

FERC policy to accelerate development of smart grid

The US Federal Energy Regulatory Commission has taken a major step in accelerating the development of a smart electric transmission system that aims to improve the efficiency and operation of the grid. The Smart Grid Policy Statement sets priorities for work on development of standards crucial to a reliable and smart grid. FERC says that smart grid advancements will apply digital technologies to the grid, enabling two-way communications and real-time coordination of information from both generating plants and demand-side resources. This will improve the efficiency of the bulk power system with the goal of achieving long-term savings for consumers. It will also promote wider use of demand response and other activities that give consumers the tools they need to control electricity costs. The final policy sets priorities to guide industry in the development of smart grid standards for achieving interoperability and functionality of smart grid systems and devices. It also sets out FERC policy for the recovery of costs by utilities that act early to adopt smart grid technologies. "Changes in how we produce, deliver and consume electricity will require 'smarter' bulk power systems with secure, reliable communications capabilities to deliver long-term savings for consumers," FERC Chair Jon Wellinghoff says. "Our new smart grid policy looks at the big picture by establishing priorities for development of smart grid standards, while giving utilities that take the crucial early steps to invest in smart grid technologies needed assurance about cost recovery."

Source: esaa news Issue 29 (27 July, 2009)