

**FERC Chairman Neil Chatterjee interview with Bloomberg Daybreak: Americas Anchor
Alix Steel
March 1, 2019**

FERC Chairman Sees Framework to ‘Expediently’ Approve LNG Terminals

Alix Steel: How many more projects do you expect to pass this year?

Chairman Chatterjee: So, we've got a number of projects in the queue, and it's just a reflection of what an incredible transformation that has taken place in the U.S. energy space. To think that we are now in a position to be a net exporter. It's just incredible. It speaks volumes to what the gas revolution has done for the American economy, for the environment, and for the U.S. geopolitically.

Alix Steel: So, Neil, true. And it's been your goal to sort of speed, help speed that up. So how many more can you really get done this year, considering there are a lot of projects in the queue?

Chairman Chatterjee: So, we have a number of projects in the queue. We look at each one on an individual basis and assess them based on their own merits. That said, I'm optimistic that in striking the deal that my colleagues and I came to, to approve Calcasieu Pass, we kind of got over the thorniest issue, which was over the question of how to assess the direct GHG emissions of a project. Now that we have that agreement in place, I'm hopeful that, barring something unforeseen with these other applications that we have before us, that we have a framework in place now to get them expeditiously approved.

Alix Steel: So, your estimation, like how many projects do you have in it, in the queue, and you have a goal like I want to clear 20 percent, I want to clear 30.

Chairman Chatterjee: Again, I want to be very careful. We do not prejudge any of the applications that come before us. We're going to assess them all on an individual basis and as they come before us, and as we review them we'll hopefully use this framework to approve them. But I don't want to prejudge the outcome of any of the applications before us so I can't make a prediction like that.

Alix Steel: Well, fair. You definitely have a lot, a lot of permits in sort of an approvals getting to waiting to be approved there. The other thing that you have on your plate is what you're going to do about grid resilience. So, do you have any idea on timeline of when you can reach a consensus in any kind of market reforms we need to see on the grid?

Chairman Chatterjee: So look, this is a really, really serious question, and it's one that we want to get right. The safety, security and reliability of the electric grid is FERC's foremost responsibility. We're seeing a rapid transformation of the way that our generation mix is trending in the way that we generate, distribute and consume power in this country, and we want to do a careful assessment to look, to see, whether in fact there are any potential threats to the resilience of the grid, and if so, what actions that might be necessary to take. But when you're talking about

something that's this significant, we want to move very, very carefully. We don't want to do anything to harm our markets. And whatever approach we take is going to be fuel-neutral, technology-neutral, and we just want to make sure we do it right. So again, I don't want to make a prediction on a timeline because this is one of those things where it's much, much more important to get it done right than it is to get it done fast.

Alix Steel: Again, fair. I just wonder if the urgency is heating up a little bit. I mean you've received more than 200 comments on the matter, and you also are seeing an increased shutdown of coal-fired power plants as well, so if we need the coal and nuclear and we need that storage to keep the grid reliable is there a new sense of urgency here?

Chairman Chatterjee: No question, there's absolutely a sense of urgency. We all understand at the Commission, and policymakers throughout the country understand, the urgency of the issue. But we also understand that we have to be very, very careful here to ensure that we know what we're dealing with. What is grid resilience? What are the characteristics and attributes that are necessary for resilience? Is there a threat to resilience that is provable and based on the evidence and the record before us? And if we find that to be the case, then we'll have to determine what steps to take to address it. I'm hopeful that if such steps were necessary that they would be done within markets and not distort our existing market framework.

Alix Steel: And then you have another thing that's on your plate also, and that comes from PG&E. So you've been trying to block PG&E from canceling some wholesale electricity contracts. Those contracts are quite expensive, and you're trying to prevent them from cancelling them because basically they would have them then at a lower rate. What happens if the court overrules you what do you do?

Chairman Chatterjee: So, that's a jurisdictional matter between the Commission and the bankruptcy courts. The position the Commission has taken is to assert our jurisdiction, but I'm reluctant to comment because the matter is still before us.