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September 23, 2019

The Honorable Neil Chatterjee
Chairman
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Dear Chairman Chatterjee,

I am writing to urge resolution of the ISO/RTO Grid Reliability and Resilience Docket, AD18-7, to provide certainty for all stakeholders—the RTOs, utilities, customers, and state regulatory authorities. In the order initiating this proceeding, FERC directed RTOs/ISOs to submit information on grid resilience, and indicated the agency would make a timely decision on whether additional action would be warranted. The RTOs/ISOs had a relatively compressed timeframe to provide information, and the timeframe for responses to their submittals was even more compressed, and yet FERC has taken no action toward resolution of this matter since final substantive comments were received in early Summer 2018.

The lack of a concluding report or order leads many people following this proceeding to assume that no additional steps will be taken by the Commission. In other words, can we assume that no decision is the Commission's decision? If that is the case, communication from the Commission needs to occur to provide certainty to affected stakeholders.

The stated purpose of the Resilience Docket is to develop a common understanding of what resilience of the bulk power system means and requires; to understand how RTOs/ISOs assess resilience within their respective region; and to use this information to determine whether additional Commission action is appropriate. We are eager to learn whether you have determined additional action is necessary, or if from your evaluation of the information provided by the RTOs/ISOs and the reply comments from NERC, utilities, and others that the Commission will not be taking action at this point.

In this proceeding, the RTOs requested FERC to provide authorization for a range of actions to enhance or enable their ability to ensure reliability and resilience. While we might not agree with all of their requests for authority, especially those items that would have an impact on our ratepayers, we do believe that an answer from the Commission is necessary. For example, PJM asked the Commission to undertake Order No 787 reforms regarding gas/electric coordination.

The driver of the Resilience proceeding was the DOE's desire to compensate baseload coal and nuclear units to stave off future early retirements. Two years later, retirements are still occurring, and there is not a generally accepted framework from which to understand the implications to the grid. In the absence of a clear understanding, an essential element of resilience is missing. That element is the ability to plan for threats and take actions to mitigate those threats. FERC accepted the role of conducting the investigation into this issue, and now it is time to package the findings and present them for review and understanding by industry participants, the states, and citizens. In the absence of such action, people will draw their own conclusions, and perhaps be way off the mark.

In your concurring opinion in this docket, you expressed concerns that as this proceeding was underway more retirements would occur, thus affecting the ability to ensure the reliability and resilience of the bulk power system. I think you would agree that we have seen just that.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Schmitt".

Michael Schmitt
Chairman