

## **Announcement**

## Interregional Transfer Capability Study Filed with FERC

November 19, 2024

**WASHINGTON, D.C.** – After 18 months of extensive outreach and collaboration, NERC filed the complete <u>Interregional Transfer Capability Study</u> (ITCS) with the Federal Energy Regulatory Commission (FERC) today, in advance of the December 2 deadline. The study provides a calculation of current transfer capabilities, an energy margin analysis for 23 Transmission Planning Regions (TPR), and recommendations for increases to transfer capability between regions that would strengthen energy adequacy during extreme weather events. It also recommends approaches to meet and maintain transfer capability that would be prudent for reliability. The filing will be followed by a FERC public comment period. A <u>Report Summary</u> of the ITCS scope and findings can be found on NERC's <u>ITCS web page</u>.

The study, previewed in the <a href="ITCS video">ITCS video</a>, provides foundational insights for enhancing transfer capability and strengthening reliability. While transmission upgrades alone will not fully address all risks, a diverse and flexible approach will allow TPRs to develop tailored solutions specific to their risk tolerance, economics, and policies. The study encourages that a broader set of solutions should be considered in addition to transfer capability, emphasizes the consideration of local resources, energy efficiency, demand-side management, and storage solutions. It also discusses the risks associated with the broad expansion of the transmission system and a need for more granular studies as specific projects are identified. NERC was directed to conduct the ITCS by Congress in its <a href="Fiscal Responsibility Act of 2023">Fiscal Responsibility Act of 2023</a>.

To ensure comprehensive industry participation, an ITCS Advisory Group was formed, which included regulators, industry trade groups, and transmitting utilities from across North America. Throughout the process, NERC and the six Regional Entities undertook a comprehensive outreach program to keep stakeholders informed and provide opportunities for input.

The filing is a consolidation of three previous draft documents released during the course of the study – the <u>ITCS Overview of Study Need and Approach</u>, the <u>ITCS Part 1 – Transfer Capability Analysis</u>, and <u>Prudent Additions Recommendations (Part 2) and Meet and Maintain Recommendations (Part 3).</u> More information about the ITCS can be found on NERC's <u>ITCS web page</u>.

Due to the interconnected nature of the bulk power system, NERC is extending the study beyond the congressional mandate to identify and make recommendations for transfer capabilities from the United States to Canada and among the Canadian provinces. The Canadian analysis is expected to be published in the first guarter of 2025.

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