



WIRES: Voice of the Electric Transmission Industry

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WIRES STUDY DEBUNKS MYTHS AROUND TRANSMISSION INVESTMENT

WASHINGTON, DC – WIRES today published [a new white paper by London Economics International](#) (LEI) that debunks myths and misconceptions about the benefits and costs of expanding and upgrading the high-voltage transmission system.

The readable and well-supported LEI “myths” analysis is the latest in a series of groundbreaking WIRES studies about the benefits of transmission investment and should make it easier for policy makers and regulators to think positively about the need to encourage investment in this critical infrastructure. WIRES asked LEI to draw upon recent transmission cases, technical analyses, and policy debates and to separate fact from fiction when it comes to how the merits of any transmission project or group of projects should be evaluated. LEI identifies 16 of the best-known pre-conceptions and misunderstandings that seem to haunt policy and regulatory consideration of transmission projects and responds to them with expert analysis and case studies.

For example, a myth persists that transmission investment is not needed in periods when the demand for power is flat. Other mythologies relate to whether the transmission grid, designed in the utility world of the mid-20th Century, is incapable of adapting to a more distributed industry structure, a shift in the electric generation mix, a move away from central generation, and a world that places a high premium on system resilience. Edge-of-grid technologies like energy storage or demand response are mistakenly treated as substitutes for transmission. All of these are inaccurate characterizations of transmission’s value to consumers and its inherent flexibility and adaptability.

LEI’s paper makes clear that, in light of the need for continued strong investment in transmission and the potential for protracted delays in permitting processes, it is

increasingly important to discard the old myths that have often made investment in grid facilities an option of last resort when it comes to meeting local and regional needs. In virtually all instances, a robust grid will retain its importance and vitality as a complement to, and facilitator of, technology and markets.

WIRES' President, Kathy Shea of Eversource Energy, commented that "LEI's 'myths paper' reinforces WIRES' focus on how the transmission sector can help North American economies prepare for changes in the extent to which electricity penetrates how we manufacture goods, provide services, travel, communicate with each other, and work. Outdated ideas about transmission investment as something to avoid should be abandoned in favor of a forward-looking planning approach that recognizes the need to build now to reap the major economic, reliability and resilience, and public policy benefits of transmission in the foreseeable future and down the road."

"The trouble with myths of any kind is that they often contain an identifiable element of truth or fact," acknowledged Jim Hoecker, WIRES' Counsel and former Chairman of FERC. "WIRES does not minimize the difficulties associated with siting major infrastructure or the need for assurance that these investments will bring commensurate benefits to local, state, or regional economies and consumers of electricity. However, the merits, benefits, and costs of such considerable investments deserve reasoned evaluation, free of inherent biases or misconceptions about transmission's fundamental role in the present or future electrified economy."

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About WIRES

WIRES is an international non-profit trade association of investor-, publicly-, and cooperatively-owned transmission providers, transmission customers, regional grid managers, and equipment and service companies. WIRES promotes investment in electric transmission and progressive state and federal policies that advance energy markets, economic efficiency, and consumer and environmental benefits through development of electric power infrastructure. For more information, visit www.wiresgroup.com or contact Jim Hoecker at 202-378-2316.