

Written Testimony of FERC Commissioner Richard Glick

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

**Hearing on
Oversight of the Federal Energy Regulatory Commission**

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Chairman Upton, Ranking Member Rush, and Members of the Subcommittee. Thank you for the opportunity to testify this morning.

As a former Minority General Counsel to the Senate Energy and Natural Resources Committee, it is nice to be back on Capitol Hill and it is good to see familiar faces from the joint House and Senate energy bill conference that took place during the last Congress.

I have been a Member of the Federal Energy Regulatory Commission (FERC or Commission) for almost five months. During this short period, the Commission has been called upon to consider a number of challenging matters.

Although FERC is typically not an agency that receives substantial public attention, the Commission's actions have a significant impact on the lives of everyday Americans. I witnessed this first hand while at the Department of Energy. The Commission's inability to come together on a unified response during the height of the western energy crisis in 2000 caused consumers to pay significantly more for electricity and natural gas than they should have. It is imperative that the five of us safeguard the public interest.

As everyone here knows, we are in the midst of dramatic transformation in the ways Americans produce and consume energy. This revolution has the potential to substantially improve our energy efficiency, reduce emissions, grow the economy, and create millions of new jobs. FERC can help facilitate this transition by removing the barriers to participation and competition that exist in the wholesale markets. For instance, the Commission can examine market rules to ensure they are not unduly discriminating against new technologies.

In February, FERC voted 5-0 to approve a final rule requiring RTOs and ISOs to facilitate energy storage participation in wholesale electric markets. Storage technologies – such as batteries and pumped hydro – have the potential to play a leading role in the transition to the electricity system of the future. As the cost of energy storage continues to decline, these resources are poised to become a bigger part of the generation mix, leading to the development of a more robust grid that can, among other things, help to accommodate the ever-increasing demand for clean, renewable resources from states, corporations, and residential consumers. In addition, these storage resources will enhance the reliability and resilience of the grid, while reducing electric rates.

Today, the cost of using lithium-ion battery technology is less than one quarter of what it was at the start of the decade. Partly as a result of those declining costs, industry forecasts project that the nation's installed energy storage capacity will increase by 750 percent in just five years. The Commission's action to reduce barriers to energy storage resources' participation in wholesale markets will help to further this remarkable trajectory, all while reducing consumer energy bills.

I believe FERC, pursuant to the Federal Power Act, should also identify and eliminate other barriers to the participation of new energy technologies in wholesale markets. For example, the Commission last week held a Technical Conference in April to examine the potential participation of aggregated distributed energy resources in wholesale markets and the benefits these resources could provide.

Chairman Upton and Ranking Member Rush, thank you again for the opportunity to appear before the Committee today. I look forward to answering your questions and the questions of your colleagues.