

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Notice of Proposed Rulemaking)	Docket No. RM21-17-000
Building for the Future Through Electric)	
Regional Transmission Planning and Cost)	
Allocation and Generator Interconnection)	

**REPLY COMMENTS OF MICHIGAN ATTORNEY GENERAL DANA NESSEL AND
THE CITIZENS UTILITY BOARD OF MICHIGAN**

Michigan Attorney General Dana Nessel and the Citizens Utility Board (CUB) of Michigan appreciate this opportunity to submit reply comments on this Notice of Proposed Rulemaking. The initial comments have stirred up productive discourse about the level of detail and ambition that FERC should use in its long-range planning requirements for public transmission providers.

The initial comments from the AG and CUB made the case, contrary to calls for voluntary guidelines, that FERC should err on the side of more specific and mandatory requirements for the costs, benefits and scenarios that providers must consider. In these comments, in response to another set of initial comments, we identify another example of a specific guideline that could be included in the rulemaking.

In its initial comments, Edison Electric Institute (EEI) argues that “imposing a prescribed list of benefits and how to measure them on public utility transmission providers and state entities and other stakeholders in the region may create more controversy than would otherwise occur if the transmission providers work with stakeholders to determine the benefits, using the list in the NOPR as a guide.”

We respond that there must be some “prescribed list of benefits” so that transmission planning policies that could produce substantial savings for consumers but have heretofore been ignored or underutilized are given a fair look.

Energy storage is a perfect example. According to comments on the Advanced NOPR filed by the American Clean Power Association and the U.S. Energy Storage Association, “while the adoption of energy storage as a generation asset has exploded in the U.S., with battery storage found in every RTO/ISO interconnection queue, energy storage as a transmission asset is frequently overlooked in the U.S., with more use cases found internationally.”

Their comments suggest a requirement that FERC could include in this NOPR that would address this problem of storage being overlooked: “The Commission should consider requiring any scenario in which there is uncertainty estimating load growth (and its impact on cost/benefit calculations) to consider a modular solution such as energy storage.”

Such a requirement would not ignore the “significant differences among and between regions” that EEI understandably fears may be swept aside if FERC makes explicit requirements instead of issuing mere guidelines. It does not force differently situated providers to implement any specific policy. But it would ensure that storage is integrated into long-range transmission planning.

Doing so would cause the use of storage as a transmission asset to be more commonplace around the country, including in the Midwest, where energy storage is badly needed to provide a low-carbon alternative for backing up renewable energy. The addition of transmission applications can make more storage projects feasible by giving them an additional value stream. Storage can also create substantial cost savings for the transmission system itself. We point to comments on this NOPR filed by long duration storage developer Form Energy, which notes

research that “found that optimal portfolios of multi-day and short-duration energy storage resources could reduce renewable energy curtailment by 89% and be a cost-effective alternative to constructing new transmission lines.”

This “prescribed list” need not be an exhaustive list of all approaches that FERC deems prudent for providers to consider. Most of the benefits that FERC has identified (such as in Table 1 of the NOPR) can be guidelines. But those approaches that transmission providers have empirically not examined in recent years should be required. The above example of storage—and in particular, long duration storage—is one case. According to Form Energy’s comments, “from our research, no RTO/ISO has included diverse long-duration energy storage technologies in recent long-term transmission plans and, without such an evaluation, the long-term needs of the transmission system cannot be effectively analyzed.”

Another example of an approach that likely needs to be explicitly required is the formal cost-benefit analysis that we discussed in our initial comments.

Respectfully Submitted,

DANA NESSEL
ATTORNEY GENERAL OF MICHIGAN

By: /s/ Michael Moody
Michael Moody
Division Chief
Special Litigation Division
Michigan Department of Attorney General
525 West Ottawa Street
Lansing, Michigan 48909
(517) 335-7627
Moodym2@michigan.gov

CITIZENS UTILITY BOARD OF
MICHIGAN

By: /s/ John Liskey
John Liskey
General Counsel
Citizens Utility Board of Michigan
921 North Washington Avenue
Lansing, MI 48906
(517) 913-5105
John@liskeypllc.com