

**Comments of the
Northeast Power Coordinating Council, Inc.
On the
U.S. Department of Energy's
Office of Electric Delivery and Energy Reliability ("OE")**

**Draft National
Interest Electric Transmission Corridor
Designations**
[Docket No. 2007-OE-01, Draft Mid-Atlantic
Area National Corridor]

(Federal Register, Volume 72 No. 87, Monday, May 7, 2007)

The Northeast Power Coordinating Council, Inc. ("NPCC Inc.") offers the following comments in response to the U.S. Department of Energy's Office of Electric Delivery and Energy Reliability's Draft National Interest Electric Transmission Corridor Designations.

In response to EPAct 2005 and the certification of NERC as the Electric Reliability Organization ("ERO"), NPCC restructured, transferring its Membership interests to a Regional Reliability Organization, in the form of a not-for-profit corporation, NPCC Inc., and established a separate and independent, affiliated, not-for-profit corporation, Northeast Power Coordinating Council: Cross-Border Regional Entity, Inc. ("NPCC CBRE").

NPCC CBRE serves as the Cross-Border Regional Entity for the Northeastern U.S. and Eastern Canada with functions delegated or contracted to it from the ERO, to be backstopped by FERC and Canadian Provincial governmental and/or regulatory authorities.

NPCC Inc., is the international Regional Reliability Organization for Northeastern North America, and as successor to NPCC, provides regional reliability member services and acts as the vehicle through which States and Provinces can fulfill their political mandate to oversee the Northeastern North American electric infrastructure through development, assessment and enforcement of regionally-specific reliability criteria, including those addressing adequacy requirements.

The geographic area of the NPCC region totals approximately one million square miles and includes New York State, the six New England states, Ontario, Québec and the Maritime Provinces. The total population served is approximately 56 million people. From an electric load perspective, 20% of the Eastern Interconnection load is served within the NPCC region. For Canadian electricity requirements, 70% of the country's load is located within the NPCC Region. This represents a current NPCC regional composition by load that is approximately 45% U.S. and 55% Canadian.

COMMENTS

NPCC Inc. respectfully submits the following comments for DOE's consideration regarding its Draft Mid-Atlantic Area National Corridor [Docket No. 2007-OE-01].

Consideration of Wide-Area, trans-Regional & potentially international reliability impacts

DOE has recognized that "The statute provides little direction on how the Department should draw the boundaries of a National Corridor. FPA section 216(a) uses the term "geographic area" and lists several considerations the Secretary may take into account when making a National Corridor designation. However, the statute does not define the term "corridor."

DOE has concluded that "Setting National Corridor boundaries through a source-and-sink approach is consistent with the problem-identification purpose of National Corridor designations under FPA section 216(a), because it is not focused on any particular transmission projects, or set of transmission projects."¹

While NPCC Inc. supports DOE's approach "to identify corridors for potential projects, as opposed to specific routes for transmission facilities", the source-and-sink approach adopted may result in a too narrowly defined corridor designation that may preclude consideration any additional transmission and/or supporting facilities outside of the specified corridor for a project, needed to meet NERC/ERO reliability standards and/or more stringent regional and local reliability criteria.

NPCC Inc. supports an Interconnection-wide system viewpoint for DOE's corridor designations, one that avoids the encouragement of potentially conflicting transmission projects that may increase the likelihood of undesired, adverse reliability impacts that could jeopardize a significant portion of the bulk electric system. These reliability considerations are not limited to the United States grid system but can extend, in the case of the proposed Draft Mid-Atlantic Area National Corridor into Canada as well.

In previous filed comments,^{2,3} NPCC recommended that the DOE take into account the wide-area, trans-regional and potential international reliability impacts of the resultant future transmission infrastructure when designating corridors believed to be beneficial in advancing the stated goal of designating "any geographic area experiencing electric

¹ DOE Federal Register Notice at page 25848.

² Comments of the Northeast Power Coordinating Council On the U.S. Department of Energy's Office of Electric Delivery and Energy Reliability ("OE") Notice of Inquiry and Opportunity to Comment On Consideration for Transmission Congestion Study and Designation of National Interest Electric Transmission Corridors (Federal Register, Volume 71 No. 22, Thursday, February 2, 2006); see: https://www.npcc.org/publicFiles/filing/NPCC_DOE_NIETC_NOI_Comments.pdf

³ Additional Comments of the Northeast Power Coordinating Council On the U.S. Department of Energy's Office of Electric Delivery and Energy Reliability ("OE") Notice of Inquiry and Opportunity to Comment on Consideration for Transmission Congestion Study and Designation of National Interest Electric Transmission Corridors (Federal Register, Volume 71 No. 22, Thursday, February 2, 2006); see: https://www.npcc.org/publicFiles/filing/DOE_NIETC_NOI_Additional%20Comments.pdf

energy transmission capacity constraints or congestion that adversely affects consumers.”⁴

The Draft Mid–Atlantic Area National Corridor designation needs to be broad enough to allow for the complete, reliable integration of any proposed corridor projects, in order to mitigate any identified adverse reliability consequences beyond the immediate area where those projects are located (examples include the increased potential for high circulating power ‘loop’ flows around Lake Erie,⁵ restrictions of available economic generation output, or limitations on Canadian power imports into the United States⁶).

In general, the corridors need to be large enough support projects that resolve the identified transmission capacity constraints and congestion along with their coordinated reliable integration into the wide-area, trans-regional international grid. This approach also provides consistency with the nine planning principles (coordination, openness, transparency, information exchange, comparability, dispute resolution, regional coordination, economic planning studies, and cost allocation) outlined in the FERC Final Rule: Preventing Undue Discrimination and Preference in Transmission Service, Order No. 890.⁷

⁴ DOE NIETC Notice of Inquiry at page 5.

⁵ Specific reliability and commercial concerns are addressed through the NPCC Lake Erie Emergency Redispatch (“LEER”) Procedure. See: https://www.npcc.org/PublicFiles/LakeErieRedispatch/Archives/LEER_Re-filing_20021.pdf

⁶ FERC Order Accepting for Filing the Procedure to Protect for the Loss of Phase II Imports, subject to Compliance Filing, Docket No. ER07-231-000. See: http://www.iso-ne.com/regulatory/ferc/orders/2007/jan/er07-23-000_1-12-07_phase_ii_protocol.pdf

⁷ FERC Order No. 890, Docket Nos. RM05-25-000 and RM05-17-000. See: <http://www.ferc.gov/whats-new/comm-meet/2007/021507/E-1.pdf>