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FERC APPROVES PROPOSAL ON HOW TO PAY FOR NEEDED NEW MIDWEST TRANSMISSION
Wind on the Wires Pleased by Approval, Looks to Continue to Advance New Transmission in 2011

The Federal Energy Regulatory Commission (FERC) today approved a proposal by the Midwest Independent System Operator (Midwest ISO), the transmission grid operator for the Midwest, that will allocate 100% of the cost of new large regional transmission lines broadly across the region's consumers.

The cost proposal reflects the broad regional benefits of these new transmission lines, known as Multi-Value Projects (MVPs). MVPs will reinforce an aging Midwest grid that has not seen robust transmission expansion since the 1970s. Such an expansion will help create a more flexible grid to deliver renewable energy, seize energy efficiency opportunities, reduce electricity bills and help keep the lights on.

The FERC approval of the new MVP designation was welcomed by regional wind energy advocacy group Wind on the Wires. According to Executive Director **Beth Soholt**, "Transmission is a key piece to unlocking our clean energy future, and we are pleased that FERC approved the Midwest ISO cost allocation proposal for Multi-Value Projects, which will help us realize the jobs, economic growth and environmental benefits that wind can deliver for the Midwest. We look forward to working with the Midwest ISO to move MVP lines into the Midwest ISO Transmission Expansion Plan for 2011 (MTEP'11) to boost our Midwest grid and help ensure that wind projects can deliver their energy to market."

Along with approving the cost allocation for MVPs, FERC also approved a proposal that allocates 90% of the costs for new generator interconnection lines (the "on ramps" to the regional grid) directly to a new generator. While these generator interconnection lines are generally smaller, and probably less expensive than the larger MVP lines, it will be critical to understand in the transmission study process which lines are needed solely to interconnect a new generator or group of generators and which lines bring broader benefits and should be paid for by all users of the transmission system. To keep the generator interconnection lines cost effective, it will be important to have as many of the MVP lines approved in MTEP'11 as possible.

More information:

FERC Press release: <http://www.ferc.gov/media/news-releases/2010/2010-4/12-16-10-E-1.asp>

Statement of FERC Chairman Jon Wellinghoff: <http://www.ferc.gov/media/statements-speeches/wellinghoff/2010/12-16-10-wellinghoff-E-1.asp>

Statement of FERC Commissioner John Norris: <http://www.ferc.gov/media/statements-speeches/norris/2010/12-16-10-norris-E-1.asp>

Wind on the Wires is a non profit 501(c)3 organization comprised of wind developers, environmental organizations, tribal representatives, public interest groups, clean energy advocates, farm groups and businesses providing goods and services to the wind industry. Our mission is to overcome the barriers to bringing wind energy to market by addressing technical and regulatory issues, as well as through education and public outreach.