



**U.S. Department of Energy
National Electric Transmission Congestion Study
and Designation of National Corridors
Frequently Asked Questions
August 8, 2006**

1. Is DOE designating National Interest Electric Transmission Corridors at this time?

No. DOE is releasing the National Electric Transmission Congestion Study (congestion study) which identifies areas of the Nation experiencing transmission congestion as required by the Energy Policy Act of 2005. DOE may make the National Corridor designations later based on the results of the congestion study, the comments received and consultation with stakeholders.

2. What are the major results of the Congestion Study?

The congestion study examines transmission congestion and constraints and identifies constrained transmission paths in many areas of the nation. This analysis is based on examination of historical studies of transmission conditions, existing studies of transmission expansion needs, and unprecedented interconnection-wide modeling of both the Eastern and Western Interconnections. The congestion study has identified a number of transmission congestion areas across the Nation that warrant continuing Federal attention.

These transmission congestion areas have been grouped into three types: Critical Congestion Areas, Congestion Areas of Concern and Conditional Congestion Areas.

The first round of designations will give particular attention to the Critical Congestion Areas, where it is important to remedy existing or growing congestion problems because the current and projected effects of the congestion are severe. However, DOE also will consider designating National Corridors to relieve constraints or congestion in the Congestion Areas of Concern and the Conditional Congestion Areas.

There were two Critical Congestion Areas identified in the congestion study: Southern California and the Atlantic coastal area metropolitan New York City south to northern Virginia.

DOE identified four Congestion Areas of Concern:

- New England
- The Phoenix – Tucson area
- The Seattle – Portland area
- The San Francisco Bay area

Congestion Areas of Concern are areas where large-scale congestion problems exist or may be emerging, but more information and analysis appears to be needed to determine the magnitude of the problem and the likely relevance of transmission expansion and other solutions.

DOE identified five Conditional Congestion Areas:

- Montana-Wyoming (coal and wind)
- Dakotas-Minnesota (wind)
- Kansas-Oklahoma (wind)
- Illinois, Indiana and Upper Appalachia (coal)
- The Southeast (nuclear)

Conditional Congestion Areas are areas where transmission congestion is not acute at present, but such congestion would result if large amounts of new generation resources were to be developed without simultaneous development of associated transmission capacity. These areas are potential locations for large-scale development of wind, coal and nuclear generation capacity to serve distant load centers. These generation sources have been indicated above.

3. Are more data and information available beyond that released in the Congestion Study?

The Congestion Study offers general rather than detailed information on the constraints studied and the simulation model results to avoid offering unnecessary detail about vulnerable elements of the Nation's critical energy infrastructure. Anyone seeking more detailed information should contact the transmission planning department of the relevant transmission owner, grid operator, or Poonum Agrawal at poonum.agrawal@hq.doe.gov.

4. Will DOE accept comments on the Congestion Study?

DOE welcomes comments about the Congestion Study, and ways to improve future studies. (DOE is required to update the Congestion Study every three years.) DOE has opened a formal comment period ending October 10, 2006. Please refer to the Congestion Study and the Federal Register Notice for information on the comment process. These documents are available at www.oe.energy.gov.

5. What are the next steps with regard to this Congestion Study and subsequent Congestion Area Progress Reports?

DOE will review the comments received concerning this Congestion Study and will consider any comments received on improvements to subsequent analyses. Next steps will be determined after such review is completed. DOE will also work with reliability councils, transmission operators, and others to improve the quality and availability of data.

6. What are the next steps with regard to Congestion Areas?

There are two major next steps with regard to the Congestion Areas. First, DOE expects regional planning organizations to play an active role in developing intra and inter-regional solutions to congestion and will support these efforts to the extent possible. Second, DOE will monitor congestion trends and impacts and will report annually on progress made in finding and implementing solutions. The first Congestion Area Progress Report will be issued on August 8, 2007, the second anniversary of the enactment of the Energy Policy Act.

7. What are the next steps regarding Congestion Areas of Concern and the Conditional Constraint Areas?

In the four Congestion Areas of Concern (New England, the Seattle – Portland area, the San Francisco Bay area, and the Phoenix – Tucson area), more information and analysis appears to be needed to understand the magnitude of the congestion and the merits of possible solutions. DOE hopes that appropriate regional entities will conduct and report on additional analyses in the next few months. The first Congestion Area Progress Report will determine whether these areas should continue to be the focus of Federal monitoring and attention.

Similarly, DOE will monitor congestion trends, corporate commitments, state or multi-state announcements, and other events related to resource development in the Conditional Congestion Areas, and discuss their implications in the Congestion Area Progress Report.

8. What are the next steps with regard to designation of National Corridors?

In the congestion study and the concurrent Federal Register Notice, the Department calls for comments concerning the possible designation of National Corridors. DOE gives notice that it is considering designation of National Corridors with respect to facilitating relief of transmission congestion in the congestion areas and it requests comments from stakeholders on a number of questions regarding the appropriateness of one or more National Corridors, how the boundaries for a corridor should be determined, the exact boundaries and the analysis of transmission and non-transmission solutions.

9. When will DOE designate the first of its National Corridors?

That depends in part upon the amount and quality of information DOE receives in response to the request for comments. DOE will designate a National Corridor

when the information needed to shape a Corridor appropriately in relation to a known congestion problem is available. DOE recognizes that designation of National Corridors is intended to facilitate construction of new transmission capacity where it is needed, so DOE is not looking for ways to prolong the process.

10. How big will the National Corridors be that DOE designates?

The size of each National Corridor will likely vary from case to case. In setting boundaries for a National Corridor, DOE will seek input from the relevant entities and strive for an appropriate balance between the goal of delineating the National Corridor narrowly, so as to minimize the scope of the affected area, and the goals of delineating the National Corridor so as to be relevant to a range of potential solutions to the area's transmission needs, and facilitating timely construction of whatever solutions are ultimately approved by relevant authorities.

11. Will the National Corridors cross state and regional boundaries?

Given the interconnected nature of the electricity grid some National Corridors may cross state and regional boundaries.

12. How will DOE decide when it has the data and information needed to designate a National Corridor?

DOE anticipates reviewing responses from stakeholders addressing possible solutions to the congestion problems in these areas, whether a National Corridor would be relevant, and how a relevant National Corridor should be bounded. Given the differences among regions it is difficult to predict in advance the level of data and information that will be necessary.

DOE anticipates that regional congestion solutions will be based on a thorough review of generation, transmission, distribution and demand-side options, and that such options will be evaluated against a range of scenarios concerning load growth, energy prices, and resource development patterns to ensure the robustness of the proposed solutions. Such analysis should be thorough, use sound analytical methods and publicly accessible data, and be made available to industry members, other stakeholders, and regulators.

In addition to addressing the topics cited above, parties recommending the designation of certain areas as corridors should show how solutions pertaining to the proposed National Corridors would improve reliability, reduce the cost of supplying electricity to consumers, diversify generation sources and/or fuels, and advance national energy policy and national security.

13. Will DOE consult with States and other stakeholders before making designations?

DOE will consult with States and other stakeholders first by requesting comments on the congestion study and the appropriateness of National Corridors in relation to the identified congestion areas. It will determine later whether to seek additional consultation.

14. Will DOE wait for States and regions to act to improve their portion of the transmission networks before making National Corridor designations?

No. DOE wants to work cooperatively with States and regional organizations, but it would not necessarily be productive to wait until others have essentially solved the problems before DOE designates National Corridors.

15. What is the status of the early designation requests?

DOE has received 11 requests for early designation. In June these requestors were informed that no action would be taken on the requests until after the congestion study was released. At this point the early requestors should review the congestion study and determine if they would like to resubmit their request and supply additional information if appropriate.

16. How do I provide input into the National Electric Transmission Congestion Study and National Corridor designations?

DOE welcomes input. Comments on the congestion study, analytic tools and methods used, etc. should be sent to congestionstudy.comments@hq.doe.gov. Comments on potential National Corridors should be sent to EPACT1221@hq.doe.gov. Specific questions that DOE would like commenters to address are included in Chapter 6 of the congestion study, and the study itself is available on our website at www.oe.doe.gov.

17. Where do I get more information?

Please visit the DOE Office of Electric Delivery and Energy Reliability website at www.oe.doe.gov for information, documents, and to sign up for the service list to be automatically informed of updates.

18. Who do I contact if I have questions?

Please contact Poonum Agrawal in the DOE Office of Electric Delivery and Energy Reliability at poonum.agrawal@hq.doe.gov or 202-586-1411.