



May 9, 2018

The Honorable Kevin McIntyre, Chairman
The Honorable Neil Chatterjee, Commissioner
The Honorable Robert Powelson, Commissioner
The Honorable Cheryl LaFleur, Commissioner
The Honorable Richard Glick, Commissioner

U.S. Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Grid Resilience in Regional Transmission Organizations
and Independent System Operators

Docket No. AD18-7-000

Dear Chairman McIntyre and Commissioners Chatterjee, Powelson, LaFleur, and Glick,

We appreciate the opportunity that the Federal Energy Regulatory Commission (FERC) has provided for stakeholder comment on the resilience of the bulk power system in the regions operated by the Regional Transmission Organizations and the Independent System Operators (RTOs/ISOs). Ensuring the U.S. electricity grid can withstand and recover from increasingly frequent, extreme weather events is critical to the nation's economic vitality. While we see no emergency requiring immediate action, as large consumers of electricity, we encourage the Commission to use this opportunity to examine the full range of benefits provided by investments in regional and inter-regional transmission. Improving the efficiency of existing efforts to expand and upgrade the nation's transmission system will build a foundation for a more resilient power grid that American companies need to operate, while also increasing access to affordable, reliable, and clean electricity for all consumers.

A modernized and expanded transmission system can increase grid resilience by increasing operational flexibility, reducing congestion, reducing the risk of load shedding, and increasing recovery options from disruptions.¹ Additionally, transmission investments would increase connectivity to new, remote resources, while delivering consumer benefits like reduced costs. As such, we urge the Commission to: (1) accelerate and enhance regional and interregional transmission planning and coordination; and (2) better account for the rapid increase in corporate and other institutional demand for clean energy within these planning and permitting processes.

In the U.S., and around the world, corporate commitments to procure renewable energy are a growing trend, driven mainly by recent sharp declines in cost, and by the price certainty that long-term renewable energy power purchase agreements (PPA) offer. U.S. corporations have purchased over 10 gigawatts (GW) of renewable energy from offsite projects to date and have set a goal to purchase an additional 50 GW by 2025.² The undersigned companies are among the 63

percent of Fortune 100 companies that have set one or more renewable energy targets and many are also among the 131 companies that have committed to sourcing renewable energy for 100 percent of their operations through the RE100 initiative.³

According to a recent report by the Wind Energy Foundation, transmission planners have largely failed to account for this growing demand and shift in customer preference as the aforementioned corporate renewable energy commitments have grown in size and number.⁴ Furthermore, the current transmission planning and permitting process takes far longer to complete than the time it takes to develop a renewable energy resource and execute a PPA. As a result, it is now more important than ever that transmission planners take steps to better incorporate the forecasted demand within regional and inter-regional planning processes. Doing so will make the grid more reliable and resilient, while also ensuring that our companies have access to a pipeline of new, cost-competitive renewable energy generation.

To address these concerns, we believe the Commission should assess the full benefits expanded transmission provides to the grid, including reliability and resilience. Moreover, the Commission should streamline transmission planning processes so that they respond more quickly to customer preference and the growing demand for renewable energy. By enacting these reforms, FERC can increase the resilience of the U.S. grid and help address these interrelated challenges.

Thank you for your consideration of these comments.

Respectfully submitted,

Cargill, Inc.

General Mills, Inc.

Nestlé S.A.

The Procter & Gamble Company

Unilever PLC/Unilever NV

¹ London Economics International, LLC. "Market Resource Alternatives: An Examination of New Technologies in the Electric Transmission Planning Process." A *WIRES Report*. October 2014.

https://www.energy.gov/sites/prod/files/2015/04/f21/Final%20MRA%20report_0.pdf.

² Corporate Renewable Energy Buyers' Principles. "About Us." Accessed April 13, 2018.

<http://buyersprinciples.org/about-us/>.

³ Eckhouse, Brian. "Biggest U.S. Companies Setting More Renewable-Energy Targets." *Bloomberg*. April 25, 2017.

<https://www.bloomberg.com/news/articles/2017-04-25/biggest-u-s-companies-setting-more-renewable-energy-targets>; RE 100. "Companies." Accessed April 13, 2018. <http://there100.org/companies>.

⁴ Wind Energy Foundation, "Transmission Upgrades & Expansion: Keys to Meeting Large Customer Demand for Renewable Energy." January 2018. <http://windenergyfoundation.org/wp-content/uploads/2018/01/WEF-Corporate-Demand-and-Transmission-January-2018.pdf>.