

# INDUSTRIAL ENERGY CONSUMERS OF AMERICA

*FERC ELECTRICITY UPDATE*

November 12, 2019

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# CURRENT COMMISSIONER STATUS

- **Neil Chatterjee (R), Chairman**

- Term expires June 30, 2021

- **Rich Glick (D), Commissioner**

- Term expires June 30, 2022
- Recusal issues through November 29

- **Bernard McNamee (R), Commissioner**

- Term expires June 30, 2020
- Recusal issues expired

- **Sept. 30: President Trump nominated James Danly (R) to FERC for the remainder of a five-year term expiring June 30, 2023**

- Currently, FERC General Counsel
- Former attorney in the energy regulation and litigation group at Skadden Arps Slate Meagher & Flom LLP law firm
- Senate Energy Committee hearing held November 5
- Confirmation expected, perhaps along partisan lines, in the next few weeks

# GENERATION ISSUES

- PJM Capacity Reform
  - State vs. FERC jurisdictional issues in play
  - Delayed PJM capacity auctions from May 2019 to mid-2020 or later
- Order 841 (Electric Storage) Implementation
  - Wholesale market participation
  - State vs. FERC jurisdictional issues in play (appeal pending)



## GENERATION ISSUES (cont.)

- Carbon Pricing in FERC-Jurisdictional Markets
  - Carbon costs currently allowed in energy offers
  - Key issues percolating over emissions/economic “leakage” issues
- Energy Price Formation
  - FERC goal: Energy prices should reflect all necessary attributes of system operation (reserves, fast-start capability)



# GENERATION (cont.)

- Resilience
  - Still pending in FERC-created docket
  - Little “noise” about further FERC response to DOE concerns
- PURPA NOPR (to be discussed later in meeting)



# TRANSMISSION ISSUES

- Pending Complaint Cases on Return on Equity (ROE)
  - New England, MISO, etc.
- Notice of Inquiry on ROE
- Notice of Inquiry on Transmission Rate Incentives
- Transmission Facility Ratings – Technical Conference/Comments



# TRANSMISSION ISSUES (cont.)

- Asset Management”
  - How much control should transmission owners have?
- Cost Allocation
  - Adherence to cost-causation/cost-benefit principles
- Order 1000 Affirmation
  - Leveraging competition to contain transmission costs





# QUESTIONS?

