



## **Federal Energy Regulatory Commission Order Provides Grid Assurance™ Clarity on Proposed Critical Transmission Equipment Service Company**

COLUMBUS, Ohio, August 7, 2015—The Federal Energy Regulatory Commission (FERC) issued an order in response to Grid Assurance’s June 9 request for clarification on key issues. The order affirmed that a transmission owner may subscribe to Grid Assurance as part of a utility’s reliability compliance plan (CIP-014-1) and that authorization under the Federal Power Act is not required for Grid Assurance to transfer equipment to a transmission owner following a triggering event.

Grid Assurance offered the following statement:

We are pleased with the Order issued by FERC. This filing, while it represents one of many steps in the process, is an important milestone in the project’s development. It provides regulatory clarification on Grid Assurance’s initiative to help provide improved responses to major events affecting the electric transmission grid by giving transmission-owning entities access to domestically warehoused long lead-time critical equipment.

Importantly, the petition sought confirmation that the proposal to provide subscribers with timely access to an inventory of emergency spare transmission equipment can be part of a transmission-owning entity’s strategy to effectively address grid resiliency mandates. Since the filing, a number of developments have confirmed the need for and interest in an industry-driven solution to address the availability of spares for long lead-time equipment.

We look forward to working on subsequent filings with FERC and other regulatory agencies and ultimately providing a cost-effective solution to the reliability challenges presented by high-impact, low-frequency events. We also look forward to continuing the dialog with potential subscribers about how Grid Assurance proposes to be more cost-effective than companies independently securing emergency spare equipment due to economies of scale, diversification and improved logistics.

The full text of the FERC order is [available online](#).

### **About Grid Assurance:**

Affiliates of American Electric Power (NYSE:AEP), Berkshire Hathaway Energy, Duke Energy (NYSE:DUK), Edison International (NYSE:EIX), Eversource Energy (NYSE:ES), Exelon (NYSE:EXC), Great Plains Energy (NYSE:GXP), and Southern Company (NYSE:SO) have signed a memorandum of understanding to pursue development of Grid Assurance™, a limited liability company that expects to offer subscribers cost-effective solutions for enhancing grid resiliency and protecting customers from prolonged transmission outages. Contingent on regulatory approvals, Grid Assurance is expected to begin accepting subscribers and identifying inventory in 2016.

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