Written Testimony of Norman C. Bay Federal Energy Regulatory Commission

Before the Committee on Energy and Commerce Subcommittee on Energy and Power United States House of Representatives

Hearing on FERC Perspectives: Questions Concerning EPA's Proposed Clean Power Plan and other Grid Reliability Challenges

July 29, 2014

Chairman Whitfield, Ranking Member Rush, and members of the Subcommittee:

My name is Norman Bay and I currently serve as the Director of the Office of Enforcement at the Federal Energy Regulatory Commission (FERC or Commission). On July 15, it was my honor to have been confirmed by the Senate to serve as a member of the Commission. I anticipate being sworn in once all the necessary arrangements have been made. Thank you for inviting me to testify at this hearing regarding EPA's Proposed Clean Power Plan and other Grid Reliability Challenges. I look forward to working with this Committee in my tenure on the Commission.

One of FERC's critical responsibilities is the regulation of electric reliability. As the Director of the Office of Enforcement, I have been involved in investigations into potential reliability violations and inquiries into major reliability events, but I have not been involved in the EPA rulemaking. While the EPA has responsibilities under the Clean Air Act and other legislation, the Commission has a similar, and no less important, responsibility to promote the reliability of the bulk-power system. One way that I believe the Commission can help to ensure reliability is through open communication and a strong working relationship with the Environmental Protection Agency (EPA), the Department of Energy (DOE), the states, the North American

Electric Reliability Corporation (NERC), regional transmission organizations (RTOs), independent system operators (ISOs), and industry. It is my understanding that FERC staff, EPA, and DOE have communicated at various times regarding the EPA's power sector regulations. The agencies should continue this effort to ensure that the EPA is aware of any potential impacts its regulations may have on the reliability of the bulk-power system. To the extent necessary and appropriate, Commission staff should continue its communications with EPA and industry participants subject to FERC's regulation, including regional transmission organizations and independent transmission operators and other public utilities.

Once I am sworn in, I look forward to meeting with my colleagues to discuss these issues and to examine how we can work collaboratively within the Commission's authority to promote the reliability of the bulk-power system.

Thank you for inviting me to testify today. I look forward to remaining engaged with this Committee and the EPA, DOE, NERC the states, and industry on these important issues.