Citizens' Climate Lobby

The BIG WIRES Act

(S.2827/H.R.5551)

The Problem: Interregional electric transmission is foundational to a growing economy based on affordable, reliable energy. But today, our transmission grid has stagnated. Since 2014, North America has built just 7 gigawatts of large-scale interregional transmission compared to 44 gigawatts in Europe and 260 gigawatts in China during the same time period. America's transmission shortfall is contributing to grid outages across the country and inflating energy prices for American families and businesses. Moreover, existing market and regulatory structures often fail to provide developers the right incentives and have not addressed the problem.

The Solution: The Building Integrated Grids With Inter-Regional Energy Supply (BIG WIRES) Act addresses the problem by requiring regions to be able to transfer 30% of their peak demand between regions (less for the regions starting with the lowest transfer capabilities). The bill is technology neutral with respect to achieving this objective, allowing regions to use the full suite of tools, including:

- New transmission lines and upgrades to existing facilities
- Grid-enhancing technologies like advanced power flow controls or dynamic line ratings
- Energy efficiency to reduce peak demand
- New generation or storage that frees up capability to move power

The regions themselves are responsible for deciding who builds and pays for new transmission lines. The bill does not apply to the Texas Interconnect except at the discretion of its grid operator.

Benefits:

- **Improved Reliability:** Instituting a new minimum-transfer requirement would increase reliability by allowing for greater power flows between regions. This adds a layer of defense against extreme events. According to a new study BIG WIRES would achieve **a 58% reduction in power outages**, (2024 MIT study, Botterud et al).
- **Reduced Costs:** The expanded transfer capabilities would dramatically lower energy prices for Americans. Department of Energy National Lab research finds that hundreds of millions of dollars per transmission line per year in savings would become available across the country. A separate 2021 National Lab study found large regional lines paying for themselves multiple times over, in line with real-world experience in the Midwest. A MIT study found the Bill would save ratepayers **$330 million to $2.46 billion annually**.
- **Tech-Neutrality**: All types of generation need transmission to connect to the grid. And relieving grid congestion provides significant benefits. Congestion can force coal and nuclear plants to sell electricity at a loss (even negative prices) because they cannot ramp down quickly enough.

The BIG WIRES Act legislation presents a win-win scenario: energy-rich communities benefit and American families and businesses see fewer grid outages while energy bills go down. Everyone benefits from a more affordable cleaner, reliable, resilient grid.

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