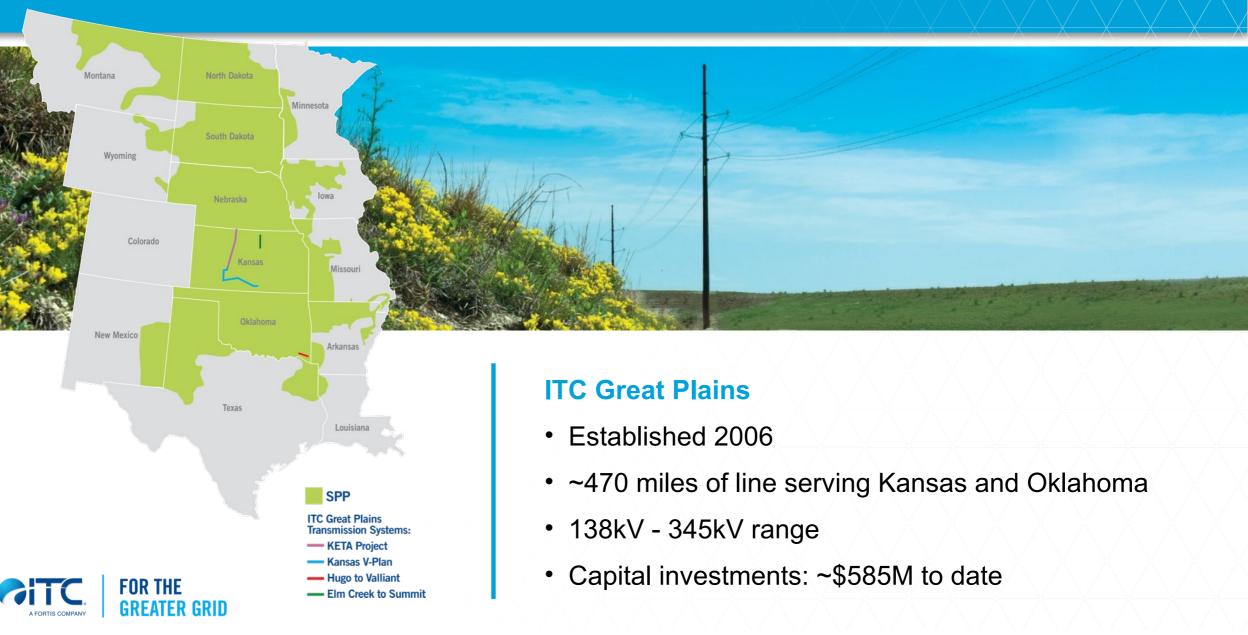
# ITC Great Plains Oklahoma ROFR Presentation Chris Winland Director, Strategic Planning





## **ITC Great Plains**



# **ITC Great Plains Projects**

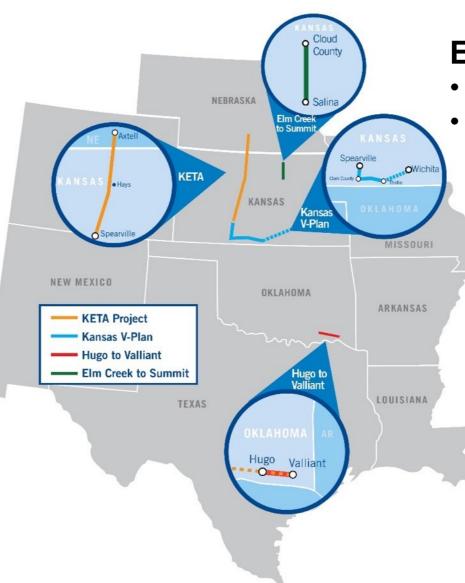
## **KETA Project**

- 174 circuit miles, 345 kV
- Completed 2012

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**GREATER GRID** 



## Elm Creek-Summit

- 30 circuit miles, 345 kV
  - Completed 2016

### Kansas V-Plan

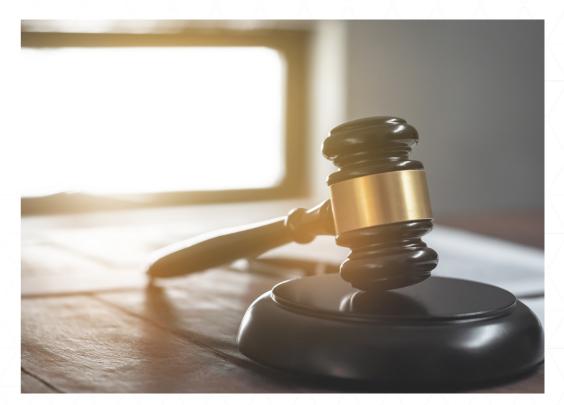
- 244 circuit miles, 345 kV
- Completed 2014

### **Hugo-Valliant**

- 18 circuit miles, 345 kV
- Completed 2012

# **Order 1000 Enacted by FERC**

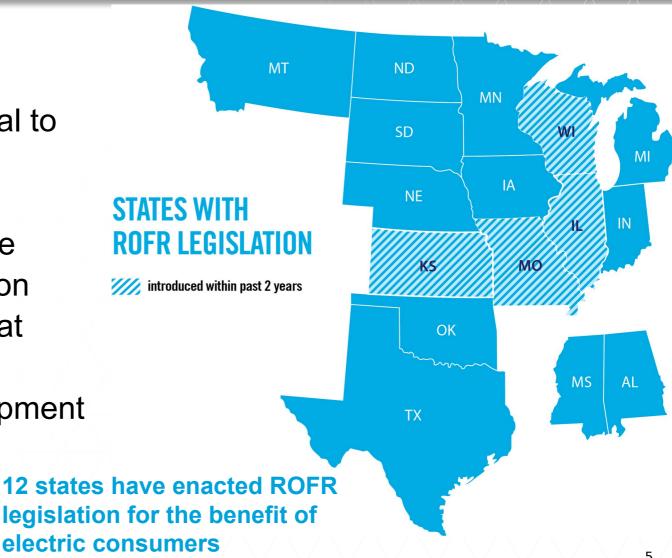
- Electric transmission is federally regulated by the Federal Energy Regulatory Commission (FERC).
- In 2011, FERC issued Order 1000 in response to the growing challenge of planning and constructing new transmission to keep pace with energy policy priorities.
- The order allows for regional transmission organizations – such as the Southwest Power Pool – to use competitive bidding to solicit and select transmission project developers.





# **Oklahoma Right-of-First-Refusal**

- Oklahoma Legislation passed in 2013.
- Allows incumbent electric transmission providers to have the right-of-first refusal to build electric transmission lines at 300 kV (300,000 volts) and below.
- The problem: the legislation needs to be modified to allow incumbent transmission utilities to have the right-of-first refusal at higher voltage levels, such as 345 kV.
- This change would facilitate the development of much-needed new transmission infrastructure.
  12 state



# What are the Problems with Order 1000?

- Although the concept of competition is embedded in the American free enterprise system, the reality is the Order 1000 hasn't worked and can't work in the transmission space as envisioned.
  - The results of a recent Concentric Energy Advisors study confirm Order 1000 solicitations have not resulted in consumer benefits.
  - In fact, the data shows that competitive bid transmission projects now in service – or in advanced stages of development – have resulted in delays and cost overruns.

The data is contrary to the promises made by competitive developers and demonstrates Order 1000 isn't working as envisioned.



# **Concentric Study Summary Examples**

## **2022 Concentric Study**

### **Case Study – Solicitation Timelines**

 Examples of transmission projects where Order 1000 bidding added time to transmission development, delaying benefits for electricity consumers.

#### **Case Study – Cost Summary**

• Examples of transmission projects awarded under Order 1000 that experienced significant cost overruns.



PROJECT NAME	ISO/ RTO	NEED IDENTIFIE D DATE		SOLICITATI ON AWARDED DATE		DAYS BETWEEN NEED IDENTIFIC ATION AND SELECTIO N
Empire State	NYISO	7/20/2015		10/17/2017		820
Artificial Island	PJM	Fall 2012		7/29/2015		950+
Suncrest	CAISO	3/25/2014		1/6/2015		287
Delaney to Colorado	CAISO	7/15/2014		7/10/2015		360
Duff Coleman	MISO	REGIO1	<sup>5</sup> w	NN NR 1	/2016	385
Harry Allen to Eldora OJECT	CAISO REGIO	7/18/201 COST	4 <b>G</b>		20 <b>≢∲NA</b>	L CO <sup>§</sup> † <sup>4</sup> OR JRRENT
NAME	N	ESTIMA TE (\$M)	-	TIMAT (\$M)	ESTII	MATE (\$M)
Empire State	NYISO	NA	181		249	
Artificial Island	PJM	NA		146	149.5	
Duff Coleman	MISO	58.9	49.8		54.2	
Delaney to Colorado	CAISO	325	300			389
Suncrest	CAISO	50-75		42.3	53	
Harry Allen to	CAISO	12		144	202.4	

7

# What's the Solution? ROFR Legislation

- SPP assigns planned projects to established transmission utilities that serve a given region.
- Each project is sited and constructed following ample input and discussion with landowners, communities, and other stakeholders.
- Materials and labor are competitively bid.
- Creates greater efficiencies and helps ensure on-time in-service.





# **Advantages of Full ROFR Legislation**

- Provides local control and benefits for landowners, communities and electric consumers.
- Incumbent transmission owners have demonstrated their ability to:
  - $\circ$  Effectively manage project costs
  - Protect landowner and community interests
  - Operate a reliable, safe and resilient transmission grid
  - Ensure cost-effective energy is available for electric consumers







