

D.C. Circuit Sides with New York Consumers, Rejects Transmission Owner Funding Bid

June 3, 2025 | Scott H. Strauss, Peter J. Hopkins, Lauren L. Springett

Spiegel & McDiarmid LLP attorneys achieved a significant victory for New York consumers in a May 27, 2025, decision by the D.C. Circuit Court of Appeals. The court reviewed the Federal Energy Regulatory Commission's (FERC) rejection of a request by New York transmission owners for approval of a tariff change that would afford them the option to finance the upgrades required when new generation resources connect to the grid. If approved, the proposal would have allowed the transmission owners to earn a return on their investments to construct those upgrades, resulting in higher rates to customers. The transmission owners asserted that hundreds of millions of dollars in future transmission upgrades were potentially at issue.

The court rejected the transmission owners' challenge. The three-judge panel affirmed unanimously FERC's findings that the transmission owners (1) lacked the right under the tariff to seek this rule change unilaterally; and (2) failed to show that the tariff limitations on the transmission owners' filing rights were unjust and unreasonable.

Spiegel attorneys Scott Strauss, Peter Hopkins, and Lauren Springett represented the New York State Public Service Commission, an intervenor in support of FERC, with Scott arguing the case before the D.C. Circuit.

A copy of the decision is linked [here](#).

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