

Executive Summary

Electric companies continue to make investments in building smarter energy infrastructure to provide customers with affordable, reliable, safe and secure electric service. As the nation's mix of generation resources continues to evolve and customers demand increased choice over the sources and delivery of their energy, transmission remains a vital conduit to enable the flexibility to meet these demands. This tenth annual publication of EEI's *Transmission Projects: At A Glance* report showcases a cross-section of major transmission projects that EEI members completed in 2015 or have planned for the next four years and highlights EEI members' continuing focus to make needed transmission investments. This report highlights projects driven by enhancements to reliability, replacement of aging infrastructure, grid resiliency and modernization, economic and market efficiency, as well as meeting public policy requirements, all of which represent a mere sampling of the wide array of projects currently planned or under construction by EEI members.

The Value of Transmission

Transmission investments provide an array of benefits that include: providing reliable electricity service to customers, relieving congestion, facilitating robust wholesale market competition, enabling a diverse and changing energy portfolio and mitigating damage and limiting customer outages during adverse conditions. New transmission investments also deploy advanced monitoring systems and other new technologies designed to ensure a more flexible and resilient grid. At the same time, all transmission projects support local systems in order to maintain the paramount objective of providing reliable electricity service to customers. A robust transmission system is needed to provide the flexibility that will enable the modern electric system to operate. Although much transmission has been built to enhance reliability and meet customer needs, continued investment and development will be needed to provide that flexibility.

EEI members remain dedicated to building needed and beneficial transmission to reinforce a smarter, more resilient and flexible energy infrastructure. In 2015, total transmission investment reached \$20.1 billion (nominal \$) representing a 3.1% increase in investment compared with 2014 investment levels. This report highlights over 150 projects totaling approximately \$41 billion in transmission investments through 2019.¹ These figures represent only those projects EEI members wish to highlight. Due to large project completions, changing projections of system needs and member decisions regarding which projects to report, these figures may not be wholly-comparable to figures in prior reports and are not indicative of overall transmission investment trends.² Consistent with federal and state policies, transmission projects are planned through the use of open and transparent processes that include analysis and consideration on a comparable basis of proposed transmission solutions and alternate, non-transmission solutions. Justification for new-build or upgrades of existing facilities has to be provided before the appropriate regulatory and stakeholder groups. This ongoing evaluation and reevaluation of projects ensures that efficient and cost-effective transmission solutions, which are sited to minimize impacts on lands and customers, are ultimately constructed.

¹ This investment is only a portion of the total transmission investment anticipated through 2019 by EEI members.

² For complete investment figures, please see the "Historical and Projected Transmission Investment" chart on page v of this report.

Policies Supporting Transmission Development

Since the publication of the first *Transmission Projects: At A Glance* in 2007, the risks associated with transmission development have not diminished. Thus effective policies for planning, siting, cost allocation and cost recovery are important to achieve the levels of transmission investments needed for reliable and cost-effective service to electricity customers. Transmission planning is even more complex than it has been in the past when utilities planned for reliability based on load growth, local generation and load interconnections. Now transmission planners must not only plan for reliability, but also to relieve market congestion, accommodate ever changing public policy needs and mitigate the uncertainty inherent in those needs. Continued investment in transmission infrastructure will be required to maintain reliability, enhance grid security, support shifts in the nation's generation portfolio, offer greater flexibility in transmission operations with the increase in distributed energy resources, and meet public policy requirements. Recognizing that the numerous benefits of a robust transmission system and the inherent risks and challenges of developing transmission are unlike any other utility plant, EEI members have a long history of working with policymakers and regulators to support effective policies, such as appropriate returns on equity, to address the substantial risks of developing, constructing, operating and maintaining transmission infrastructure, as well as the challenges of raising needed capital to fund transmission development.