

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

Transmission Planning Processes)
Under Order No. 890) **Docket No. AD09-8-000**

COMMENTS OF THE ENERGY FUTURE COALITION

On October 8, 2009, the Federal Energy Regulatory Commission (“FERC” or “Commission”) published a Notice of Request for Comments (“Notice”) seeking comments regarding various transmission planning issues in the above-referenced docket.¹ The Energy Future Coalition (“EFC” or “The Coalition”) respectfully submits the following comments.

The Energy Future Coalition

The Energy Future Coalition was formed seven years ago, in the wake of the 9/11 attacks, because of concerns that U.S. energy policy was not adequately addressing issues of national security and climate change. The Coalition is a broad-based, non-partisan public policy group that seeks to bridge the difference among business, labor, and environmental groups and identify energy policy options with broad political support. EFC aims to bring about changes in U.S. energy policy to address the economic, security and environmental challenges related to the production and use of fossil fuels with a compelling new vision of the economic opportunities that will be created by the transition to a new energy economy.

The condition of the nation’s electric power grid has been a predominant topic of concern for EFC, and was the focus of one of EFC’s first working groups. EFC applauds the support for advanced transmission and Smart Grid technologies in the Energy Policy Act of 2005, the Energy Independence and Security Act of 2007, and the American Recovery and Reinvestment Act of 2009, and further supports the efforts of FERC to implement these new authorities and advance the purposes of promoting investment in a more robust and sophisticated grid. The groundswell of support for modernizing the nation’s transmission grid, and expanding it to service stranded large-scale renewable energy resources, is encouraging as well. EFC has long supported a national renewable energy standard, including a 25 x ’25 target, and without modernizing and expanding the nation’s transmission grid, it will be unnecessarily challenging to meet these renewable energy goals.

The National Clean Energy Smart Grid Vision Statement

In mid-2008, EFC began a series of listening sessions with a wide range of stakeholder groups to determine the areas of agreement and disagreement. In this process, EFC found broad support for reforms to regulatory policies that will help support the responsible development of transmission assets needed to support a massive expansion of renewable electricity resources and decarbonization of the generation sector. The result of these sessions was a vision statement for the National Clean Energy Smart Grid (“Vision Statement”), issued in February 2009.² The

¹ *Notice of Request for Comments*, Docket No. AD09-8-000 (Oct. 8, 2009).

² The Vision Statement, and the list of organizations supporting the Vision Statement, is attached as Attachment A.

Vision Statement was developed with input from a wide range of stakeholders, and was endorsed by 56 organizations representing renewable energy developers (e.g., American Wind Energy Association, the Solar Energy Industries Association, and Mesa Power), environmental interests (e.g., the Sierra Club, the National Audubon Society, the National Wildlife Federation, the Natural Resources Defense Council, the Union of Concerned Scientists, and the Wilderness Society), and organized labor (e.g., AFL-CIO), among others.

The Vision Statement urges the government to put in place new national policies to rationalize and expedite the planning and deployment of new electric transmission resources, to bring the nation's vast reserves of clean and renewable energy to population centers, and to set standards and create incentives for Smart Grid technologies to modernize the electric system. All of the endorsing stakeholders agreed that the existing framework for planning, developing and financing transmission infrastructure is too geographically fragmented, near-term focused, and procedurally cumbersome to adequately address national policy goals and maximize broad societal values. Investments are needed in both interstate transmission and in Smart Grid technologies to make the system more reliable, resilient, and secure to accommodate renewable power and enable more energy efficiency by individuals and businesses. The environmental participants stressed that while they strongly endorsed the construction of new transmission lines to transport renewable energy, their support was contingent on the presence of emission controls or other measures that would ensure new lines did not facilitate an increase in carbon-intensive generation.

The Vision Statement was crafted in response to the legislative debate in Congress, but the basic principles are equally appropriate for FERC's ongoing transmission policy proceeding.

Comments

The U.S. needs to make major investments in our electricity grid if we hope to mitigate climate change, revitalize our economy, and strengthen our national security. We have 50-year old technology that is incapable of managing large-scale variable power supplies from important renewable energy sources, like wind and solar farms. The way we plan, site, and pay for grid investments has to be changed. We need a more coherent strategy that takes into account regional and national priorities, and most importantly, unlocks the potential of renewable energy and energy efficiency resources available throughout the country.

As requested in FERC's October 8th Notice, EFC submits the following specific comments in response to the specific questions posed. The comments are focused on highlighting the policies and steps necessary to bring the nation's vast reserves of clean and renewable energy onto the grid.

Q: Are existing transmission planning processes adequate to identify and evaluate potential solutions to needs affecting the systems of multiple transmission providers? Should prospective transmission developers coordinate their projects in the interest of "right-sizing" facilities to make the best possible use of available corridors and minimize environmental impacts? If so, what process should govern the identification and selection of projects that affect multiple systems?

A: EFC believes the existing transmission planning processes are not adequate to identify and evaluate potential solutions to the needs affecting the systems of multiple transmission providers. Most utility and state level processes, by their nature, do not have the scope to recognize regional or inter-regional transmission needs. Siting multi-state transmission facilities is a long and contentious process, often involving numerous state and local regulators and Federal lands agencies, each with the power to block an entire project. The current process misses opportunities to cooperatively analyze and identify corridors for transmission that bypass sensitive areas.

A participatory and transparent planning system needs to be implemented at an interconnection-wide scale to identify the needs for new interstate electric transmission facilities. An analytically robust process designed to engage all interested parties, including all interested utilities, states, and stakeholders, must be employed to ensure optimal planning to bring the nation's renewable energy resources to load centers. Employing such a vigorous planning process will engage interested parties early and avoid later conflicts, minimize environmental impacts, and overcome the geographic and procedural limitations of current planning approaches. This process should include a rigorous and transparent analysis of a comprehensive set of considerations and alternatives, so as to optimize the economic, technical and environmental performance of the grid. Such a process, by necessity, would require coordination of projects in the interest of "right-sizing" facilities in order to ensure the best possible use of available corridors and minimize environmental impacts.

EFC recommends enlarging the scale of the planning process to cover entire interconnections. This large-scale planning process should be used to identify and select projects that will affect multiple systems and that may be overlooked in the already ongoing planning efforts at the utility and regional levels. Enlarging the scale of the planning process would also allow for the identification of transmission needed to support the development of major renewable energy resources that cross state and regional boundaries.

Q. Are there adequate opportunities for stakeholders to participate in planning activities that span different regions, including for example those undertaken pursuant to bilateral agreements?

A. No, there are not adequate opportunities for stakeholders to participate in transmission planning activities. The planning process should be broadly inclusive, so that not only utility interests, but also renewables developers, environmental interests and consumer interests, are able to participate meaningfully. Given the contentious nature of major transmission projects, significant stakeholder involvement is critical to augment the legitimacy of the process, and

thereby enhance the chances that projects emerging from the planning process can actually be permitted and constructed in a timely manner.

Q. Will the interconnection-wide processes adopted pursuant to funding opportunities under the American Recovery and Reinvestment Act of 2009 result in an ongoing process for jointly identifying and evaluating alternatives to solutions identified in transmission plans developed through existing sub-regional and regional planning processes? Will the scope and function of these interconnection-wide planning activities be sufficient to help address the concerns identified above? How will planning activities conducted on an interconnection-wide basis be integrated into the development of sub-regional and regional transmission plans and vice versa?

A. It is clearly hoped that the interconnection-wide planning processes pursued under the American Recovery and Reinvestment Act of 2009 (“ARRA”) will serve as successful models of how enlightened transmission planning can be undertaken to jointly identify and evaluate alternatives. However, the funding under ARRA is a one-time opportunity. There is only a limited appropriation available, and the sector cannot count on follow-on appropriations once these funds are exhausted.

One way to ensure that the interconnection-wide processes established under ARRA result in ongoing processes would be for FERC to collect funds for such ongoing planning through the annual charges process. This approach would provide a reliable year-to-year source of funds for these critical planning activities, and would piggyback on the existing fee collection mechanism.³

Q. Should there be consistency in the way transmission providers treat demand resources, such as demand response, energy efficiency and distributed storage, in the transmission planning process? Are there preferred methods of modeling or otherwise accounting for demand resources in the planning process? Does the planning process investigate transmission needs at fine enough granularity to identify beneficial demand resource projects?

A. The interconnection-wide grid planning process should take into account: opportunities for improved end-use energy efficiency, customer demand response, clean distributed generation, and energy storage; opportunities to improve the efficiency of the grid; and opportunities to diversify and transform the Nation’s power supply resources. New transmission plans should dramatically enhance the Nation’s capacity to meet steep greenhouse gas emission reduction goals by targeting new clean renewable energy resources.

Q. Are existing dispute resolution procedures in transmission provider tariffs adequate to address disputes that arise in the planning process?

A. As discussed above, the up-front interconnection planning process should use a broadly inclusive, participatory, and analytically robust process designed to engage all interested parties

³ Additional authority may be required to effectuate this approach.

early and avoid later conflicts. Perfecting the dispute resolution process is not a good substitute for such participatory, well-informed planning.

Q. To the extent that a lack of up-front certainty about cost allocation is inhibiting transmission development, describe the relative impact of this concern on specific projects and as it relates to other impediments to development.

A. Prior to committing to a project, project developers need assurance that they will have the ability to recoup the costs of those projects. This, in turn, leads to questions about how costs will be recovered and from whom. In EFC's view, the cost allocation policy should be established so as to best support the development of this critical transmission infrastructure. Recognizing that the costs of well-planned transmission investments are small compared to the benefits, and that the environmental (as well as reliability and economic) benefits are broadly shared, EFC generally supports broad allocation of costs for projects that make it through the planning process screen. A policy that places the initial obligation on renewables developers threatens to stall both renewable project investment and related transmission development, to the disbenefit of the Nation.

Q. Should processes be established to help stakeholders address cost allocation matters over larger geographic regions? What is an appropriate scope for those regions? Should they align with the regions for which planning is conducted?

A. EFC advocates the adoption of a simple mechanism to pay for transmission investments and smart grid transmission upgrades identified in the interconnection-wide plans, which would dilute economic impacts by allocating costs broadly among ratepayers. Just as a utility's individual electric ratepayers currently share the costs for electricity infrastructure investments made anywhere in the utility's service territory, broad allocation of the costs of national grid investments which provide broad-based national benefits is appropriate. The economic, environmental and security benefits of renewable energy are widely shared, so the cost of new transmission for renewable energy should be widely shared as well.

Cost allocation policies should be as simple as possible (e.g., allocating designated costs proportionately to all load in the interconnection) to avoid lengthy regulatory proceedings and provide greater predictability to support the needed investment. In addition, this clear cost recovery would certainly lower the cost of capital to developers, and thus the cost of consumers.

Q. Are there regional cost allocation methodologies outside RTOs, and broader regional cost allocation within RTOs, that should be considered or established? If so, how should this be done?

A. A cost allocation policy should provide a mechanism to spread costs between RTOs and among utilities outside of RTOs. One mechanism would be to provide for cost allocation among all beneficiaries based on load.

Q. How can the customers that benefit from a particular facility be determined? Is there a preferred method? Should the method vary depending on the nature of the facility?

A. Any FERC requirements on assessment of benefits should not become an obstacle to the timely construction of needed new transmission projects to meet reliability standards, connect new generators, access renewable resources and otherwise benefit consumers. In establishing a policy on how to consider the benefits of proposed transmission projects to determine whether a proposed cost allocation is just and reasonable, the Commission should avoid undue limits on the types of benefits to be considered, and should guard against any requirement for analytical precision that could tie the process in knots. The Commission should ensure that any policy on benefits analysis does not limit the types of benefits considered to those that are traditionally monetized (such as generation cost savings). Instead, the full range of environmental, economic development and energy security benefits of renewable energy development enabled by transmission expansion should be evaluated. Moreover, a requirement to quantify the project benefits to particular customers with any precision will, at best, result in extended cost-benefit analysis exercises (where the outcomes are controlled by the assumptions about an uncertain future) that will be followed by endless litigation.

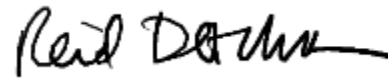
Q. How should non-quantifiable costs or benefits be identified, factored in or otherwise weighted?

A. The analysis of benefits should not be limited to generation cost savings and reliability benefits. EFC is interested in grid upgrades as a critical means to enable massive investments in renewable energy resources, with the significant environmental, energy security, and other non-power-price related benefits that such renewable energy investments entail. Whatever mechanism is used to evaluate benefits, these non-price related benefits must be fully considered and factored into the analysis.

Conclusion

FERC is to be commended for focusing on how to reform its regulatory framework to best support the development of transmission infrastructure needed to enable tenfold growth in our renewable generation resources. We urge the Commission to consider the comments provided above, and to follow-up this inquiry with a bold transmission policy agenda in support of the electricity sector transformation that is needed.

Respectfully submitted,



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Attachment

ATTACHMENT A



The National Clean Energy Smart Grid: An Economic, Environmental, and National Security Imperative

Expanding and upgrading our electric power transmission and distribution system are vital to renewing America's economic growth, strengthening national security, and addressing the threat of global climate change. Two critical investments are needed: (1) Efficient, secure and reliable interstate transmission networks – incorporating renewable collection lines and extra-high voltage (EHV) backbone facilities – which will enable massive domestic renewable energy resources currently stranded in our country's remote areas to be developed and delivered to population centers; and (2) "Smart Grid" technologies to make the transmission and distribution grid more reliable, resilient, and secure, and to accommodate renewable power and enable more energy efficiency by consumers and businesses.

At a time of serious economic distress and mounting pressure to address the widespread environmental, economic, and geopolitical consequences of our excessive reliance on fossil fuels, the case for a National Clean Energy Smart Grid has never been stronger. We recommend that Congress and the President move rapidly to adopt the following policies:

- Interconnection-wide planning for transmission networks to move renewable power from remote areas to population centers while ensuring the efficiency and reliability of the transmission grid, using a participatory and analytically robust process designed to engage all interested parties early and avoid later conflicts, minimize environmental impacts, and overcome the geographic and procedural limitations of current planning approaches.
- A simple mechanism to pay for transmission investments and smart grid transmission upgrades identified in the interconnection-wide plans, which would minimize individual economic impacts by allocating costs broadly among ratepayers.
- Consolidated certification and siting authority to expedite transmission projects identified in the interconnection-wide plans to serve urgently-needed renewable energy resources while ensuring the efficiency and reliability of the transmission grid.
- New policies to make electric grid security a priority, and to coordinate and pay for investments that will rapidly reduce the grid's vulnerability to cyber and physical attacks and natural disasters.
- Provide strong financial incentives for rapid deployment of smart grid distribution and metering technologies.
- Invest in education and training to create the workforce we will need to build, manage and maintain the National Clean Energy Smart Grid.

Recognizing the complex nature of the electric grid, its importance to the future of our economy, and its impact on our environment, these new policies and authorities should be developed and implemented in accordance with several key principles:

- Interconnection-wide grid planning should not duplicate or supplant already ongoing planning efforts at the utility and regional level, but rather should build on them.
- The interconnection-wide planning process should take into account: opportunities for improved end-use energy efficiency, customer demand response, clean distributed generation, and energy storage; opportunities to improve the efficiency of the grid; and opportunities to diversify and transform the Nation's power supply resources.
- New transmission plans should dramatically enhance our capacity to meet steep greenhouse gas emission reduction goals by targeting new clean renewable energy resources and limiting interconnection for new high-emitting generation (while still ensuring reliability).
- Use of federal project certification and siting procedures to expedite construction of new grid facilities identified in interconnection-wide transmission plans is critical to reliable and efficient delivery of remote renewable energy to load centers, with a special role for state and local agencies on siting considerations to minimize adverse impacts.



The National Clean Energy Smart Grid: An Economic, Environmental, and National Security Imperative

Expanding and upgrading our electric power transmission and distribution system are vital to renewing America's economic growth, strengthening national security, and addressing the threat of global climate change. Specifically, we must make two critical investments in our electric grid: (1) Efficient, secure and reliable interstate transmission networks – incorporating renewable collection lines and extra-high voltage (EHV) backbone facilities – which will enable massive domestic renewable energy resources currently stranded in our country's remote areas to be developed and delivered to population centers; and (2) "Smart Grid" technologies to make the transmission and distribution grid more reliable, resilient, and secure, and to accommodate renewable power and enable more energy efficiency by consumers and businesses. These critical grid investments are complements to – not substitutes for – investments in building energy efficiency, customer demand response, clean distributed generation, and energy storage. At a time of serious economic distress and mounting pressure to address the widespread environmental, economic, and geopolitical consequences of our excessive reliance on fossil fuels, the case for a National Clean Energy Smart Grid has never been stronger.

States and regions across the country have already adopted policies aimed at reducing the carbon footprint of electric power, increasing clean and renewable electric generation, and improving end use energy efficiency. With consideration of new and ambitious national policies on climate change, renewable energy, and energy efficiency to follow, these investments could position the country to secure the benefits of any such initiatives in a timely, efficient and cost effective manner. None of these policies can achieve their goals without rapid and transformative investments in transmission and smart grid resources on a national scale.

Even setting aside the national imperatives for clean energy and climate change, a National Clean Energy Smart Grid will provide huge economic and national security benefits. EHV transmission lines have the potential to dramatically cut line losses and improve the efficiency of the system. Smart grid technologies allow more efficient and dynamic management of electric flows – reducing waste, improving reliability and better accommodating renewable power, distributed generation, demand response, and a broad range of customer-based resources like smart appliances and plug-in hybrid vehicles. Smart meters and two-way communication lay the foundation for a quantum leap in automated demand management and electric grid control that could save consumers and businesses billions of dollars per year on their electricity bills. Digital smart grid technologies would dramatically reduce the grid's vulnerability to cyber attacks and other disruptions, and enhance grid operations.



Why Don't We Already Have a National Clean Energy Smart Grid?

Standing in the way of 21st century energy solutions is a 20th century electric grid – and the increasingly outdated patchwork of policies and institutions that govern it:

- Our existing framework for planning, developing and financing transmission infrastructure is too geographically fragmented, near-term focused, and procedurally cumbersome to support the development of a reliable integrated transmission grid capable of delivering remote renewable resources to load. Participatory and transparent planning at a national scale is essential to addressing national policy goals and maximizing broad societal value.
- Our historic policies for allocating the cost of transmission investments make it exceedingly difficult to identify what projects should be advanced and who should pay for the cost of such investments.
- Most state level processes, by their nature, do not have the scope to recognize regional or inter-regional transmission needs.
- Siting multi-state transmission facilities is a long and contentious process, often involving numerous state and local regulators and Federal lands agencies, each with the power to block an entire project.
- The current process misses opportunities to cooperatively analyze and identify corridors for transmission that bypass sensitive areas.
- Proven and cost-effective smart grid technologies have not achieved significant market penetration due to lack of funding for Congressionally authorized smart grid pilot and demonstration projects, insufficient federal deployment incentives, and state regulatory environments that often provide poor incentives for utilities and customers to invest in smart grid, demand response, and energy efficiency technologies.
- New policies are needed to make grid security a priority, and to coordinate and provide incentives for investments that will rapidly reduce the grid's vulnerability to cyber and physical attacks and natural disasters.

What Policy Changes are Needed to Foster a National Clean Energy Smart Grid?

National policy makers have a unique opportunity to clear the way for large-scale private sector investments in National Clean Energy Smart Grid infrastructure by updating transmission planning, siting, and cost allocation policies, creating incentives for accelerated deployment of a broad range of efficient smart grid technologies, and setting clear priorities for improving grid security. Just as it would have been nearly impossible to build the interstate highway system without federal leadership 50 years ago, creating an interstate electric grid that can support our National vision of a cleaner and more efficient electricity system will likewise require forward-looking leadership by Congress and the President.



Develop New National Scale Transmission Plans to Bring Clean and Renewable Power to Population Centers

Coherent plans for extra-high-voltage transmission, covering the two large multi-state regions of the eastern and western interconnections, are needed to determine how best to connect vast renewable energy resources in remote areas with population centers and integrate them into the existing EHV grid. Specifically, the planning process should:

- Identify essential new transmission resources, including backbone EHV projects, and renewable collection lines needed to support dramatic increases in the penetration of renewable electricity generation while ensuring the efficiency, security, and reliability of the interstate transmission networks.
- Incorporate rigorous and transparent analysis of a comprehensive set of considerations and alternatives, so as to optimize the economic, technical and environmental performance of the grid.
- Involve a broad array of stakeholders, including states, generation developers, transmission owners and developers, environmental interests, consumer interests, and labor, to address concerns up front and avoid snags later in the process.
- Recognize the importance of interstate and inter-regional planning of the transmission system to maximize the integration of renewable resources while ensuring the reliability and efficiency of the grid.
- Take into account analysis and planning already undertaken by states, Regional Transmission Organizations (RTOs), utilities, and others (notably some larger regional initiatives now in progress).
- Ensure that new transmission plans are environmentally responsible by avoiding development on sensitive lands or important natural resources.
- Utilize transmission planning principles to advance national policies on renewable energy, energy efficiency, and climate change.
- Consider innovative technology options, such as use of superconductors.
- Produce new transmission plans that dramatically enhance our capacity to meet steep greenhouse gas emission reduction targets by enabling new renewable energy resources and supporting electrification of the transportation sector (e.g., plug-in hybrid vehicles).

Interconnection-wide transmission planning would be done under Federal authority and according to guidelines and timeframes established by the Federal Energy Regulatory Commission (FERC). States within each interconnection would be invited to collaboratively develop the plans in consultation with RTOs, utilities, and others, and under the oversight of the FERC. Such planning efforts would have access to interconnection-wide ratepayer resources to conduct a participatory, transparent, and analytically robust planning process on an aggressive timeline consistent with meeting urgent national economic, environmental and national security goals.



Make a National Investment in the National Clean Energy Smart Grid

Just as local electric ratepayers currently fund local electricity infrastructure investments, broad based groups of ratepayers should cover the costs of national grid investments which provide broad-based national benefits. This will ensure all beneficiaries of the National Clean Energy Smart Grid support the cost of its development. Broad-based ratepayer support would be limited to: funding a participatory, transparent, and analytically robust planning process; recovering costs of new investments determined to be needed in the comprehensive transmission plans; and incentives and support for broad-based deployment of smart grid technologies on the transmission system. Cost allocation policies should be as simple as possible (e.g., allocating designated costs proportionately to all load in the interconnection) to avoid lengthy regulatory proceedings and provide greater predictability for developers and ratepayers. Clear cost allocation policies will provide transmission developers and investors with the certainty they need to move projects forward.

Consolidate Siting for the National Clean Energy Smart Grid

The patchwork of siting authorities would be consolidated and streamlined for National Clean Energy Smart Grid projects identified in the planning process. Best management practices would be required for siting and construction in order to balance infrastructure requirements with the need to avoid unique and environmentally sensitive lands, optimize use of existing corridors, minimize impacts on private property, and provide wildlife and habitat protection. Project certification and siting for those projects identified in the planning process would:

- Be decided in a single consolidated proceeding conducted by FERC.
- Build on the findings concerning need and appropriate corridors emerging from the planning process.
- Enable state agencies with local expertise to offer input and conditions relating to detailed “on the ground” routing choices and mitigation requirements. Incorporate such state conditions except where FERC finds that a condition conflicts with the National interest in developing the projects identified in the plan.

To properly implement this new siting process, federal, state and local government agencies will require substantially increased resources for data collection, mapping, pro-actively categorizing land for use or avoidance (with stakeholder input), and fast track permitting for pre-approved lands.

Ensure Grid Additions Serve our Environmental Purposes

The planning and siting processes described above are intended to ensure that new transmission projects will advance the policy goal of enabling much greater reliance on renewable energy resources, while minimizing the environmental disruptions caused by building and maintaining new grid infrastructure. Applying an appropriate greenhouse gas emissions standard to new generators connecting to transmission facilities built with the benefit of these special cost recovery and siting provisions would further assure that clean energy infrastructure development



is the result of these policies. Emissions-related restrictions on generators interconnecting with new grid facilities must not interfere with the operational reliability of the grid, and must accommodate the need for dispatchable resources to balance variable renewable resources.

Create New National Incentives for Investments in Smart Grid Technologies

While Congress recognized the importance and promise of smart grid technologies in Title XIII of the Energy Independence and Security Act of 2007, federal incentives are needed to accelerate investments in a broad suite of smart grid technologies that allow for dynamic management of electric flows and better integration of diverse energy resources, allow two-way flow of electricity and information, digitize our electrical system controls, and improve management of everything from power plants to home and office energy use. In order to accelerate the deployment of smart grid technologies, Congress should:

- Increase the authorization for the Smart Grid Regional Demonstration Initiative and the Smart Grid Investment Matching Grant Program, and fully fund these programs.
- Fully fund the development of an interoperability framework for smart grid devices and systems, and establish national policies that ensure state governments adopt these standards.
- Provide a 30% investment tax credit for smart grid technologies.
- Reduce the tax depreciation life for smart meters and smart distribution grid technologies to five years.
- Fund a basic national network of time synchronous measurement/monitoring devices to provide the foundation for monitoring grid performance at a national level, and drive optimal smart grid investments and transmission siting for the future.
- Provide homeowners and small businesses with rebates and tax incentives that encourage the purchase of smart grid enabled energy management systems.

Make Grid Security a Priority

Computers controlling the electric power grid are vulnerable to hostile or malicious intrusions. The cybersecurity of the U.S. electric system is a key issue for national security, and enhanced protection is an urgent matter for the civilian economy and for Defense Department (DOD) installations dependent on the grid for electric power. Hardening the grid to terrorist attack, and using technology to better monitor and manage electricity flows and make a more adaptive and self-healing energy grid, should be top priorities, justifying additional grid investments. The security priority should be codified in new national policies, including appropriate federal regulations, incentives and cost recovery policies.

Supporters of the Clean Energy Smart Grid Vision

As of June 8, 2009

Vision Statement Planning Group and Endorsers

American Wind Energy Association
Center for American Progress
Energy Future Coalition
Iberdrola Renewables
ITC Holdings
Mesa Power
National Wildlife Federation
Natural Resources Defense Council
Project for Sustainable FERC Energy Policy
Sierra Club
Solar Energy Industries Association

Other Endorsers

AFL-CIO	Mainstream Renewable Power
American Council on Renewable Energy (ACORE)	MMA Renewable Ventures
Ausra	National Audubon Society
Babcock & Brown	National Hydropower Association
BrightSource Energy	Northwest Energy Coalition
California Wind Energy Association	Oerlikon Solar
Center for Rural Affairs	OptiSolar
Citizens Utility Board of Wisconsin	Pace Energy and Climate Center
Climate Solutions	Puget Sound Energy
Council on Competitiveness	Sharp Solar
Digital Energy Solutions Campaign	Solar Nation
E.ON Climate & Renewables North America Inc.	Solutia, Inc.
enXco	Sun Action Solar, LLC
Geothermal Energy Association	Sundt Construction, Inc.
GlobalSmartEnergy	The Solar Alliance
GreenVolts, Inc.	The Stella Group
Horizon Wind Energy	Union of Concerned Scientists
Infinia	Vestas
Intel Corporation	Vote Solar Initiative
InterWest Energy Alliance	Western Grid Group
Invenergy	Wilderness Society
Large-scale Solar Association	Wind on the Wires
	Windustry

For more information, please check our website:

<http://www.energyfuturecoalition.org/What-Were-Doing/-Smart-Grid>