

Clements outlines grid priorities as Democrats eye 2-1 majority at FERC

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Federal Energy Regulatory Commission member Allison Clements on Nov. 2 outlined her top transmission-related policy priorities as the agency nears a crucial juncture where Democrats could regain a majority in 2024.

Commissioner James Danly, whose five-year term expired in June, has so far chosen to remain at FERC. But the Republican will be legally required to leave the agency when Congress adjourns at the end of the year if he is not nominated and confirmed to a new term first.

That would leave Democrats with a 2-1 majority at FERC and the bare minimum for a quorum unless the Senate confirms new members to fill two vacant seats on the five-member commission. President Joe Biden has yet to nominate anyone to fill those seats.

During a Nov. 2 industry event, Clements emphasized a strong desire to finalize a long-range transmission and cost allocation proposal and to act on open proceedings dealing with cost containment and grid-enhancing technologies.

"You've got to keep your eyes on the prize, right? There are times when the commission has been at lots of different numbers — three, four and five — and my goal is to keep moving forward on these priorities that are so important," Clements said during a gathering in Washington, DC, hosted by WIRES, a pro-transmission trade group.

Long-range transmission planning, cost containment

FERC's long-range transmission planning proposal, [issued in April 2022](#) under former Chairman Richard Glick, would require transmission planners to account for the expected location of future generation resources on a 20-year planning horizon. The proposed rule also outlined a list of benefits that could be considered when allocating the costs of new transmission facilities among multiple states.

"One thing in the record I see a lot of support for is the basic premise of long-term, 20-year-forward, scenario-based planning," Clements said.

The Democrat noted that some commenters in the proceeding urged FERC to require the consideration of at least a subset of benefits. "I'm asking myself, 'How might we formulate a final rule that requires some set of benefits that most people are considering anyway, but allows for flexibility for those utilities and regions who are taking a broader set of benefits into account?'" Clements said.

Clements also stressed the need to contain costs as efforts to expand US grid capacity kick into high gear, a view shared by Republican Commissioner Mark Christie.

According to a [study released Oct. 30](#) by the US Energy Department, US grid capacity must more than double from current levels to achieve the Biden administration's goal of 100% clean electricity by 2035.

"We have commissioners who bring different perspectives to the table, and I think Commissioner Christie and I have been aligned on the need to ensure that we take on cost management as part of trying to facilitate and accelerate this investment," Clements said.

To that end, Clements said she is "eager to move forward" on a pending [notice of inquiry](#) on dynamic line ratings, a technology that can unlock spare capacity on existing transmission lines with advanced sensors.

Grid-enhancing technologies like dynamic line ratings should not be viewed as a "panacea," but they can open more headroom on the existing system and create opportunities to defer investments, Clements said.

In October 2022, FERC hosted a [technical conference on cost containment](#) where participants also debated the merits of an independent transmission monitor.

'Real barriers' to overcome

During a later panel discussion, Glick said FERC Chairman Willie Phillips' calculus will change if the agency shifts from its current 2-2 partisan split to a 2-1 Democratic majority.

"We'll see which way the commission is going to go on that, because the makeup is going to determine how they move forward on these major initiatives," Glick said. "If you have new commissioners, it's going to take some time to get them up to speed."

With just three commissioners, "you have to start thinking, 'How can I get to at least two votes?'" Glick said. "That changes the dynamics as well, and I think people are waiting to see how that plays out."

On the long-range transmission planning rule, Glick said one of the biggest challenges will be reaching a consensus on how to identify and properly calculate benefits.

"Not only who the beneficiaries are, but which benefits do you count, which benefits do you not count, and obviously how do you monetize certain benefits," Glick said. "Those are real barriers that have to be overcome before FERC moves forward with a final rule."

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