



**American
Public Power
Association**

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April 13, 2012

The Honorable Pete Olson
312 Cannon House Office Building
Washington, D.C. 20515

Dear Representative Olson:

On behalf of the American Public Power Association (APPA), I am writing to express our support for H.R. 4273, the Resolving Environmental and Grid Reliability Conflicts Act of 2012. APPA is the national service organization representing the interests of over 2,000 community-owned, not-for-profit electric utilities. These utilities include state public power agencies, municipal electric utilities, and special utility districts that provide electricity and other services to over 46 million Americans.

The U.S. electric utility sector must address several major recently promulgated and proposed Environmental Protection Agency (EPA) regulations between 2012 and 2020. APPA believes these regulations will likely result in adverse reliability implications for regional electric systems if these environmental regulations go into effect within the time frames now proposed or already mandated.

To address these concerns, APPA supports legislation to provide the needed flexibility in the Federal Power Act to ensure that these pending environmental regulations do not threaten electric reliability. Therefore, we agree with the underpinnings of H.R. 4273, which would enable electric generators to run their power plants for reliability purposes, either when ordered to do so or when doing so voluntarily, without incurring penalties or other legal liability under federal, state, or local environmental laws for their compliance with such orders.

APPA also applauds the language in the bill which would clarify that under Section 202(c) of the Federal Power Act, a utility that is ordered by the Department of Energy to generate power to maintain electric reliability cannot be fined for violating any environmental laws or regulations while running under that emergency order. This immunity would also prevent third parties from bringing citizen suits for environmental law violations (local, state, or federal) that might occur from running an electric generating unit pursuant to such an emergency order.

Thank you for introducing legislation highlighting this important issue affecting electric utilities. While there is still more to be done to address the electric reliability as a result of the new slew of EPA regulations, this bill is an important first step. Please feel free to contact me or the APPA government relations staff with any questions on this important issue.

Sincerely,

A handwritten signature in black ink that reads 'Mark Crisson'.

Mark Crisson
President & CEO