



Press Release

FERC Dims the Lights on Competition

PAULINA ENCK | AUGUST 30, 2022

In a Notice of Proposed Rulemaking, the Federal Energy Regulatory Commission (FERC) is seeking to restore the federal right of first refusal (ROFR) on regional transmission projects, a system FERC Order 1000 tried to eliminate in 2011. This would reduce competition among electric utility providers and raise costs for consumers. In a new insight, Competition Economics Analyst Fred Ashton explores the costs of reinstating a federal ROFR and how FERC might reform Order 1000 to boost competition among electric transmission projects.

Key points:

- Order 1000 did not appreciably increase competition as intended, as the order's many loopholes were exploited to insulate incumbent firms from competition and undercut its intent.
- Rather than reverse course, however, FERC should address the flaws in Order 1000 that undermined its ability to increase competition.
- The Brattle Group calculated that expanding competitive processes in electricity transmission could lead to an estimated cost savings of up to 40 percent and save customers \$8 billion over five years.

[*Read the analysis*](#)