

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Revisions to Regulations on Electric Reliability)	Docket No. RM21-12-000
Organization Performance Assessments)	
)	

COMMENTS OF THE TRADE ASSOCIATIONS

The American Public Power Association (“APPA”), Edison Electric Institute (“EEI”), Electric Power Supply Association (“EPSA”), the Large Public Power Council (“LPPC”), National Rural Electric Cooperative Association (“NRECA”) and Transmission Access Policy Study Group (“TAPS”) (collectively, “Trade Associations”) submit the following comments in response to the Notice of Proposed Rulemaking (“NOPR”) issued by the Federal Energy Regulatory Commission (“Commission”) on January 19, 2021, in the above-captioned docket.¹

I. INTERESTS OF THE TRADE ASSOCIATIONS

APPA is the national service organization representing the interests of the nation’s 2,000 not-for-profit, community-owned electric utilities. Public power utilities account for 15 percent of all sales of electric energy (kilowatt-hours) to ultimate customers and collectively serve over 49 million people in every state except Hawaii. Currently, 241 public power utilities are registered entities subject to compliance with North American Electric Reliability Corporation (“NERC”) mandatory reliability standards.

EEI is the association that represents all U.S. investor-owned electric companies. Our members provide electricity for about 220 million Americans and operate in all 50 states and the

¹ *Revisions to Regulations on Electric Reliability Organization Performance Assessments*, 174 FERC ¶ 61,031 (2021) .

District of Columbia. The electric power industry supports more than 7 million jobs in communities across the United States. EEI's members are committed to providing affordable and reliable electricity to customers now and in the future. EEI's members include Generator Owners and Operators, Transmission Owners and Operators and other entities that are subject to the mandatory Reliability Standards developed by NERC and enforced by NERC, the Regional Entities, and the Commission. As users, owners, and operators of the Bulk-Power System, EEI members have an interest in the Electric Reliability Organization's ("ERO") operations, activities, oversight and procedures. Accordingly, EEI members are directly affected by the outcome of the NOPR.

EPSA is the national trade association representing competitive power suppliers in the U.S. EPSA members provide reliable and competitively priced electricity from environmentally responsible facilities using a diverse mix of fuels and technologies. EPSA seeks to bring the benefits of competition to all power customers. This pleading represents the position of EPSA as an organization, but not necessarily the views of any particular member with respect to any issue.

LPPC represents 27 of the largest state and municipally-owned utilities in the nation. LPPC's members are located throughout the nation, both within and outside the boundaries of regional transmission organizations ("RTOs") and independent system operators ("ISOs"). The members comprise the larger, asset-owning utilities in the public power community, owning approximately 90 percent of the transmission assets owned by non-federal public power entities. LPPC members are also members of APPA.

NRECA is the national trade association representing nearly 900 local electric cooperatives and other rural electric utilities. America's electric cooperatives are owned by the people that they serve and comprise a unique sector of the electric industry. From growing

regions to remote farming communities, electric cooperatives power 1 in 8 Americans and serve as engines of economic development for 42 million Americans across 56 percent of the nation's landscape. Electric cooperatives operate at cost and without a profit incentive. NRECA's member cooperatives include 62 generation and transmission ("G&T") cooperatives and 831 distribution cooperatives. The G&Ts generate and transmit power to distribution cooperatives that provide it to the end of line co-op consumer-members. Collectively, cooperative G&Ts generate and transmit power to nearly 80 percent of the distribution cooperatives in the nation. The remaining distribution cooperatives receive power directly from other generation sources within the electric utility sector. Both distribution and G&T cooperatives share an obligation to serve their members by providing safe, reliable, and affordable electric service.

TAPS is an association of transmission-dependent utilities ("TDUs") in 35 states, promoting open and non-discriminatory transmission access.² TAPS members have long recognized the importance of grid reliability. As TDUs, TAPS members are users of the Bulk Power System and are highly reliant on the reliability of facilities owned and operated by others for the transmission service required to meet TAPS members' loads. In addition, many TAPS members participate in the development of and are subject to compliance with NERC reliability standards. TAPS and its members are directly affected by the ERO's performance of its responsibilities, and hence by this rulemaking.

II. COMMENTS

The Trade Associations generally support the Commission's proposals to require the Commission-certified ERO to submit assessments of its performance every three years instead of the current five-year cycle and to comply with certain additional requirements in connection with

² David Geschwind, Southern Minnesota Municipal Power Agency, chairs the TAPS Board. Jane Cirrincione, Northern California Power Agency, is TAPS Vice Chair. Terry Huval is TAPS Executive Director.

the assessment process. As both NERC and the Commission note, the electric industry is changing rapidly. Given the pace at which the Bulk-Power System is transitioning through innovation and technology, more frequent assessments of the ERO are prudent and reasonable. In particular, the Trade Associations support the Commission's proposal to add a formal requirement for a public comment period to solicit input from Registered Entities, users, owners, and operators of the Bulk-Power System, and other interested parties for improvement in the ERO's operations, activities, oversight and procedures. While Trade Associations and their members regularly communicate with the ERO on various ERO activities and find these engagements helpful, providing this additional step separately and prior to the posting of the draft performance assessment, with inclusion of both the comments and NERC's responses in the performance assessment filing, will enhance and formalize the existing communications to identify areas of improvement.

The Trade Associations note that any burden on NERC as the ERO should be minor and would be outweighed by the benefits such a process would convey. In fact, soliciting targeted stakeholder comments prior to drafting the performance assessment, as well as allowing the Commission to specify ahead of time topics on which NERC is to submit detailed information,³ should reduce the overall burden on all participants, including NERC, by allowing NERC to address concerns in the performance assessment, rather than in piecemeal compliance filings.

³ NOPR P 14.

III. CONCLUSION

The Trade Associations appreciate the opportunity to comment and support the Commission proposals to amend its regulations for the reasons stated herein.

Respectfully submitted,

American Public Power Association

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March 1, 2021