

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Reliability Technical Conference

Docket No. AD18-11

POST-TECHNICAL CONFERENCE COMMENTS OF PUBLIC CITIZEN, INC.

August 13, 2018

Comments by FERC Chief of Staff Anthony Pugliese at a recent conference reveal previously undisclosed activities by the Commission that directly relate to the reliability of the Bulk-Power System in this docket.

Mr. Pugliese is quoted as saying:

“We are working with [Department of Defense] DOD and [Department of Energy] DOE and [National Security Council] NSC to identify the [coal and nuclear] plants that we think would be absolutely critical to ensuring that not only our military bases but things like hospitals and other critical infrastructure are able to be maintained, regardless of what natural or man-made disasters might occur.”¹

Mr. Pugliese’s statement reveals previously undisclosed details about Commission activity that raise significant concerns about the extent to which the agency is promoting radical new standards of reliability and generation attributes that may be used to justify consumer- or taxpayer-funded bailouts. It is no secret that the DOE, influenced by the well-documented direct lobbying of coal-magnate Bob Murray, is pushing to convert electric power markets by inventing a new, arbitrarily-defined attribute so as to only apply to existing coal and nuclear power plants.² To further these efforts, the DOE recently directed the National Security Council to assist with a national assessment to identify “security vulnerabilities in our energy delivery systems.”³

¹ Sam Mintz, Peter Behr and Rod Kuckro, “Top staffer plunges FERC into Trump's coal, nuclear fight,” *EnergyWire*, August 9, 2018.

² www.citizen.org/sites/default/files/public-citizen-202c-letter-perry-may-2018.pdf

³ www.documentcloud.org/documents/4491203-Grid-Memo.html

After the public comments of Mr. Pugliese created an uproar, a FERC spokesperson issued a vague statement that confirms the Commission is engaged in active, non-public efforts to assist with the DOE's efforts. Craig Cano, a FERC spokesperson, qualified Pugliese's comments: "In response to a question after the speech, the Chief of Staff was simply stating that the federal government is working to ensure that important critical infrastructure, like hospitals, remains operational. FERC is an independent agency and therefore has not assisted in the development of policy but provides technical assistance as subject matter experts."

While the qualifying statement claims FERC is not assisting "in the development of policy," its provision of "technical assistance" can reasonably be interpreted that the Commission is assisting with the *implementation* and *promotion* of policy.

The confirmation that civilian facilities such as hospitals—of which there are more than 5,500 across the United States⁴—are now part of Commission assessment around national security justifications for bailouts raises considerable concerns about the potential scope of these interventionist efforts.

Needless to say, it is problematic that the Commission is providing non-public assistance to the Department of Energy's efforts to justify the radical redesign of power markets outside of the transparent, public docket process that should be defining FERC activity in this area. Therefore, the Commission must detail—in a public, docketed filing—all activities, actions (including technical assistance) related to coordinating with the U.S. Department of Energy, the U.S. Department of Defense and the National Security Council around grid resilience.

Respectfully submitted,

Tyson Slocum, Energy Program Director
Public Citizen, Inc.
215 Pennsylvania Ave SE
Washington, DC 20003
(202) 454-5191
tslocum@citizen.org

⁴ www.aha.org/statistics/fast-facts-us-hospitals