



NARUC
National Association of Regulatory
Utility Commissioners

For Immediate Release

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New Report Acts as Framework to Improve Interregional Transmission Amidst the Evolving U.S. Electricity Landscape

WASHINGTON (July 9, 2024) — The National Association of Regulatory Utility Commissioners released a new report, *Collaborative Enhancements to Unlock Interregional Transmission*. This report underscores the importance of enhancements to interregional transmission infrastructure as the United States prepares for significant transformation in its electricity system.

After a decade of relatively flat electric loads nationwide, expectations for load growth have surged. This growth is driven by electrification trends, expanding industrial development and rising demand from data centers. Simultaneously, the aging fossil-fueled generator fleet is nearing retirement, spurred by clean energy and carbon reduction goals at both state and federal levels.

"Public utility commissions recognize the critical importance of proactively planning our electricity infrastructure to meet evolving demands," said Kansas Corporation Commission Chairperson Andrew French. "As our existing grid is forced to respond and adapt to emerging needs, regulators are increasingly interested in assessing how new interregional transmission infrastructure can drive value for customers. This timely report provides PUCs a straightforward assessment of existing barriers preventing robust interregional transmission planning and a suite of potential solutions for regulators and other stakeholders to consider. By identifying practical solutions to enhance interregional transmission capabilities within our jurisdiction and influence as state regulators, the report equips us with essential strategies to ensure reliable and efficient electricity delivery across jurisdictions."

The increased demand on the electricity grid calls for more progress in constructing interregional transmission projects, which are essential for efficiently integrating renewable energy sources and balancing electricity supply across regions. The report identifies barriers in planning, permitting and operational frameworks as key challenges hindering the development of these vital transmission lines.

"Robust regional and interregional transmission planning is critical to providing affordable and reliable energy for communities across the country," said Director of the U.S. Department of Energy Grid Deployment Office Maria Robinson. "Public utility commissions need practical solutions for identifying crucial interregional transmission projects to ensure power gets from where it's generated to where it's needed most, when it's needed most. We are proud to support NARUC in this effort as partnerships at the federal, state and local levels are needed to meet

our shared goal of a more reliable and affordable grid in the face of aging infrastructure, extreme weather and changing energy landscape.”

The report also delves into actionable solutions that are designed to empower states, federal entities and planning regions alike, fostering a flexible framework that accommodates regional nuances to address identified barriers.

"Our authoring partner, Energy Environmental Economics Inc (E3), worked with NARUC members and others outside of the Association to develop a thoughtful set of actionable approaches that could enhance the likelihood of successful interregional transmission project development," said NARUC Center for Partnerships & Innovation Senior Director Danielle Sass Byrnett. "These potential solutions are designed to be adapted, accommodating regional differences while capturing more of the benefits of enhanced transmission capacity for all participating systems."

Key ideas from the report include streamlining the planning process to support proactive transmission planning across planning regions, enhancing state regulatory processes for permitting and optimizing operational frameworks for efficient electricity delivery.

The report, supported through a cooperative agreement with the U.S. Department of Energy Grid Deployment Office, and developed in collaboration with stakeholders from state governments, federal agencies and planning regions, aims to catalyze dialogue and action among policymakers and industry leaders. It calls for concerted efforts across all levels of governance to unlock the potential of interregional transmission infrastructure as a cornerstone of a resilient electricity grid.

To read and download the full report, visit <https://bit.ly/3XSGhXC>. Preparing for its release, an informational webinar was hosted by NARUC and E3 to discuss essential concepts found within the report. Watch the recording of the webinar at <https://bit.ly/4cTHXEt> and view the webinar presentation slides at <https://bit.ly/3zsDmL1>.

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About NARUC

NARUC is a non-profit organization founded in 1889 whose members include the governmental agencies that are engaged in the regulation of utilities and carriers in the fifty states, the District of Columbia, Puerto Rico and the Virgin Islands. NARUC's member agencies regulate telecommunications, energy, and water utilities. NARUC represents the interests of state public utility commissions before the three branches of the federal government.