

# **Partnerships in Energy Regulation: Of Regional State Committees, Multi-State Entities And Models for Regional Cooperation**

**NARUC Winter Meeting 2003  
Washington, D.C**

On February 24<sup>th</sup>, the National Association of Regulatory Utility Commissioners, the National Governors' Association and the Federal Energy Regulatory Commission will be presenting a joint session to discuss ways to better coordinate regulatory policy within regions concerning the generation and transmission of electricity. This session will be presented against a backdrop of recent policy initiatives to develop Regional State Committees and/or Multi-State Entities.

This paper provides background information for that session. The main purpose of the meeting is to demonstrate that states, acting regionally, can lead their own planning responsibilities. It is the purpose of this session to discuss how states may take advantage of existing organizations and opportunities to shape regional planning entities that best meet state needs.

## **I. Background: The Genesis of RSCs and MSEs.**

The concept of regional organizations to engage in planning for the electricity grid or to site and approve new transmission facilities is not new. For the past two decades industry analysts, regulators and legislators have publicly or privately voiced their interest in this concept, which emerges any time a major transmission line across state lines is proposed. The creation of the North American Electric Reliability Council (NERC) in the 1960s was a direct response to the need for voluntary regional planning to ensure reliability of the grid.

The issue, however, has gained greater momentum over the past decade as a result of two interrelated developments. The first is the rise of the wholesale electric market, which is now a reality in every area of the nation—even in those regions in which retail load continues to be served under traditional cost-of-service ratemaking by vertically integrated utilities. The second is the growing dependence of individual states, and their electric service providers, on electric supply from the larger wholesale marketplace. In many instances local service providers rely on the wholesale market to take advantage of operational efficiencies of the larger grid, to ensure lower prices for ratepayers, and to secure overall reliability. In turn, federal regulators overseeing the wholesale market are relying on demand response programs regulated at the state level to moderate fluctuations in spot market prices.

As a result, regional planning takes on greater importance in this new marketplace. A transmission upgrade across several states may not directly benefit everyone along its

path—but it could be of enormous benefit to ratepayers one or two states away by relieving congestion in ways that free up supplies elsewhere on the larger grid. How are these costs and benefits to be analyzed and decisions made?

Supply planning and demand management programs may also be managed on a regional basis. States, acting cooperatively in a regional setting, know their supply needs and how best to balance supply and demand opportunities in an optimal way. It is for this reason that states are emerging as leaders in shaping regional planning to meet the needs that they identify.

Most recently, the National Governors Association (NGA) Task Force on Electricity Infrastructure recommended that states formed Multi-State Entities (MSEs) for coordinating decision-making on transmission planning and expansion at a regional level. The Task Force, which consisted of Governors' appointees (including 9 PUC commissioners) from 16 states, developed the MSE recommendation through a collaborative process that involved significant input from industry, NARUC and the broader NGO community, and non-Task Force states. In its proposed policy on market design, the Federal Energy Regulatory Commission referenced the MSE recommendation, proposed the formation of Regional State Advisory Committees (RSACs), and sought comments on both models. As background for the NARUC session on regional coordination, this paper summarizes the public discussion of the MSE and RSAC proposals.

**Multi-State Entities (MSEs).** In its July 2002 report *Interstate Strategies for Transmission Planning and Expansion*, the NGA Task Force outlined three primary objectives for MSEs:

1. provide a framework for state input into the RTO planning process;
2. facilitate a “one-stop” application process that consolidates and harmonizes—to the extent possible given differences among state statutes and procedures—regulatory activities of affected states, including a “Regional Need Finding;” and
3. serve as a forum for various state, federal and tribal agencies to resolve disputes and address issues related to transmission planning.

In an October 2002 amendment to its Comprehensive National Energy Policy, the NGA called on Congress to direct FERC to recognize MSEs and outlined a broader scope for MSEs, stating that they should be designed to seek regional solutions to electricity issues that may fall under federal, state, or shared jurisdiction [See Attachment A, NGA Energy Policy §18.5.1].

**Regional State Committees (RSCs).** The concept of Regional State Committees (RSCs) is not new, but received considerable notice from the industry when the Federal Energy Regulatory Commission, in its notice of proposed rulemaking on standard market design, supported the voluntary creation of such organizations in every region of the country. FERC's recommendations were based on the successful collaboration between grid operators and state regulators in the Mid-Atlantic and New England regions. Federal

regulators have repeatedly assured states that the format and structure of these organizations should be designed by each region and may vary considerably. A brief summary of the rulemaking is included in Attachment B. What is most important about the FERC proposal is the dialogue that it created between and among state regulators, some of which is summarized in Parts III and IV of this report.

**FERC Support for MSEs.** FERC's proposed rule also acknowledged NGA's recommendations for the creation of Multi-State Entities, and asked for comment on whether regions needed one or both of these organizations (RSCs and MSEs) and how they might be complementary. In addition, FERC Chairman Pat Wood III endorsed the MSE framework in a letter to Task Force Co-Chairs Laura Chappelle (Michigan) and Annette DuPont-Ewing (Kentucky). [See Attachment C, Letter from Chairman Pat Wood III].

**NARUC Endorsement.** On July 31, 2002, the NARUC Board of Directors passed a resolution encouraging the NGA and FERC to work with both regional governors associations and NARUC's regional regulatory commissioner conferences to further develop and implement MSEs at the regional level. [See Attachment D, NARUC Resolution].

## **II. MSE Development Project**

The Center for Best Practices of the National Governors Association (NGA), in collaboration with NARUC, has requested that the U.S. Department of Energy provide funding to launch an initiative called the *Multi-State Entity (MSE) Development Project*.

The purpose of the project is twofold:

- (1) To facilitate regional efforts to design and establish MSEs that meet the unique needs of their market. Some regions may elect to use the project to empower an existing organization to serve as the MSE.
- (2) To provide a formal process in each region through which states can resolve whether an MSE is alone sufficient for regional coordination on electricity matters or whether an additional coordinating forum, such as RTO-based Regional State Councils or a FPA Section 209(a) Joint Board, is necessary.

**Development Teams: Regions, Appointees & Tentative Project Schedule.** MSE Development Teams will be formed in the Northeast, Mid-Atlantic, Southeast, Midwest, and West.<sup>[11]</sup> Two representatives from each state will serve on the Development Team, one appointed by the Chair of each state regulatory authority, the other appointed by the Governor. These regional groupings are for purposes of facilitating MSE development and do not represent any decision regarding MSE boundaries. Regional governors associations, along with NGA and NARUC, will provide staffing support for the Development Teams and will coordinate closely with regional NARUC affiliates. See Table I (below) for a tentative project schedule.<sup>[12]</sup> Each Development Team may adjust

the proposed schedule depending on the particular circumstances (e.g., commissioners in the Midwest have already begun informally developing an MSE model; accordingly the Midwest Development Team may elect to accelerate certain parts of the proposed schedule).

<b>Table I: Tentative MSE Development Process</b>
<p><b><u>Spring 2003: Conference Calls</u></b></p> <p>Upon formation, the Development Team will begin developing a draft Issues and Development Agenda, discuss potential solutions to key issues, and (where there is agreement) outline specific approaches in a straw-man MOU that will form the basis of the MSE. This communication will occur through a series of conference calls.</p>
<p><b><u>Spring-Summer 2003: Strategy Meeting (#1)</u></b></p> <p>The purpose of Strategy Meeting #1 is to: (a) discuss the Issues and Development Agenda and straw-man MOU with key stakeholders in the region, including representatives from state legislatures, federal agencies, members of industry, and NGOs (open sessions); and (b) identify and begin to work through outstanding policy, procedural, and administrative issues that need resolution prior to drafting the next iteration of the MOU (closed sessions).</p>
<p><b><u>Summer 2003: Conference Calls</u></b></p> <p>The Development Team will continue to resolve policy, procedural, and administrative issues and will revise the MOU through a series of conference calls.</p>
<p><b><u>Summer-Fall 2003: Strategy Meeting (#2)</u></b></p> <p>The purpose of Strategy Meeting #2 is to: (a) present the revised MOU for discussion with representatives from state legislatures, federal agencies, members of industry, and NGOs (open sessions); (b) resolve any outstanding concerns with the MOU or associated policy, procedural, and administrative issues (closed sessions); and (c) finalize the MOU for signature by Governors and other signatories (closed sessions).</p>
<p><b><u>Fall-Winter 2003/2004: Conference Calls</u></b></p> <p>Once the MOU has been signed by participating Governors and other signatories, the Development Team will establish the MSE and related funding, administrative, and procedural processes.</p>

### **III. State Response to Regional State Committees and Multi-State Entities in the Proposed Rule on Standard Electricity Market Design.**

Comments from state regulators, both in formal statements submitted to the Federal Energy Regulatory Commission, and in discussions during numerous outreach meetings, included varying concepts about regional organizations. But states were united in a recommendation to remove the word “advisory” from the title. The states’ authority and responsibilities over such issues as transmission planning and siting, as well as resource adequacy considerations, are not merely “advisory.” As a result of this feedback, Chairman Wood, during the NARUC Annual Convention in November 2002, announced his support for the removal of the word “advisory” from the final order.

Several themes have emerged from comments from state regulatory agencies. The following summarizes some of these points.

**Coordination with Existing Regional Entities.** Commenters pointed out that organizations already exist in some regions that perform many of the functions envisioned by the proposed rule. These include the Memorandum of Understanding process of the Mid-Atlantic Conference of Regulatory Utilities Commissioners (MACRUC) and the Committee on Regional Electric Power Cooperation (CREPC) in the West. The Seams Steering Group-Western Interconnection (SSG-WI) was also cited as an organization that was central to the creation of a harmonious market in the West. State commissioners urged FERC not to burden regions with new organizations or force them to “regroup” under different organizational umbrellas.

**Conflicts with State Laws.** In addition, state regulators have expressed concerns about individual state laws, which create statutory obligations for regulators, and which may conflict with the pragmatic need to communicate with FERC and engage in decision-making on a region-wide basis. Midwestern states have volunteered to serve on a committee to explore these issues (Indiana, Iowa, Michigan, Wisconsin and Missouri).

**State Input into FERC Process.** Some state regulators have asked how they can have input into formal decision-making at FERC in RTO matters. Many state officials have pointed out that the operation of RTOs is of great concern to state regulators, who are responsible for safeguarding the interests of local ratepayers.

**Funding for Regional Organizations.** The Kansas Corporation Commission, among other state commissions, argued that funding for both the RSCs and MSEs was a critical issue. The New Mexico Public Regulation Commission stated that fiscal limitations would make it very difficult for Western commissions to provide meaningful, substantive input into FERC’s ongoing deliberation on transmission issues. In the Midwest, MISO has proposed providing funding for RSC meetings to be included as part of their administrative costs. Other state commissions preferred to establish Joint Boards, with the possibility of federal funding, which would require legislative approval.

**Resolution of Conflicts Between States.** The Public Utilities Commission of Ohio, while supportive of RSCs and MSEs, asked how its vote would count, particularly when one state has siting authority and a neighboring state does not. Many state regulators have commented during outreach meetings that such a regional organization would not be practical, because of the difficulty of achieving consensus among states with competing, parochial interests. Commissioner Robert Nelson of the Michigan Public Service Commission testified that the final decisions should be left to FERC, if states and regions were unable to make them.

#### **IV. The Relationship Between Regional State Committees and Multi-State Entities.**

**How RSCs and MSEs are Structured.** It is each region's decision as to how best to accomplish its regional planning goals and design the best organizational structure to do so. Regulators in the Mid-Atlantic generally prefer operating under a Memorandum of Understanding between the RTO and their respective states to accomplish their regional planning goals, rather than creating new organizations. In a joint filing, MACRUC reported success in following this strategy in the region.

Other state regulators said they would prefer creating joint boards, which have been used in the telecommunications industry, citing FERC's authority under Section 209 of the Federal Power Act. Joint boards have the potential opportunity for federal funding to sustain the organization, although obtaining such funding can be a multi-year process, as it involves a congressional appropriations decision.

The Kentucky Public Service Commission did not support the RSC concept but did conclude that a multi-state entity could work for the purposes identified by the NGA Task Force. Kentucky regulators are also concerned that states with multiple RTOs would be faced with an "administrative quagmire" as a result of sitting on multiple advisory boards, which they felt would generate "inevitable" disputes.

The Arkansas Public Service Commission envisioned a "Regional State Regulator Committee" (RSRC) that would share, coordinate, evaluate and confer over RTO/transmission issues of mutual interest, but would have no independent decision-making authority. Instead, the RSRC would provide input to the RTO Board and FERC on matters of federal jurisdiction. The Public Service Commission of South Carolina also favored a "voluntary" regional entity patterned on the informal meeting process already established in the Southeast.

The Public Utilities Commission of Ohio and the Michigan Public Service Commission argued that their region would require both an RSC and an MSE, with separate duties for each. The MSE would focus on transmission siting and planning, while the RSC would focus on market oversight and operation of the regional grid.

The Missouri Public Service Commission offered yet another alternative—a single Regional Multi-State Committee (RMC), with separate sub-committees: one working on issues of state jurisdiction (reliability adequacy, market adequacy and siting) and the other subcommittee focused on issues requiring both federal and state jurisdiction (tariff design, RTO budget review, CRR allocation, seams issues, and market power/market monitoring).

Moreover, the Mid-America Regulatory Commissioners (MARC) anticipates circulating a paper that offers a refined, consensus view of its RSC/MSE concept in the near future.

Regional variation has become a major theme in the public debate, and will be continued in the discussion at NARUC, as state regulators consider which option(s) are best to suit their needs.

**V. Roles and Responsibilities of Regional State Committees and Multi-State Entities.**

The potential roles and responsibilities of regional organizations is also an area for active consideration by state regulators. Areas of interest include: transmission planning and siting (entirely under state jurisdiction); resource adequacy standards (to be established within each region); demand response and load management (primarily local programs approved by state regulators); and energy efficiency and environmental issues (also regulated and monitored by state agencies).

In addition, FERC anticipates the potential for a cooperative working relationship with the regions in several other areas: rate design and revenue requirements, market power and market monitoring, and management and budget review of grid operators. The agency encouraged states to initiate these working relationships as quickly as possible, to allow input from state regulators into the development of the wholesale grid in each region.

**VI. Next Steps.**

Through the February 24, 2003 session at the NARUC Winter Meeting and through the NGA and NARUC MSE Development Project, a consensus-building process will soon be implemented. It is envisioned that each state, and states acting collectively in their respective regions, will assume leadership in determining the optimal regional organization(s).

## Attachment A

### **NGA Energy Policy, Section 18.5.1**

**Multi-State Entities.** While states do not support federal preemption of state planning and siting authority, better cooperation between states can improve the reliability of interstate transmission networks. Governors recognize and support the efforts that states and regional governors associations are making to develop interstate mechanisms to work with regional electricity markets. Congress should direct the Federal Energy Regulatory Commission to recognize state-created regional mechanisms - Multi-State Entities (MSEs) - designed to address transmission planning, certification of need, and siting of facilities. The MSEs also should be designed to seek regional solutions to issues that may fall under federal, state, or shared jurisdiction.

FERC should in no way impede states' authority to design the MSE in a manner most appropriate for the region. The federal government should provide financial assistance to state organizations to assist states in forming MSEs.

The MSE should be formed through a memorandum of understanding signed by Governors and, where appropriate, federal land management agencies, public power authorities, tribal authorities, and border countries. Any memorandum of understanding should recognize the authority of each state to approve or deny the construction or expansion of facilities and also should establish procedures to address conflicts and impasses among states and the other parties. The boundaries of the MSE should follow the footprints of regional electricity markets, as defined by the participating and affected states.

FERC should direct the regional transmission organization (RTO) or independent transmission provider (ITP) to comply with MSE guidelines and decisions regarding regional transmission construction and expansion plans, as well as other regional electricity issues subject to state jurisdiction. With respect to regional electricity issues subject to FERC jurisdiction, FERC should direct the RTO or ITP to show deference to the judgment of the MSE.

The Governors believe that it is preferable to have the MSE serve as the sole vehicle for collective state input to the RTO or ITP and recommend against having both Regional State Advisory Committees and an MSE.

## Attachment B

### Summary of RSC Discussion in FERC's SMD NOPR [RM01-12-000]

The Federal Energy Regulatory Commission, in its notice of proposed rulemaking on standard market design (SMD) released on July 1, 2002, proposed establishing "Regional State Advisory Committees" (RSACs) to formalize the role of state representatives in the management of grid operations [RM01-12-000]. The proposed rule listed eight possible issue areas for regional coordination: (1) resource adequacy standards; (2) transmission planning and expansion; (3) rate design and revenue requirements; (4) market power and market monitoring; (5) demand response and load management; (6) distributed generation and interconnection policies; (7) energy efficiency and environmental issues, and (8) management and budget review of RTOs.<sup>[31]</sup> Since its inception the word "advisory" has been dropped by most parties, and these proposed entities are now known as Regional State Committees (RSCs). FERC anticipated that these regional bodies would be operational within six months after the effective date of a final SMD rule. However, the proposed rule anticipated that each region would determine the formation and operation of these bodies.

The following summarizes the discussion of RSCs in the proposed rulemaking:

The Federal Energy Regulatory Commission's proposed rule on standard electricity market design seeks to establish a formal role for state representatives to participate in the management of grid operations. The proposed rule labeled this role as a "Regional State Advisory Committee." The name of this entity is likely to be modified to reflect the decision-making, rather than advisory, state role. Additionally, the proposed rule acknowledges the recommendation by the National Governors' Association to form "multi-state entities" to facilitate state coordination on transmission planning, certification and siting. The proposed rule supports regional determination of the formation and operation of these entities. (¶¶ 551-53.)

Each independent transmission provider would have a regional state committee under the proposed rule. The regional state committee may work with the regional transmission organization to seek regional solutions to issues that may fall under federal, state or shared jurisdiction. The regional state committee would provide a consensus view from states in the area to the independent transmission provider, market participants, and the Commission. Through this coordinated oversight, federal public interest responsibilities may be fulfilled in a manner that includes the views of states in the region. Under the proposed rule, each region would determine the formation and operation of its regional state committee. (¶ 552-54)

The proposed rule suggests several issues for consideration by the regional state advisory committee. These include (1) resource adequacy standards, (2) transmission planning and expansion, (3) rate design and revenue requirements, (4) market power and market monitoring, (5) demand response and load management, (6) distributed generation

and interconnection policies, (7) energy efficiency and environmental issues, and (8) management and budget review of the regional transmission organization. Further duties may evolve with the development and operation of the regional state committees. (¶ 554)

The proposed rule also recognizes that state-level siting decisions are critical to the transmission planning process. Multi-state entities, together with an open regional planning process, would preserve the states' role in siting decisions, while promoting regional solutions. (¶ 339) The proposed rule views the regional state committee as complementary to the multi-state entity and seeks comment on whether both organizations should be implemented. (¶ 553) Additionally, the proposed rule asks for comments on the selection process for state representatives (e.g., appointment by the governor or some other process).

The proposed rule provides a timeline for the establishment of regional state committees. Within thirty days after the effective date of the final rule, public utilities with interstate transmission facilities must begin discussions on the development of a regional state committee. (¶ 581) The public utility must cooperate with others in its region to have a regional state committee in place by July 31, 2003. (¶ 589)

**Attachment C**  
**FEDERAL ENERGY REGULATORY COMMISSION**  
WASHINGTON, DC 20426

**OFFICE OF THE CHAIRMAN**

July 12, 2002

Laura Chappelle  
Chair

Michigan Public Service Commission  
6545 Mercantile Way  
Lansing, Michigan 48911

Annette DuPont-Ewing  
Chair & Executive Director

Kentucky State Energy Policy  
Advisory Board  
211 Sower Boulevard, PO Box 615  
Frankfort, KY 40602

Dear Mesdames Chappelle and DuPont-Ewing:

Ethan Brown of the National Governors' Association sent me a copy of the NGA Task Force on Electricity Infrastructure's forthcoming report, entitled "Interstate Strategies for Transmission Planning and Expansion," which I read with considerable interest. I would like to offer a few comments in support of your efforts.

Your report, which is two years in the making, clearly reflects considerable hard work that thoughtfully and constructively balances many difficult issues. The report recognizes the fundamentally regional nature of electricity markets, and the need for adequate infrastructure, balanced market rules, and vigilant oversight to make markets work for customers.

Over the last nine months we have held regional infrastructure conferences around the nation. We share your conclusion about the urgent need for regional infrastructure planning. I believe that you are on target in assuming that Multi-State Entities (MSEs) should reflect the boundaries of regional energy markets through Regional Transmission Organizations (RTOs).

RTOs will facilitate transmission infrastructure through price signals, property rights, independent administration, and a planning process that proactively identifies infrastructure needs. The states will continue to address siting issues. The more siting issues can be considered concurrently with the rest of the regional planning process, the more successful the process will be.

State agencies play a key role in the development of healthy, sustainable wholesale markets for electric power. The Commission has held numerous discussions with state energy regulatory agencies, and those discussions will intensify as we move forward with RTO development. On March 15 of this year the Commission issued a "Working Paper on Standardized Transmission Service and Wholesale Electric Market Design," based on dialogue with state commissions and other stakeholders. We have also held information-gathering panels on seams issues and selection criteria for RTO choices

among utilities at the Commission, based in large measure on our discussions with state leaders.

As described in the above-referenced working paper, we envision that each RTO will have an advisory committee of state regulators, and we have strongly urged RTO organizers to reach out to the regulators in their regions for inclusion in the planning process. Transmission planning and expansion, as well as siting decisions, are areas in which MSEs can bring a valuable regional perspective. There may be a number of other regional market issues that the advisory committee could also address, such as resource adequacy, market monitoring, transmission rates, transmission cost allocation, demand response initiatives and implementation, distributed generation issues and related forms of load management, environmental and energy efficiency issues (such as regional coordination of state demand side management approaches), and RTO budget review. I expect the Commission to address some of these roles in our Standard Market Design rulemaking later this month. We look forward to working with states to discuss these roles.

I fully support the concept of a Multi-State Entity. This voluntary process fully retains state authority, and requires each state to consider neighboring states' needs so that regional solutions are developed. A regional process, which considers benefits for an entire market territory, is vastly superior to a process that pits the interests of individual states against each other. In the end, all customers will benefit from healthy competition.

If a voluntary structure does not produce sufficient results in a timely manner, I anticipate that other, perhaps more cumbersome, approaches would be considered, including time-consuming interstate compacts or joint boards. Providing greater authority to an MSE to select transmission routes, for example, would probably involve state legislative action and perhaps Congressional approval. Because of the time and financial constraints involved with legislative solutions, I encourage NGA in promoting a voluntary regional approach to meet our infrastructure needs in a timely manner.

Again, I congratulate you and your task force on a most thoughtful analysis of a critical issue for our nation's energy future.

Best regards,

Pat Wood, III  
Chairman

cc: Commissioner Nora M. Brownell  
Commissioner Linda Key Breathitt  
Commissioner William L. Massey  
Ethan Brown, National Governors Association

## Attachment D

### **NARUC Resolution Regarding Interstate Transmission Planning and Expansion *Sponsored by the Committee on Electricity. Adopted by the NARUC Board of Directors July 31, 2002.***

**WHEREAS**, There is potential in the U.S. Congress for legislation that includes federal pre-emption of state siting authority; and

**WHEREAS**, Regional electricity markets are developing throughout the U.S.; and

**WHEREAS**, There is a need to maintain State jurisdictional authority, improve the coordination of interstate transmission planning and siting, and integrate (with State processes) siting practices on federal lands; and

**WHEREAS**, The National Governors Association (NGA) Task Force on Electricity Infrastructure, which consists of Governors' appointees (including seven commissioners) from sixteen States, has developed in collaboration with the National Association of Regulatory and Utility Commissioners (NARUC), among other participants, a framework—Multi-State Entities (MSE)—for addressing interstate transmission planning and expansion; and

**WHEREAS**, The MSE is designed to accommodate regional differences and many specific MSE design and implementation issues are most appropriately addressed at the State and regional level; and

**WHEREAS**, There exist regional governors associations and regional utility commission conferences that may best facilitate the implementation of the MSE framework within their respective regions; now therefore be it

**RESOLVED**, That the Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC) convened at its July 2002 Summer Meeting in Portland, Oregon, endorses the NGA's "Task Force Principles on Interstate Transmission Planning and Expansion," to be further developed within each specific region; and be it further

**RESOLVED**, That NARUC encourages the NGA and Federal Energy Regulatory Commission to work with both regional governors associations and regional regulatory commissioner conferences to further develop and implement MSEs at the regional level; and be it further

**RESOLVED**, That NARUC charges the Committee on Electricity to develop a method of consolidating the MSE framework with the State advisory role in RTOs; and be it further

**RESOLVED**, NARUC recommends that the MSE be composed of no more than two representatives, appointed by the Governor, from each State, with each State having one

vote. NARUC further recommends one representative be a member of the State siting authority agency or the agency responsible for certificate of public convenience and necessity.

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<sup>[1]</sup> NGA is partnering with regional governors associations to carry out the project in the Northeast, Midwest, and Southeast. In the Mid-Atlantic, the partner organization will be determined at a future date. In the West, the WGA has proposed a similar project to DOE and will coordinate their project with NGA and NARUC for purposes of sharing information across regions.

<sup>[2]</sup> WGA's project will follow a similar schedule but will have different deliverables, reflecting work to date such as the Interstate Protocol for Permitting and Siting Interstate Transmission Lines.

<sup>[3]</sup> In this list, the Commission included regulatory actions that are primarily or exclusively within the jurisdiction of the states (items 1,2,5 and 7), primarily or exclusively within FERC's jurisdiction (items 3 and 8), and areas of shared responsibility (items 4 and 6). Spokespersons for the Commission have stated that it is not FERC's intention to alter this allocation of jurisdiction through the RSC proposal.