<u>Joint Comments of Eastern Interconnection Public Interest Organizations (PIOs)</u> <u>on EIPC's Stakeholder Steering Committee Straw Proposal</u>

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VIA E-MAIL Mr. David A. Whiteley D.A.Whiteley@eipconline.com d.a.whiteley@att.net

PIOs,¹ which include environmental and energy policy NGOs, land use and wildlife habitat groups, and consumer advocate offices, appreciate the thought and work that went into the creation of EIPC's Stakeholder Steering Committee (SSC) Straw Proposal, and we support its guiding principles and many of its specific suggestions. Our comments, therefore, touch briefly on the provisions with which we agree and detail our concerns about the provisions that should be modified.

I. PIOs endorse most of the EIPC Straw Proposal.

PIOs believe the Straw Proposal's guiding principles are appropriate in light of the diversity of interests likely to be affected by the planning process and the importance of building upon the institutions and processes now in place. It is critical, therefore, that the stakeholder process be inclusive, that it empower the broadest number of stakeholders, and that it ensure input from all regions of the interconnection.

PIOs also support the SSC Selection Process for NGOs and other sector stakeholders as outlined in the proposal at pages 2-3, and we emphasize that a separate interconnection-wide process for selecting NGO caucus members is absolutely critical. We believe that the two-phase nominating process with nine regional caucuses for the other stakeholder sectors is a reasonable approach to assuring a broadly representative SSC, but (as explained in more detail below) we urge the EIPC to broadly advertise the regional caucus meetings and require open, transparent, and consistent SSC nomination processes across the interconnection.

PIOs strongly concur on the importance of ensuring a continuing and meaningful role for sector caucus members in the EIPC process as outlined in the proposal at page 4, and we urge EIPC planning authorities to assist Keystone Center with facilitating work group participation by caucus members and enhancing participants' on-line access to planning data and analyses. In addition, we support the list of SSC member responsibilities noted on page 5. The substantive

¹PIOs joining these comments include: Alliance for Clean Energy New York, Conservation Law Foundation, Energy Conservation Council, Environment Northeast, Environmental Defense Fund, Environmental Law & Policy Center, Fresh Energy, Institute for Market Transformation, Iowa Environmental Council, Land Trust Alliance, Michigan Environmental Council, Midwest Energy Efficiency Alliance, National Audubon Society, National Wildlife Federation, Natural Resources Defense Council, Office of the Ohio Consumers' Counsel, Pace Energy & Climate Center, Piedmont Environmental Council, Project for Sustainable FERC Energy Policy, Sierra Club, Southern Alliance for Clean Energy, The Wilderness Society, and Union of Concerned Scientists

tasks listed for the SSC are critical to the success of the effort, and the representation, communication, and process responsibilities of SSC members are also vital to broadly accepted planning outcomes.

II. PIOs believe that Option B of the proposed options for SSC composition, with minor modifications, would meet DOE's FOA specifications and help to ensure that an appropriately wide array of stakeholder interests are represented in SSC decision-making.

Although PIOs would prefer the SSC composition proposed in our March 8, 2010 proposal to the EIPC, we believe that Option B would be reasonable if it is modified to require that the "Other Suppliers" sector include <u>at least two representatives</u> of demand-side resource interests (energy efficiency, demand response, and/or distributed generation/CHP). We urge the EIPC to accept this modification to help ensure a more balanced distribution of representation on the SSC and to elicit stronger support from non-traditional grid planning stakeholders whose participation is essential to ensuring that the outcomes of this process will be broadly supported.

PIO/NGO stakeholder interests in electric system planning are far more diverse than those of electric industry transmission owners and operators, generators, and other traditional power suppliers (whose interests always have been and will continue to be represented in the planning process). Many Planning Authorities in the EI are, in fact, transmission, and/or generation owners and operators, and also have power marketing subsidiaries or extensive experience in electricity markets. Thus, they already understand the planning interests of transmission owners, generation owners, and transmission and generation developers.

In addition, a major focus of the DOE FOA was ensuring effective NGO participation in the EIwide planning process. Publicly acceptable planning outcomes <u>require</u> that the concerns and interests of non-traditional stakeholders be fully and effectively represented in all stages of the process. Thus, to ensure that the SSC includes these critical interest areas, PIOs propose an approach to SSC composition that provides broad representation of non-traditional planning stakeholders.

PIOs can support EIPC's Option B approach to SSC composition with a modification explicitly requiring that two of the proposed "Other Supplier" seats on the SSC be designated for demandside stakeholder interests. We believe that it is critical to include these non-traditional resource interests, along with diverse NGO interests, to ensure that the SSC has a reasonable balance of traditional and non-traditional stakeholders to provide broadly supported direction for the EI planning effort. We are concerned that an imbalance (or lack) of representation of key stakeholder interests on the SSC could jeopardize the efficacy of its directions to the Planning Authorities and, ultimately, broad public acceptance of the planning analyses and outcomes. In this vein, we also propose that the EIPC consider inviting EPA to participate in an ex officio capacity on the SSC.

III. PIOs recommend three additional modifications of the EIPC straw proposal to help ensure broad and effective participation by non-traditional planning stakeholders.

First, PIOs recommend that the straw proposal's criteria for SSC member selection be expanded to include the criteria we proposed to the EIPC on March 8, 2010. To help ensure that the substantive and representational responsibilities suggested for SSC members are effectively implemented, we propose that EIPC adopt the following additional criteria for selecting SSG representatives:

1) a demonstrated ability to represent the views of multiple similar interest groups;

- 2) demonstrated expertise/understanding of major technology and policy considerations;
- 3) broad support of organizations and constituency groups with similar interests;
- 4) willingness to work with similar interest groups to assure representation of their views; &

5) willingness to ensure dissemination of planning information and activities back to their constituencies.

Second, PIOs recommend that EIPC broadly advertise and facilitate sector caucuses in each of the nine proposed planning regions. Because reliance on existing Planning Authority listservs could result in insufficient notice to non-traditional planning stakeholders, we propose that the EIPC send notice of all regional caucus meetings to the EIPC's entire list of interested parties. Further, we propose that EIPC ensure that transparent and consistent nomination processes be used in all regional caucuses. We also urge the EIPC to post all meeting notices, agendas, analyses and supporting materials on the EIPC website when announcements are sent out to EIPC participants.

Finally, we strongly urge the EIPC to reconsider PIOs' February 4, 2010 request for technical assistance funding to support effective NGO participation in the SSC and work group processes. Independent expert assistance on modeling inputs and tools, transmission engineering issues, and future scenario development options is critical to effective participation by NGO stakeholders in this technically complicated process. EIPC planning authorities, state regulators, transmission companies, generation owners and other industry stakeholders have access to such assistance on a day-to-day basis, and the NGOs must have comparable assistance to ensure successful planning outcomes.

IV. PIOs request one important clarification of the proposal to limit SSC membership to individuals rather than organizations or companies.

We assume that the intent of the provision is to ensure that <u>individuals</u> selected by the caucuses (because they meet the criteria outlined for SSC representatives) or sector-elected alternates or substitutes, rather than the companies or organizations for which they may work, hold the SSC seats. We support this provision but seek confirmation that when an SSC member is unable to attend a particular meeting, her/his alternate or substitute will be permitted to act as an alternate for that meeting to maintain sector representation in the discussions. We also seek confirmation that alternates or substitutes would be chosen for that role by the sector caucuses. Specifically, PIOs seek confirmation that the EI-wide NGO caucus would select substitutes or alternates for NGO members on the SSC.

Conclusion: Thank you for this opportunity to comment on the EIPC straw proposal. We look forward to upcoming meetings of EIPC stakeholders and working with all EI stakeholders to develop consensus on the structure and operation of the SSC and stakeholder working groups.

Respectfully submitted, Terry R. Black on behalf of 23 Eastern Interconnection Public Interest Organizations

Alliance for Clean Energy New York, Inc.

Carol E. Murphy, Executive Director 194 Washington Avenue, Suite 320 Albany, NY 12210 (518) 432-1405 <u>cemurphy@aceny.org</u>

Conservation Law Foundation

Sandra Levine, Senior Attorney 15 East State Street #4 Montpelier, VT 05602 802.223.5992 ext.13 slevine@clf.org

Energy Conservation Council

Wil Burns, Counsel Burns Law Firm, LLC 390 Oak Spring Road Marianna, PA 15345 412-693-3035 wburns@burnslegal.net

ENE (Environment Northeast)

Derek K. Murrow Energy & Climate Policy Director 8 Summer St, POB 583 Rockport, ME 04856 Boston, MA / Providence, RI / Hartford, CT / Charlottetown, PE, Canada (203) 285-1946 dmurrow@env-ne.org

Environmental Defense Fund

Mark S. Brownstein Managing Director, Business Partnerships Climate & Air Program 257 Park Avenue South, 17th Floor New York, New York 10010 212-616-1333 mbrownstein@edf.org

Environmental Law and Policy Center

John N. Moore, Senior Attorney 35 East Wacker Drive, Suite 1300 Chicago, Illinois 60601 (312) 795-3706 jmoore@elpc.org

Fresh Energy

Michael Noble, Executive Director 408 Saint Peter Street, Suite 220 Saint Paul, MN 55102 651 225 0878 noble@fresh-energy.org

Institute for Market Transformation

Cliff Majersik, Director 1616 P St NW, 6th Floor Washington, DC 20036 202-328-5149 cliff@imt.org

Iowa Environmental Council

Nathaniel Baer, Energy Program Director 521 E. Locust, Suite 220 Des Moines, IA 50309 Office: (515) 244-1194 x. 206 baer@iaenvironment.org

Land Trust Alliance

Russell Shay, Director of Public Policy 1660 L Street, NW Suite 1100 Washington, DC 20036 (202)518-1146 rshay@lta.org

Michigan Environmental Council

Chris Kolb, President 119 Pere Marquette Dr., Suite 2A Lansing, MI 48912 517-487-9539 chris@enviromentalcouncil.org

Midwest Energy Efficiency Alliance

Wendy B. Jaehn, Executive Director 645 N. Michigan Avenue, Suite 990 Chicago, IL 60611 312-587-8390 wjaehn@mwalliance.org

National Audubon Society

Mike Daulton, Director of Policy 1150 Connecticut Ave, NW, Suite 600 Washington, D.C., 20036 202-861-2242 mdaulton@audubon.org

National Wildlife Federation

John Kostyack, Executive Director Wildlife Conservation and Global Warming 11100 Wildlife Center Drive Reston VA 20190-5362 703-438-6000 www.nwf.org

Natural Resources Defense Council

Samir Succar, Ph.D., Energy Analyst 40 W. 20th, New York, NY 10011 212.727.4536 ssuccar@nrdc.org

Office of the Ohio Consumers' Counsel

Janine L. Migden-Ostrander, Consumers' Counsel 10 West Broad Street, Suite 1800 Columbus, OH 43215-3485 614/466-7239 Direct migden@occ.state.oh.uss

Pace Energy and Climate Center

James M. Van Nostrand, Executive Director Pace Law School 78 N. Broadway, E-House Room 202 White Plains, NY 10603 Office: (914) 422-4082 jvannostrand@law.pace.edu

Piedmont Environmental Council

Robert G. Marmet, Energy Policy Analyst 45 Horner Street, PO Box 460 Warrenton, VA 20188 540-347-2334 Phone <u>rmarmet@pecva.org</u>

Project for Sustainable FERC Energy Policy

Terry R. Black, Director 5400 Eagles Point Circle #406 Sarasota, FL 34231-9154 Phone: 941.926.1350 tblack@igc.org

Sierra Club

Mark Kresowik, Corporate Accountability and Finance Representative Sierra Club's Beyond Coal Campaign 408 C St NE Washington, DC 20002 202-675-7914 mark.kresowik@sierraclub.org

Southern Alliance for Clean Energy

John D. Wilson, Director of Research 1810 16th Street, NW, 3rd Floor Washington, DC 20009 202-495-0776 wilson@cleanenergy.org

The Wilderness Society

Chase Huntley, Policy Advisor, Energy & Climate Change, 1615 M Street, NW Washington, DC 20036 202-429-7431 chase_huntley@tws.org

Union of Concerned Scientists

Ellen Vancko, Nuclear Energy & Climate Change Project Manager 1825 K Street NW, Suite 800 Washington DC 20006-1232 Phone: 202-331-5425 evancko@ucsusa.org

Cc – Mary Beth Tighe & Julia Bovey, FERC; David Meyer & Lawrence Mansueti, DOE; Catherine Morris, Keystone Center