

State Legislator Hearing Guide for FERC Order 1920

Overview

Transmission planning is a critical piece of ensuring a reliable, affordable, and resilient electricity system. States and state legislators have a key role in the processes set up by the US Federal Energy Regulatory Commission recently in [Order 1920](#): “Building for the Future Through Electric Regional Transmission Planning and Cost Allocation.”

What is Order 1920?

In May 2024, the [Federal Energy Regulatory Commission](#) (FERC) released Order 1920 to guide how regions plan the grid for the future.

Why Should I Care About Order 1920?

Right now, transmission buildout in the United States is like if the highway system was developed by each municipality deciding what roads to build based on individual needs. It is inefficient and expensive. Because transmission is not built out with the foresight of where new industry will be, what new energy is coming onto and off of the grid, and with extreme weather conditions in mind, it does not fit the needs of a modern, vibrant, sustainable, and resilient economy.

Order 1920 creates a new approach for planners to plan longer term for the energy needs of their region and expand capacity accordingly. It requires utilities to plan at least 20 years into the future, weigh at least seven categories of benefits when considering approval of transmission applications, consider [grid-enhancing technologies](#) (GETs), and center states in determining cost allocation. You can learn more about the intricacies of the order [here](#).

What is My Role as a State Legislator?

One way state legislators can play a role in the effective implementation of Order 1920 is to hold a hearing on how utilities, regional transmission planners, and state officials plan to participate in and support regional planning and put the order into action. These hearings can take place in any relevant committee, including Utilities, Commerce, Finance, Economic Development, Energy, Environment, and more.

What Questions Should I Ask?

- What is your plan to implement Order 1920?
- What is the timeline for coming up with a draft plan to implement Order 1920?
- What are the economic development considerations of implementing Order 1920?
- How do you plan to integrate the seven economic and reliability benefits into the cost allocation of lines?
- How will state policy factor into regional implementation of Order 1920?
- How do you plan on incorporating the many stakeholder interests in this hearing today into implementation of the order?

- How do you plan on considering and incentivizing [alternative transmission technologies](#) in transmission planning?
- How will you incorporate local siting and environmental justice considerations into regional plans?

Who Should Be in the Room?

Transmission planning affects so many actors in a state. The most productive conversations around Order 1920 implementation will include as many perspectives as possible. Here are a few ideas to start:

- Grid Operators
 - [Who is My Grid Operator?](#)
- Transmission Planning Entities
 - [Who Are My Transmission Planning Entities?](#)
- Utilities
- Public Utility/Service Commissions
- Governor's Offices
- State Energy/Environmental/Parks Agencies
- State Financial Agencies
 - Chambers of Commerce
 - State/Local Green Banks
 - Finance Authorities
 - Department of Labor
- Business Representatives
- Environmental Advocates
- Consumer Advocates
- Labor Unions
- Community Representatives