



September 14, 2017

The Honorable Greg Walden  
Chairman  
House Energy and Commerce Committee  
Washington, DC 20515

The Honorable Frank Pallone  
Ranking Member  
House Energy and Commerce Committee  
Washington, DC 20515

The Honorable Fred Upton  
Chairman  
House Energy Subcommittee  
House Energy and Commerce Committee  
Washington, DC 20515

The Honorable Bobby Rush  
Ranking Member  
House Energy Subcommittee  
House Energy and Commerce Committee  
Washington, DC 20515

Dear Chairman Walden, Ranking Member Pallone, Subcommittee Chairman Upton, and Subcommittee Ranking Member Rush:

The undersigned energy trade associations thank the Committee for holding an important hearing, Powering America: Defining Reliability in a Transforming Electricity Industry. In advance of this hearing, we would like to share our consensus with the Committee.

The Department of Energy (DOE) recently released a Staff Report to the Secretary on Electricity Markets and Reliability. We commend DOE for its examination of key factors that can enhance the reliability and resiliency of the energy grid, our nation's most critical infrastructure. This study underscores that diversity of resources and technologies—and, thereby, a diversity of services—is needed to provide reliable and affordable electricity for customers.

Competitive electricity market rules should promote a diverse portfolio, which includes traditional, renewable, and emerging energy sources, through fuel neutral policies that recognize the role that all generation resources can play in maintaining reliability, resiliency, and resource

adequacy. The markets also should accommodate different business models' (electric cooperatives, public power utilities, and investor-owned electric companies) planning and procurement decisions.

The DOE report encourages the Federal Energy Regulatory Commission (FERC) to address wholesale electric price formation in the centrally operated electricity markets and the valuation of essential reliability services. Price formation can be an important tool for improving the efficiency of the markets, but also must provide benefits and protections for consumers. The undersigned energy trade associations look forward to working together with FERC, the regional transmission operators, and the independent system operators that run these wholesale electric markets, and with all stakeholders, on these important issues and other market concerns.

The undersigned trade associations agree with the report's recommendation that DOE and related federal agencies accelerate the process and reduce the costs for licensing, relicensing, certificating, and permitting all types of generation and related infrastructure needed to ensure electric reliability.

Sincerely,

Thomas R. Kuhn, President  
Edison Electric Institute

Jack Gerard, President and CEO  
American Petroleum Institute

Sue Kelly, President and CEO  
American Public Power Association

Maria Korsnick, President and CEO  
Nuclear Energy Institute

Jim Matheson, CEO  
National Rural Electric Cooperative  
Association

Hal Quinn, President and CEO  
National Mining Association

Karen A. Harbert, President and CEO  
Global Energy Institute  
U.S. Chamber of Commerce

Paul Bailey, President & CEO  
American Coalition for Clean Coal Electricity

Linda Church Ciocci, Executive Director  
National Hydropower Association

Dena Wiggins, President and CEO  
Natural Gas Supply Association

John E. Shelk, President and CEO  
Electric Power Supply Association

Tom Kiernan, CEO  
American Wind Energy Association

Donald F. Santa, Jr., President and CEO  
Interstate Natural Gas Association of America

Dave McCurdy, President and CEO  
American Gas Association