planning procedures or criteria.[20]

It is clear now that better defined procedures and criteria are needed to facilitate interregional planning. The Commission has already addressed a few of the egregious interregional planning barriers, such as MISO's voltage and cost thresholds hindering the MISO-

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[17] Order No. 1000 at P 396.

[18] *Id.* at P 398.

[19] Order No. 1000-A at P 501 ("Order No. 1000 only requires the development of a formal procedure to identify and jointly evaluate interregional transmission facilities that are proposed to be located in neighboring transmission planning regions. We emphasize, however, that while the Commission does not require any particular type of studies to be conducted, the purpose of identifying and jointly evaluating interregional transmission facilities is to determine whether they may more efficiently or cost-effectively meet transmission needs than regional transmission facilities.").

[20] *Id.* at PP 510, 511.

PJM interregional planning.[21] But the latitude afforded to RTOs under Order No. 1000 led to procedures that have proven largely ineffective at producing interregional project development, and instead of forcing parties to file complaints addressing pieces of the systemic interregional planning issues, the Commission should take the opportunity in this proceeding to reevaluate its Order No. 1000 holdings to determine appropriate planning studies, standards and procedures.

B.11: Order No. 1000 Transmission Projects

Transmission Developers Are Rarely Able To Compete For New Projects

The NOI asks whether the Commission should continue to offer certain incentives intended to put non-incumbent transmission developers "on a level playing field with incumbent transmission owners."[22] But this inquiry is too narrow because, regardless of the incentives offered, non-incumbent developers rarely even have the opportunity to be considered for new projects. For the most part, incumbent transmission owners don't face any competition on price (or schedule) to construct new upgrades for RTO transmission expansion plans or for new interconnection customers. Thus, while incentives intended to give non-incumbent transmission developers a level playing field may be relevant, the Commission's first priority should be requiring that non-incumbent developers are given a fair opportunity to compete.

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[21] *Northern Indiana Public Service Company v. Midcontinent Independent System Operator, Inc. and PJM Interconnection, L.L.C.*, 155 FERC ¶ 61,058 at P 131 (2016), *reh'g and clarification*, 158 FERC ¶ 61,049 (2017) (directing MISO to "remove the requirement that an interregional economic transmission project must be at least 345 kV and cost at least $5 million. Specifically, MISO must revise its tariff to revise the Market Efficiency Project thresholds that apply to qualify as an interregional economic transmission project by (1) lowering the minimum voltage threshold to 100 kV and (2) removing the $5 million minimum cost requirement."); *see also id.* at P 132 (directing MISO and PJM "to remove the requirement that an interregional economic transmission project meet a 1.25-to-1 benefit-to-cost ratio for the combined MISO-PJM regions in addition to having to meet a 1.25-to-1 benefit-to-cost ratio for both MISO and PJM separately.").

[22] NOI at P 34.

To be sure, the Commission took a good first step when, in Order No. 1000, it removed the incumbent transmission owner's federal right of first refusal to construct new transmission facilities selected in a regional plan.[23] It reasoned that doing so "remov[ed] a barrier to participation by all potential transmission providers."[24] But it did not go far enough.

Unfortunately, while a certain subset of new transmission projects are theoretically subject to competitive processes, the overwhelming majority of new transmission projects are exempted in one way or another from any non-incumbent competition – since Order No. 1000, only 3% of new transmission investments approved have been through competitive processes that were open to non-incumbents[25] – leaving incumbent transmission owners with the uncontested right to build nearly all new transmission.

First, Order No. 1000 left in place the federal right of first refusal for "local transmission facilities" (i.e., those facilities located solely within a utility's retail distribution territory that are not selected in the regional transmission plan for purposes of cost allocation)[26] and upgrades to the incumbent transmission owner's facilities.[27] The Commission also expressly left in place state and local rights of first refusal, prompting some states to now strengthen incumbent

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[23] Order No. 1000 at P 253.

[24] *Id.* at P 265.

[25] Brattle Report at 5 ("Despite the Commission's order and the efforts of FERC-jurisdictional regional transmission planning entities to modify their planning processes and tariff structure around cost allocation, only 3% of U.S. transmission investments approved between 2013 and 2017 have been subject to competitive processes that were open to non-incumbents.").

[26] Order No. 1000 at P 63.

[27] Order No. 1000-A at P 357 ("The Commission did not, however, require public utility transmission providers to remove a federal right of first refusal for local transmission facilities or upgrades to an incumbent transmission provider's own transmission facilities, and did not alter an incumbent transmission provider's use and control of an existing right of way.").

utilities' rights of first refusal.[28] Texas recently did just that, affecting not only the Electric Reliability Council of Texas territory but also MISO and Southwest Power Pool, Inc. planning efforts.[29] And RTOs have implemented their own additional limits. In MISO, for instance, projects below certain voltage limits[30] and "baseline reliability projects" are excluded from its competitive process.[31] And the Commission recently rejected MISO's proposal to create an additional category of exempt projects operating above 100 kV but below 230 kV, for which MISO would identify regional project benefits but would, nevertheless, treat like local transmission facilities and, therefore, not subject to a competitive process.[32]

Instead of creating opportunities for competitive new transmission investments, there has been a reduction in investments in the larger regionally-planned projects which are potentially subject to competition and, instead, the current rules create an incentive for transmission owners to identify and invest in smaller projects that are not subject to competition, such as local transmission projects or MISO's baseline reliability projects.[33]

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[28] Order No. 1000 at n.231.

[29] *See NextEra Energy Capital Holdings, Inc. v. Paxton*, Case No. 19-cv-626 (W.D. Tex. filed June 17, 2019) (complaint challenging Texas Senate Bill 1938, which grants incumbent utilities exclusive rights to build lines interconnected to their current lines, as unconstitutional).

[30] MISO's competitive transmission process applies to Market Efficiency Projects and Multi-Value Projects approved through its MTEP. MISO Tariff, Attachment FF § VIII ("This [Competitive Transmission Process] section of Attachment FF of the Tariff describes the processes and requirements associated with identifying Competitive Transmission Facilities contained within a Market Efficiency Project or Multi-Value Project approved by the Transmission Provider Board in MTEP Appendix A"). Market Efficiency Projects are generally limited to those above 345 kV. *Id.* § II.B.

[31] MISO Tariff, Attachment FF §§ III.A.2.n. Baseline reliability projects are "Network Upgrades identified in the base case as required to ensure that the Transmission System is in compliance with applicable" NERC standards. *Id.* § II.A.1.

[32] *Midcontinent Independent System Operator, Inc*. 167 FERC ¶ 61,258 at P 63 (2019).

[33] Brattle Report at 2-4, 25-26.

The Commission needs to look in this proceeding for ways to right this wrong and reverse the trend of RTO planning processes increasingly focusing on local facilities and other categories of new facilities that – for one reason or another – are exempted from competition. This is entirely contrary to the Commission's intent in removing the federal right of first refusal, i.e., to encourage competition in new transmission development, and does not address the current regional and interregional capacity shortages.

All New Transmission Projects Should Be Subject To A Competitive Process

RTOs should be required to competitively bid out all transmission expansion planning projects and network upgrades identified for interconnection customers. This will not only potentially reduce new project costs, assuming the project goes to the lowest bidder, but will also highlight just how excessive certain incumbent transmission owners' proposed project costs can be. For instance, an incumbent transmission owner proposed a new 345 kV transmission line; but when a competitive developer proposed to build similar facilities for substantially less, the incumbent revised its costs and revealed it was, in fact, able to build the project for far less than its initial proposal and comparable to the competitive developer's proposed costs.

Similarly, Invenergy's transmission group has consistently seen proposed transmission owner costs for network upgrades exceeding the interconnection customer's own costs (if it were able to exercise its option to build) by 2-3 times. Not to mention that the interconnection customer could often complete the network upgrades significantly faster than the transmission owner.

Instead of focusing solely on offering incentives to non-incumbent transmission developers, the Commission should prioritize giving those developers an opportunity to compete for all new transmission projects. It should build on its Order No. 1000 policies and, with the

experience gained since then, eliminate the unreasonable RTO restrictions and require that all new projects be open to competitive bidding.

The Resulting High Prices Deter New Renewable Generation Development

The result is that without transmission owner pricing being subject to competitive pressure, customers continue to be stuck paying transmission owners' inflated costs for transmission facilities. The problem is exacerbated by the degree of deference shown by RTOs and the Commission to a transmission owner's technical determinations in the interconnection process, thus allowing the transmission owner wide discretion -- inconsistent with the expectation that an RTO removes such parochial discretion -- in applying local planning criteria and requiring additional, unreasonable upgrades, which then must be built at the transmission owner's inflated costs.

The excessive costs create disincentives for new resources, particularly large scale renewable resources located in resource-rich areas that may be remotely-located from load centers. And as the Commission has found on multiple occasions, this cost obstacle is to the benefit the incumbent utility by reducing competing supply.[34] Over the last decade, the generation portion of the total consumer bill has decreased to almost 50%, and as generation costs are predicted to account for less and less of the average electricity bill in the next 5 to 6 years, transmission costs are predicted to comprise a growing portion such electricity bills.[35] The

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[34] Order No. 1000 at P 254 (*citing* Order No. 888 at 31,682, Order No. 890 at P 524) ("it is not in the economic self-interest of public utility transmission providers to expand the grid to permit access to competing sources of supply.").

[35] *See* "Annual Energy Outlook 2019," U.S. Energy Information Administration, Table A8: Electricity Supply, Disposition Prices and Emissions, available at: https://www.eia.gov/outlooks/aeo/excel/aeotab_8.xlsx.

same scrutiny that the Commission applies to ensuring energy and capacity markets produce efficient and just and reasonable rates should also be applied to transmission. While it makes sense to pay more for transmission if consumers can access cheaper power, the transmission costs should reflect the competitive cost to construct, not the costs that traditional utilities claim are necessary to construct projects that are now protected from competition.

III. CONCLUSION

For the foregoing reasons, Invenergy respectfully requests that the Commission accept these comments and revise its transmission planning policies as requested herein.

Respectfully submitted,

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June 26, 2019

CERTIFICATE OF SERVICE

I hereby certify that on this 26th day of June, 2019, a copy of the foregoing document has been electronically served upon each person designated on the official service list in this proceeding.

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