

Statement of Mark C. Christie
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William & Mary Law School
House Committee on Energy and Commerce
Subcommittee on Energy
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Chairman Guthrie, Subcommittee Chairman Latta, Ranking Member Pallone, Subcommittee Ranking Member Castor.

Thank you for the honor of appearing before you again. I appeared before you several times as a member of the Federal Energy Regulatory Commission (FERC) over the past five years.

I speak today from the perspective of a former FERC Chairman and Commissioner and as a former state utility commissioner in Virginia. As a state regulator for 17 years, I voted to approve scores of transmission projects, regional and local, including one of the largest regional projects ever built in PJM, which extends through three states, was very controversial and heavily litigated, but which got built and provides a lesson in getting controversial big projects built.

My extensive experience informs the views I offer to you today.

Expanding FERC's authority to override state decisions on whether to build transmission lines within their borders – so-called “backstop siting authority” -- or proposals to mandate a minimum amount of transmission between regions, will not serve consumers, nor, ironically, are they likely to get needed projects built. Even worse, such proposals will further inflate consumers' monthly power bills, which we know are already a growing burden for people in most parts of the country.

It is important to understand that the entire utility system has one primary purpose: to provide end-use (retail) customers – consumers – with reliable power at the least cost under applicable law. “Least cost” means “reasonable and prudent,” a standard embedded in utility law for decades.

And while transmission is a major component of the utility system, it is not the only component and should not be considered separately. The utility system includes three major components:

Generation
Transmission
Distribution

All three components need to be planned and built together, when and where need is proven. That is the essence of integrated resource planning (producing “IRPs”) that many states require and have done so, quite effectively, for decades.

Since it is states that both regulate the IRP process and permit utility assets, as a state regulator, you learn from experience that:

Sometimes a new *generation* asset is the most cost-effective solution to a reliability challenge, which could include generation plus battery storage.

Sometimes a new *transmission* line is the most cost-effective solution.

Sometimes *upgrades to the distribution* grid are the most cost-effective solution.

The key lesson is this: Each case considering whether to build a new utility asset is dependent on a unique evidentiary record, in other words, *on the facts*. And it is state regulators who are – by far – the best suited to make those decisions in each case.

FERC has very talented and dedicated employees, but it does *not* have the expertise in unique local conditions, nor the bandwidth, to be evaluating and approving hundreds of transmission projects across the federal union of 50 states that comprises the United States of America. Only state regulators have the local knowledge to regulate integrated planning of all utility assets pursuant to an IRP and to conduct comprehensive, evidence-based and transparent permitting proceedings for individual utility assets in their states.

So giving FERC sweeping backstop siting authority, which in practice means nullifying state decisions, is not only inappropriate, but it would ultimately be ineffective at getting big needed transmission lines built. As one who has sat through public hearings in high school gyms where hundreds of people came out in opposition to 500 Kv lines – and who still voted to approve the lines because the facts showed they were needed for reliability – I will state that federal backstop authority will only remain on the books until it is actually used. Because the first time a state commission rejects a controversial line -- after conducting a fully litigated proceeding with public hearings -- and then FERC swoops in and orders the line built anyway, the political blowback will be so fierce that Congress will regret ever having given FERC that authority.

And as for an *ex ante* federal mandate to build a minimum amount of what is called “interregional transmission” instead of evaluating each individual proposed project on its own facts, that will not serve consumers either. It will serve certain types of generation developers, it will serve transmission developers, it will serve ideological agendas,¹ but it will *not* serve consumers.

Instead, it will just end up costing consumers trillions of dollars at a time power bills are already rising relentlessly and represent an ever-growing part of American families’ cost of living.

¹ See, e.g., “US won’t reach net zero emissions without transmission buildout: DNV,” by Diana DiGangi, *Utility Dive*, Sept. 25, 2023 (“\$12 trillion will be spent on clean energy in North America by 2050 . . . to meet . . . net zero emissions targets Some of the biggest barriers to net zero in the U.S. include the *lack of transmission buildout*”) (emphases added), available at: <https://www.utilitydive.com/news/net-zero-transition-clean-energy-north-america-transmission-buildout/694621/>.

There is no way an interregional mandate to build certain amounts of transmission can be squared with any serious “affordability” agenda. It cannot be.

NERC did a study mandated in 2023 by Congress² on interregional transmission. As Chairman of FERC, I reported to this committee on August 5, 2025 the key conclusion of that report: that while individual interregional lines are needed in individual cases, those should be the result of specific fact-findings and coordination between regional transmission planners, not *ex ante* mandates.³

A legislative transmission mandate, such as a minimum percentage of the load in two adjoining regions, will not serve consumers nor any credible “affordability” agenda.

I have heard the argument that ‘mandating interregional transmission will save consumers money by providing them access to cheaper power.’ That argument is not based on facts in the real world. A transmission line of 200 miles, for example, will come with enormous costs, in the billions of dollars, most or all of which will ultimately be billed to consumers. Even if that line connected consumers with a generator 200 miles away that had lower *marginal* costs than other generators, the actual cost to consumers is the cost of *delivered* power and that must include the huge cost of the 200-mile transmission line.

Further, our FERC-regulated energy markets use what is called “single-clearing price” mechanisms. Briefly, that means that the cost of energy set by regional energy markets is not the cost of the lowest bids into the auction, but by the *highest* bid to clear. All bids below the highest bid to clear get that highest price. So the lowest-bid generator may literally have bid zero to guarantee clearing in the auction, but that lowest bidder will be paid, along with all others below the highest bid to clear, the *highest*-priced bid.

So claims *a priori* that spending trillions of consumers’ dollars on long-distance, interregional transmission will always save consumers money is a claim that is not based in the real world of utility regulation. On the contrary, consumers will likely pay much more for power than necessary.

To conclude, we need to build transmission that serves *consumers*, not developers of certain types of generation, not transmission developers, not ideological agendas. *Putting consumers first* should be the guiding principle of transmission planning and construction; indeed, for all utility planning and construction.

The states are best suited to put consumers first, not FERC, nor any other federal agency.

Thank you.

² Section 322 of the Fiscal Responsibility Act of 2023, Pub. L. No. 118-5, § 322 (2023)

³ See Letter from FERC Chairman Mark C. Christie to House Energy and Commerce Committee Chairman Brett Guthrie, August 5, 2025, re NERC’s Interregional Transmission Transfer Capability Study. (“The study does not provide support for a mandated minimum amount of interregional transmission, but rather finds that individual projects should be evaluated based on their specific facts for their beneficial contribution to reliability and prudence in financial terms.”). Filed in FERC Docket No. AD25-4-000.