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UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

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- CONSENT -- ELECTRIC :
- CONSENT -- GAS :
- CONSENT -- HYDRO :
- CONSENT -- CERTIFICATES :
- DISCUSSION ITEMS :
- STRUCK ITEMS :

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1,058th COMMISSION MEETING

Thursday, July 18, 2019  
Commission Meeting Room  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

The Commission met in open session at 10:10  
a.m., when were present:

CHAIRMAN NEIL CHATTERJEE

1 COMMISSIONER CHERYL LaFLEUR

2 COMMISSIONER RICHARD GLICK

3 COMMISSIONER BERNARD MCNAMEE

4

5

6 PRESENTERS:

7 E-1 & E-2 Byron Corum, (OEMR)

8 Ashley Dougherty, (OEMR)

9 Sarah Batto, (OEMR)

10

11

12 Agenda Items:

13 Consent -- Electric

14 E-3, E-4, E-5, E-6, E-7, E-8, E-9, E-10, E-11,

15 E-13, E-14, E-15, E-16 and E-19

16

17 Consent -- Gas

18 G-1 and G-2

19

20 Consent -- Hydro

21 H-1

22

23 Consent -- Certificates

24 C-1, C-2 and C-3

25

1 Discussion Items

2 E-1 and E-2

3

4 Struck Items

5 None

6 Commissioner Recusals and Statements for July

7 18, 2019

8 Commissioner McNamee is not participating in the

9 following consent items:

10 E-1, E-5, E-6, E-14 and G-2

11

12 E-1 -- Commissioner Glick dissenting in part

13 with a separate statement

14 E-13 -- Commissioner Glick concurring with a

15 separate statement

16 E-16 -- Commissioner Glick dissenting in part

17 with a separate statement

18 E-19 -- Commissioner Glick dissenting with a

19 separate statement

20 C-1 -- Commissioner LaFleur concurring with a

21 separate statement

22 C-1 -- Commissioner Glick dissenting in part

23 with a separate statement

24

25

1 Discussion and/or Presentations

2

3 E-1 & E-2 -- Presentation by Byron Corum (OEMR),  
4 Ashley Dougherty, (OEMR), and Sarah Batto (OEMR) accompanied  
5 by Carol Johnson (OGC), Mary Ellen Stefanou (OGC), and Jamie  
6 Marcos (OE)

7 A-1 -- Agency Administrative Matters

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9 Struck Items

10 None

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## P R O C E E D I N G S

(10:01 a.m.)

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2  
3 SECRETARY BOSE: The purpose of the Federal  
4 Energy Regulatory Commission's open meeting is for the  
5 Commission to consider the matters that have been duly  
6 posted in accordance with The Government In The Sunshine  
7 Act.

8 Members of the public are invited to observe,  
9 which includes attending, listening, and taking notes, but  
10 does not include participating in the meeting or addressing  
11 the Commission. Actions that purposely interfere or attempt  
12 to interfere with the commencement or conducting of the  
13 meeting, or inhibiting the audience's ability to observe or  
14 listen to the meeting, including attempts by audience  
15 members to address the Commission while the meeting is in  
16 progress, are not permitted.

17 Any persons engaging in such behavior will be  
18 asked to leave the building. Anyone who refuses to leave  
19 voluntarily will be escorted from the building.

20 Additionally, documents presented to the  
21 Chairman, Commissioners, or staff during the meeting will  
22 not become part of the official record of any Commission  
23 proceeding, nor will they require further action by the  
24 Commission.

25 If you wish to comment on an ongoing proceeding

1 before the Commission, please visit our website for more  
2 information. Thank you for your cooperation.

3 CHAIRMAN CHATTERJEE: Madam Secretary, we are  
4 ready to begin.

5 SECRETARY BOSE: Good morning, Mr. Chairman.  
6 Good morning, Commissioners. This is the time and place  
7 that has been noticed for the open meeting of the Federal  
8 Energy Regulatory Commission to consider the matters that  
9 have been duly posted by the Commission.

10 Please join us in the Pledge of Allegiance.

11 (Pledge of Allegiance recited.)

12 SECRETARY BOSE: Commissioners, since the June  
13 open meeting, the Commission has issued 49 Notational  
14 Orders.

15 Thank you, Mr. Chairman.

16 CHAIRMAN CHATTERJEE: Thank you, Madam Secretary.  
17 And good morning to everyone.

18 Commissioner LaFleur, in your honor your  
19 colleagues and I have all chosen to follow your lead in  
20 wearing these legendary Boston Sports Jerseys.

21 COMMISSIONER LaFLEUR: You've never looked  
22 better.

23 (Laughter.)

24 CHAIRMAN CHATTERJEE: I would note, because Bill  
25 pays very close attention to these kinds of things, that I

1 am wearing a Brandin Cooks Jersey. He is no longer on the  
2 Patriots, of course. I don't want you to think that I just  
3 got this at a fire sale, because--well, I did, but--

4 (Laughter.)

5 CHAIRMAN CHATTERJEE: --I fundamentally believe  
6 that his misplay on the Gauff interception that led to  
7 Gilmore stealing the Super Bowl won the Patriots the game.  
8 So this is a subtle way of my trolling Brandin Cooks.

9 (Laughter.)

10 CHAIRMAN CHATTERJEE: Now before I turn to the  
11 items on today's agenda, I'd like to take this time to thank  
12 this year's class of FERC summer interns for all of their  
13 hard work here at the Commission.

14 This year we had a diverse group of 43 interns  
15 and volunteers, including one in our San Francisco Regional  
16 Office. We had interns from Florida and New York and  
17 everywhere in between, including one from Kentucky.

18 While they all have a shared passion for energy  
19 and public service, these students have varied interests and  
20 backgrounds. We have a former Marine, a canoeing  
21 instructor, a published book author, several volunteers for  
22 Engineers Without Borders, and even a former guitarist from  
23 an Indian rock band.

24 On a personal note, I would especially like to  
25 thank George Daoud who served as my legal intern this summer

1 and contributed to our work in several critical areas.

2 Thank you, George.

3 We have enjoyed having the summer intern class  
4 and are hopeful they will consider FERC for their careers  
5 when the time comes.

6 I am also pleased to announce that I have  
7 selected Janel Burdick to serve as the Deputy Director of  
8 the Office of Enforcement. Janel has been with the  
9 Commission since July of 2009, most recently serving as the  
10 Director of the Division of Energy Market Oversight within  
11 OE where she led over 30 analysts and attorneys in wholesale  
12 electricity and gas market oversight related activity.

13 Prior to this position, Janel served as the  
14 Deputy Director on OE's Division of Analytics and  
15 Surveillance, and as an advisor to former Chairman Bay.

16 Before joining the Commission, Janel served as a  
17 commodities product comptroller and commodities settlements  
18 analyst for Barclays Capital. She holds a Bachelor's of  
19 Science in Quantitative Economics from the United States  
20 Naval Academy. After graduation, she served as the  
21 communications officer for the USS Chancellorsville in  
22 Yokosura, Japan; studied at the Naval Nuclear Power School  
23 and Prototype in Charleston, South Carolina, and served as  
24 the Reactor Electrical Officer for the USS Ronald Reagan in  
25 San Diego, California.



1           She also holds a Masters of Public Policy and  
2 Administration with a concentration in International  
3 Economic Policy and Management from the Columbia University  
4 School of International and Public Affairs.

5           Congratulations, Janel. I look forward to  
6 working with you in this new role.

7           (Applause.)

8           CHAIRMAN CHATTERJEE: Now on to today's agenda.  
9 We've got an action-packed agenda today, including some  
10 items that the Commission has been considering for a long  
11 time. In particular, Items E-1 and E-19 have been pending  
12 before the Commission for some time.

13           While these are both difficult, nuanced  
14 proceedings, I think the majority has reached outcomes and  
15 appropriately weighed the facts in each case and balanced  
16 the interests of consumers and industry.

17           Working to achieve this balance is really at the  
18 core of what we do here at the Commission. In that vein,  
19 the final rules we are issuing today in Item E-1 and E-2  
20 make important changes to streamline and improve the data  
21 the Commission collects as part of our market-based rate  
22 program.

23           I appreciate the team's hard work on these  
24 matters, and I'm looking forward to the presentation on  
25 those items.

1           In addition, I'd also like to highlight an  
2 important effort that's being brought to a conclusion today  
3 after several months of intensive work. In September of  
4 last year, FERC and NERC announced a joint inquiry into a  
5 near-miss power system event that occurred in the South  
6 Central United States.

7           On January 17th, 2018, Louisiana, Arkansas, and  
8 Mississippi experienced historically cold temperatures. A  
9 combination of factors, including erroneous load forecasts,  
10 unplanned transmission and generation outages, and the  
11 availability of low-cost generation in MISO North led to  
12 significant flows from MISO North into MISO South. While  
13 there was no load loss, additional losses of transmission or  
14 generation could have resulted in the need for significant  
15 rotating load shed in MISO South to preserve reliability.

16           A staff team has spent the past several months  
17 developing a report that includes a detailed account of  
18 these events, analysis of the causes, and recommendations  
19 for corrective action. That report will be issued later  
20 today and available on the Commission's website.

21           Today's report finds that, despite prior guidance  
22 from FERC and NERC, cold weather events continue to result  
23 in unplanned outages that imperil reliable system  
24 operations. It recommends the development of a mandatory  
25 reliability standard requiring generator owners and

1 operators to prepare for cold weather and provide that  
2 information to the reliability coordinators and balancing  
3 authorities.

4 I would like to thank the team for their  
5 tremendous work on this report, which was truly a  
6 collaborative exercise between FERC, NERC, the regional  
7 entities, and industry. I am very proud of this  
8 coordination and in particular I'd like to thank our  
9 co-leads from FERC, Heather Polzin from the Office of  
10 Enforcement, and Dave Huff from the Office of Electric  
11 Reliability, for their exceptional leadership throughout  
12 this process.

13 Learning from near-miss events like this one is  
14 extremely important. Although it might be hard to imagine,  
15 given the heat this week, winter will be here soon. Winter  
16 is coming, I am told from the TV show that I watch--

17 (Laughter.)

18 CHAIRMAN CHATTERJEE: --sooner than we think.  
19 So I would encourage everyone in industry to take the time  
20 to read the report.

21 I understand that the entities involved in the  
22 January 2018 event have already implemented or begun to  
23 implement many of the report's recommendations and will  
24 continue to monitor that process closely.

25 With that, I will conclude my remarks and turn

1 back to my colleagues for any additional opening statements  
2 or announcements they may have.

3 COMMISSIONER LaFLEUR: Thank you, Mr. Chairman.

4 And thank you all for your wonderful attire.

5 Congratulations, Janel. You're obviously really well  
6 qualified, and I am really happy for you and for OE.

7 I thank Neil for mentioning the FERC-NERC report  
8 on the MISO SPP Seam. I am happy it's been released. I  
9 look forward to reading it in greater detail.

10 On Sunday I'm going to be meeting with regulators  
11 from MISO and SPP on their efforts to help the two regions  
12 coordinate their work across the border. And I know they've  
13 done a lot of work since the last NARUC meeting.

14 And also, as you know, earlier this week we  
15 issued a--we approved a new Joint Operating Agreement  
16 between MISO and SPP that's intended to facilitate the  
17 identification and development of lower voltage border  
18 projects that can help customers.

19 On a different and very sad note, I wanted to  
20 mention that the FERC family lost a beloved member last week  
21 when Deb Grayson passed away. Deb was a well-liked and  
22 deeply respected administrative professional in OGC Energy  
23 Projects for many years, and she has many close friends  
24 across the Agency.

25 We send our sympathies to her son, the rest of

1 the family, and her friends.

2 I have some staff changes to announce. First of  
3 all--

4 (Laughter.)

5 COMMISSIONER LaFLEUR: Yeah, a  
6 going-out-of-business sale on my staff here.

7 (Laughter.)

8 COMMISSIONER LaFLEUR: Okay, first of all, Andrew  
9 Holloman, who is sitting in the front row, left our office  
10 earlier this month after more than four years on our team.  
11 He joined us in June of 2015 as my confidential assistant,  
12 and later became a communications and policy analyst. In  
13 addition to keeping everything in the office running and  
14 being our liaison with the world, he handled media, Hill  
15 communications, FOIA--you can file those under things I  
16 won't miss--FOIA, and many, many substantive aspects of our  
17 work, especially project cases.

18 Andrew will be joining Chenier next week in a  
19 government relations role, which I think is a great fit for  
20 his background and his Louisiana roots. And I never thought  
21 I'd say this, but not only do I miss Andrew, I miss that  
22 hideous New Orleans Saints Banner that hung in his office.

23 (Laughter.)

24 COMMISSIONER LaFLEUR: That's gone now.

25 (Laughter.)

1           COMMISSIONER LaFLEUR: I'm very happy to announce  
2 that Michelle Brown of the Office of Executive Director, who  
3 is on vacation this week celebrating her wedding  
4 anniversary, but she will be helping me out as confidential  
5 assistant for the next several weeks. She had previously  
6 worked on the floor for Commissioner Moeller and  
7 Commissioner Honorable, and helped out in other offices in  
8 short-term roles. So she clearly knows the job, including  
9 how to close out an office, and I'm really happy. I  
10 appreciate Anton and Mark Radmuski making that detail  
11 possible.

12           Secondly, Steven Wellner, who I hope is behind  
13 me, will be leaving our office tomorrow to become the  
14 Director of the West Division in the Office of Energy Market  
15 Regulation. I am really happy about his new role, for which  
16 I think he is extraordinarily well qualified, and I think  
17 he'll do a great job.

18           Steven has actually been my longest serving  
19 advisor for more than five years, and he has spearheaded  
20 countless orders, separate statements, and written in my  
21 voice for more testimony and speeches and statements than I  
22 can imagine across multiple markets, plus reliability and  
23 oil rates. Steven also served as Acting Chief of Staff  
24 during my acting Chairmanship in 2017, and helped guide the  
25 Commission through the no-quorum period and the resumption

1 of quorum, including coordination with Chairman Chatterjee.

2 I don't plan to replace Steven, so my all-female  
3 posse of advisors--Jessica, Kat, and Ann Marie--will play me  
4 off over the next several weeks. Our Wonder Woman  
5 bracelets are on order.

6 Jessica, since this is my last chance, even  
7 though they're not leaving--they better not be leaving until  
8 I leave--

9 (Laughter.)

10 COMMISSIONER LaFLEUR: --Jessica Cockrell joined  
11 my team two-and-a-half years ago. She started as a--on  
12 detail when I was Acting Chairman--as a jack-of-all-trades  
13 during the no-quorum period. Since that time, she has led  
14 our work on virtually every RTO at one time or another, and  
15 on numerous rulemakings.

16 Her well-earned reputation as a person who can  
17 use diplomacy to bring order from chaos has been earned yet  
18 again many times in the last several years.

19 Kat Yohan, who had experience in OGC projects and  
20 at CEQ, joined out office at just the right time  
21 one-and-a-half years ago to lend her expertise and  
22 experience to our environmental and public interest review  
23 of project applications.

24 Kat has, without a doubt, penned more separate  
25 statements than any other advisor in the last nine years on

1 topics ranging from port-a-potties to climate change. She  
2 is also a great travel companion in seeking out the species  
3 first-hand at the hydro facilities.

4 Ann Marie Hirshberger joined my office in May and  
5 has been a wonderful addition. I have very quickly come to  
6 rely on her for matters across a wide range of our work, and  
7 I wish we had more time together, but we will make the most  
8 of what we have.

9 Turning to today's agenda, I am concurring in  
10 Item C-1 with respect to the Willis Lateral Pipeline. This  
11 is a 19-mile pipeline being built to serve a specific  
12 generation facility in South Texas. Consistent with the  
13 requirements of the D.C. Circuit in the Sierra Club  
14 decision, the Commission fully disclosed and put into  
15 context the downstream GHGs from combustion of the gas,  
16 which I considered in making my public interest  
17 determination.

18 (Protesters interrupt the proceedings.)

19 COMMISSIONER LaFLEUR: There is no doubt  
20 controversy around all of the Commission's project work, as  
21 we try to work through these issues. I am writing  
22 separately because of my continued disagreement with our  
23 failure to assess the significance of the downstream GHGs  
24 which we disclose and put in context.

25 Finally, I want to comment briefly on Item E-19



1 which is the Order addressing the complaint about the 2015  
2 Planning Auction in MISO Zone 4. I know there are strong  
3 views on this case. I believe Commissioner Glick will speak  
4 to it in a moment.

5 I am voting for the Order to Deny the Complaint.  
6 My decision is based in part on my conclusion that there was  
7 not market manipulation in this case. Beginning in 2015,  
8 our Office of Enforcement conducted a thorough investigation  
9 and I've been fully briefed on that investigation, including  
10 when I was Chairman in 2017.

11 Based on my understanding of the relevant facts  
12 and law--although I do think reasonable minds can always  
13 differ on these things--I do not believe the conduct in  
14 question constituted market manipulation.

15 I want to touch on one other issue that is  
16 related to the investigation. As today's order notes, the  
17 investigation has been closed. I was not consulted on the  
18 decision to close the investigation, which was made by the  
19 Chairman. You could certainly debate whether it would be  
20 good practice for a Chairman to consult or communicate with  
21 his or her colleagues before closing an investigation,  
22 especially one that's been authorized by Commission Order,  
23 but in any event I independently concluded there was no  
24 market manipulation and the relevant option rules were  
25 followed, and I'm supporting the Order to Deny the

1 Complaint.

2 Thank you, Mr. Chairman.

3 CHAIRMAN CHATTERJEE: Commissioner Glick.

4 COMMISSIONER GLICK: Thank you, Mr. Chairman.

5 And I have to say, I never thought I'd see myself in a Red  
6 Sox Jersey.

7 (Laughter.)

8 COMMISSIONER GLICK: The only solace, it's not a  
9 Yankees Jersey--

10 (Laughter.)

11 COMMISSIONER GLICK: I want to introduce--first  
12 start by introducing Katy Gantley who began this week in our  
13 office as an intern. Most interns actually are finishing up  
14 their summer, but Katy just began with our office. She  
15 attends Cornell Law School currently. She's a graduate of  
16 SUNY New Paulson up in New York, and she's already starting  
17 on number of important research projects, including a couple  
18 of dissents that we'll talk about in a couple of minutes.

19 (Off-microphone comment.)

20 (Laughter.)

21 COMMISSIONER GLICK: I also want to congratulate  
22 Janel. I think it's a great hire. I'm really happy that  
23 you got the position in OE as Deputy Director. You  
24 obviously have a great background as the Chairman mentioned,  
25 and I think we're going to talk a little bit today about the

1 importance of the Office of Enforcement, and I think this is  
2 an appropriate time. So, congratulations.

3 I also congratulate you, Steve, in heading to  
4 OEMR. That's an appropriate choice, as well.

5 I wanted to take a couple of minutes today to  
6 discuss a few of the orders that we are considering today, a  
7 couple of which I'm dissenting on and one of which I'm  
8 concurring on.

9 I first want to start with E-19, as Commissioner  
10 LaFleur just mentioned. In that case, the Commission--the  
11 order we're going to be voting on, the majority's going to  
12 be rejecting, several complaints that have been filed  
13 challenging MISO's 2015 Zone 4 capacity auction.

14 And, you know, the order really makes two  
15 arguments, one of which is there's a finding of no  
16 manipulation, and the second one a finding that the auction  
17 followed the MISO tariff. And I want to address those in  
18 reverse order, essentially, or, no, address them in the  
19 order that I mentioned.

20 So, manipulation first. So the Office of  
21 Enforcement conducted an investigation into market  
22 manipulation. And that investigation--that process was cut  
23 short. There was an investigation. There was a lot of  
24 evidence in the record that I'll get to in a second, but the  
25 process itself was cut short.

1           And I was kind of surprised at that. I didn't  
2 realize that, you know, the Chairman actually had the  
3 authority to cut short an investigation, or to terminate an  
4 investigation or a process before the other Commissioners  
5 had a chance to vote on it, especially in cases where in  
6 this case the Commission had actually initiated the  
7 investigation in the first place back in 2015.

8           And, you know, this goes back to Section 222 of  
9 the Federal Power Act which Congress enacted in 2005 which  
10 essentially gave the Commission additional authority over  
11 market manipulation to address and prevent market  
12 manipulation related activities.

13           And I really don't believe that when Congress  
14 enacted the law they intended for there to be one  
15 Commissioner to be able to make the decision about whether  
16 to conclude an investigation or not. You know, normally we  
17 have five--we have four now, three unfortunately relatively  
18 soon, but I think that Congress intended all Commissioners  
19 to actually have a say or to actually take a vote on those  
20 particular decisions.

21           But I want to say, I believe in competitive  
22 markets, and I believe in competition to set just and  
23 reasonable rates. I really do. But I think in order to do  
24 so we have to make sure that those markets are truly  
25 competitive, and one of the things we need to do is to make

1 sure we guard against market manipulation and fraud in the  
2 markets.

3           And I can't really talk about much of the  
4 information in the record today because a lot of that  
5 information is not public, but suffice it to say I believe  
6 there was sufficient evidence to continue the enforcement  
7 process. I want to say--and I think Commissioner LaFleur  
8 said it I think very well--that reasonable minds very much  
9 could disagree on this, and I respect my colleagues' opinion  
10 if they had a different opinion than I did.

11           I think one of the concerns I have is the fact  
12 that the evidence is not out there and is not released,  
13 essentially, we can't really have a discussion on the  
14 record. There's not really any transparency about it. And  
15 I think that's one of the things we should do, is to release  
16 as much of the information as we can.

17           But as my dissent points out, and on another  
18 issue with regard to I think to talk about tariffs as well,  
19 it's great that the tariff was complied with when MISO  
20 performed the auction in 2015--obviously they have to do  
21 that--but that doesn't necessarily excuse whether there's  
22 manipulation or not. If there was in fact manipulation,  
23 it's irrelevant whether there the tariff was complied with  
24 or not.

25           So the Commission has a duty to act when there is

1 market manipulation, and I'm further going to explain when  
2 E-1 is presented in a couple of minutes why it's so  
3 important, but people need to have a lot of confidence in  
4 what we do, and confidence in the markets. And I think  
5 today's orders, both E-1 and E-19, don't really instill the  
6 kind of confidence that we need to have in our markets.

7           Moving on to E-13, which I'm actually concurring  
8 on, this is an Order on Remand from the Ninth Circuit  
9 regarding the Commission's approval of a 50-point-basis  
10 adder to PG&E's return on equity transmission ROE as an  
11 incentive to encourage them to remain in the California ISO.  
12 When I first started at the Commission, I actually dissented  
13 on a similar case in which Southern California Edison had  
14 also sought the same 50-point basis point adder, and my  
15 argument was well we shouldn't be giving them the adder when  
16 the California PUC says that the utility itself doesn't have  
17 the authority to leave the California ISO without the  
18 California PUC saying so in the first place.

19           But I'm actually going to concur in today's Order  
20 because I think the Commission did a good job of analyzing  
21 what the law is. And I think the law is that the California  
22 statutes in particular suggest that the PUC actually doesn't  
23 have that authority; that they don't currently have that  
24 authority to tell, whether it's PG&E or Edison or any other  
25 utility in the State, to stay in the California ISO if that

1 utility decides to leave. So I'm going to concur in this  
2 particular decision.

3 I will say, though, that if the California  
4 Legislature were to change course essentially and give the  
5 PUC that particular authority, I think that might cause us  
6 to further consider, or further scrutinize this particular  
7 issue.

8 But I think what this Order really points out is  
9 the importance of the NOI proceeding, which the Chairman  
10 graciously initiated a couple of months ago, on transmission  
11 incentives. We really only need to take a look at  
12 transmission incentives to make sure if we figure out which  
13 incentives are actually incenting something, and which are  
14 just handing out essentially 50 basis points without much  
15 benefit to the public.

16 So I think this is one particular issue, RTO  
17 adders, that I think we need to take a look at, and  
18 hopefully we will.

19 I finally wanted to discuss two Natural Gas  
20 Certificate Orders, one of which we issued a couple of days  
21 ago in the Gulf LNG proceeding, and one of which we're going  
22 to be voting on today in C-1 that Commissioner LaFleur  
23 mentioned.

24 The arguments are going to be familiar today, and  
25 I thought maybe the best way to tie them--I'm not going to

1 spend a lot of time on the arguments, but the best way maybe  
2 to tie them is the Chairman maybe can hold his breath,  
3 because I read the other day that the Chairman actually can  
4 hold his breath for two-and-a-half minutes, which is pretty  
5 incredible.

6 (Laughter.)

7 COMMISSIONER GLICK: So I figured maybe I'll try  
8 to speed it up a little bit and make sure you don't pass  
9 out.

10 (Laughter.)

11 COMMISSIONER GLICK: I have to speak quickly now,  
12 the pressure is up.

13 (Off-microphone comment.)

14 (Laughter.)

15 COMMISSIONER GLICK: That's a good point. I'm  
16 dissenting on both orders pretty much for the same reason  
17 I've given in the past: The Commission's continued refusal  
18 to consider the significance of the impact of the greenhouse  
19 gas emissions associated with the projects on climate  
20 change.

21 The majority continues to treat climate change  
22 differently than all other environmental impacts associated  
23 with these pipelines, both under NEPA and the Natural Gas  
24 Act. I recently read a bunch of articles suggesting that  
25 some of the Commissioners were saying, well, they really



1 took a hard look at this process. And I don't really  
2 understand that, because all you'd have to do is look at the  
3 environmental impact statements, or the orders themselves,  
4 and they specifically say we are not--the Commission is not  
5 considering the impact of the greenhouse gas emissions on  
6 climate change, which I think under law is required.

7           Now we have a very bright and articulate  
8 solicitor, Bob Solomon, and he could go to the D.C. Circuit  
9 and he's going to say, well, don't worry, your honor, the  
10 environmental impact says we're not considering it. The  
11 order says we're not considering it. But, trust me, the  
12 Commissioners say they're taking a hard look.

13           Well I'm not really sure we're taking that hard  
14 look, and I think that is going to cause some potential for  
15 the courts to overturn these orders. We'll have to see how  
16 that plays out as this plays out down the road in terms of  
17 the litigation associated with these proceedings.

18           As I've said before, there is a path forward  
19 here. Just because you consider the significance of a  
20 pipeline or an LNG facility, the impact of those facilities,  
21 on climate change doesn't mean that you have to vote no on  
22 these particular projects.

23           First of all, you could find that the emissions  
24 actually aren't significant, when you assess significance.  
25 Two, if you actually think it's significant, you could still

1 weigh that or balance it against the benefits of the project  
2 and determine that you think the public interest still calls  
3 for the approval of these certificates. Or, third, if you  
4 find they're significant emissions and maybe you don't think  
5 the public benefit--that the benefits outweigh the costs,  
6 you can mitigate. We do that with a lot of other  
7 environmental impacts, whether they be wetlands, or species,  
8 or a whole bunch of other things, but we don't do it for  
9 climate change.

10 We could easily do that. I don't think it's very  
11 costly. I don't think it's very time-consuming. So  
12 hopefully we can figure out a way, a path forward going down  
13 on this in the future, because I think we're just going to  
14 end up with a lot more litigation associated with it.

15 So with that I'll conclude, and you can stop  
16 holding your breath, Mr. Chairman.

17 (Laughter.)

18 CHAIRMAN CHATTERJEE: Commissioner McNamee.

19 COMMISSIONER McNAMEE: Thank you, Mr. Chairman.  
20 It's going to become a theme of issues to discuss this  
21 morning.

22 The first one I want to address is E-19, which is  
23 the Public Citizen versus MISO case, which is dealing with  
24 the complaints about the 2015 auction in the Zone 4.

25 You've already heard discussion that perhaps the

1 investigation was cut short; that we should have continued  
2 it; or that there was market manipulation. I can tell you,  
3 like Commissioner LaFleur, like the Chairman, that I took  
4 this case very seriously, looked into it, met with staff,  
5 and I think it's important to note some things that are  
6 mentioned in the Order itself: That the investigation was  
7 started over three years ago. It was changed from an  
8 informal to a formal investigation. That oaths were  
9 administered, subpoenas--witnesses were subpoenaed. There  
10 was evidence taken. There was a compelled filing of  
11 reports. There was a gathering of information. And in fact  
12 the Office of Enforcement reviewed over 500,000 pages of  
13 documents and took 17 days of testimony from 11 witnesses.

14           The point here is that after three years, after  
15 looking at the evidence, the conclusion was there was no  
16 "there" there, and so therefore the case was closed.

17           Now we can disagree about that, and it's fair for  
18 us to disagree, but that doesn't mean that we didn't take  
19 this seriously and that we didn't make a reasoned judgment  
20 about it. And I think that is important to be noted on the  
21 record.

22           Now moving to the issue of dealing with some of  
23 the actions we've taken on both LNG facilities and  
24 pipelines. I think it's been remarkable in the last six  
25 months that we've been able to approve five LNG export

1 facilities. And today the Commission is approving some  
2 natural gas pipeline and storage certificates.

3           Who would have thought that the abundance of  
4 natural gas that we now have in this country would take  
5 place? In fact, we're actually supplying the world. Just  
6 this week the Energy Information Agency announced that over  
7 90 percent of the natural gas consumed in the United States  
8 was produced domestically. And in 2017 the United States  
9 became a net exporter of natural gas.

10           This is really hard to believe, when you just  
11 think about it. It was only back in 2005 that natural gas  
12 was spiking at \$15 a unit. By the spring of 2009, it was at  
13 \$6 to \$11. And now it's in the \$2 to \$3 range. This is  
14 remarkable. And this abundant and affordable domestic  
15 natural gas has benefitted American families and seniors by  
16 making it cheaper to heat their homes in the winter and cool  
17 their homes in the summer. And the construction of natural  
18 gas infrastructure has resulted in billions of dollars of  
19 new investment and created thousands of jobs for American  
20 workers.

21           Also, the availability of cheaper natural gas in  
22 energy is able to provide both directly as a feedstock and  
23 through electricity generation is making us more competitive  
24 in our manufacturing it's growing.

25           American policymakers have new tools in order to

1 deal with issues. So we're no longer relying on foreign  
2 adversaries or strategic adversaries for our interests, and  
3 we are able to help our friends.

4 This is very important. But the Commission is  
5 playing its part by fulfilling its statutory obligations  
6 under the Natural Gas Act and NEPA to produce the  
7 responsible development of natural gas infrastructure.

8 We look at each case individually. We make the  
9 decisions based on the facts in the record. We do look--I  
10 know I look at the issues of the environment, all issues,  
11 including climate change. And despite the characterization,  
12 our EIS's talk about how greenhouse gases have incremental  
13 impacts on climate change, and the thing is recognizing that  
14 and understanding what the actual impacts of these projects  
15 are illusive, in a certain sense. So we make reasoned  
16 judgments about what the impacts are, and we take it very  
17 seriously.

18 I think it's also important for us to consider a  
19 few other things. There's been discussion about why don't  
20 we engage in mitigation? Usually wetlands mitigation is  
21 something that's mentioned. But I think that's not a good  
22 analogy. If you look at it, wetlands mitigation has its  
23 origin in Section 404 of the Clean Water Act, and was begun  
24 and implemented by the agencies with the expertise and  
25 responsibility for implementing that, particularly the U.S.

1 Corps of Engineers and EPA.

2 Congress has specifically endorsed and directed  
3 the use of wetlands mitigation. Back in 1990 with WRDA, in  
4 1998 with the Transportation Equity Act for the 21st  
5 Century, in 2004 with the National Defense Authorization  
6 Act, in 2007 with the Water Resource Development Act, WRDA  
7 again.

8 These are all examples of where Congress  
9 specifically directed the use of these mitigation measures.  
10 They have not done so for greenhouse gases. In fact,  
11 Congress has tried many times--I believe it's been 23 times  
12 in the last 15 years--to try and establish either a carbon  
13 tax or some other measure. They have not given that  
14 direction.

15 We only have the powers we are authorized to  
16 exercise under the Natural Gas Act and the Federal Power  
17 Act, and the hard work we have to take under NEPA. We  
18 engage in those duties very seriously. I know I do. I know  
19 each of the members here do. And we must have--we must look  
20 at the powers that we have and not try to aggrandize  
21 ourselves, not try and take what we think is a problem and  
22 take that and use our statutes to achieve our--the ends that  
23 we would like. We can only achieve the ends that Congress  
24 provides us to do.

25 And so I am very proud of what we have been able

1 to do in fulfilling our obligations in expanding the use of  
2 natural gas, LNG projects, and of course we will look at  
3 each case individually. There may be some that we have to  
4 not approve. There may be some that we do approve. But the  
5 key thing is that it will always be based on the law and the  
6 facts.

7 Thank you.

8 CHAIRMAN CHATTERJEE: Thank you for your  
9 comments. Before we go to the Consent Agenda, Madam  
10 Secretary, I briefly also want to congratulate Steven  
11 Wellner who was invaluable to me from the day that I walked  
12 into the Commission and has continued that for the past two  
13 years, and I very much look forward to continuing to work  
14 with you in that capacity. So congratulations.

15 With that, Madam Secretary, we are ready to go to  
16 the Consent Agenda.

17 SECRETARY BOSE: Thank you, Mr. Chairman. Since  
18 the issuance of the Sunshine Act Notice on July 11th, 2019,  
19 no items have been struck from this morning's agenda. Your  
20 Consent Agenda is as follows:

21 Electric Items: E-3, E-4, E-5, E-6, E-7, E-8,  
22 E-9, E-10, E-11, E-13, E-14, E-15, E-16, and E-19.

23 Gas Items: G-1 and G-2.

24 Hydro Items: H-1.

25 Certificate Items: C-1, C-2, and C-3.

1           As to E-1, E-5, E-6, E-14, and G-2, Commissioner  
2     McNamee is not participating.

3           As to E-1, Commissioner Glick is dissenting in  
4     part with a separate statement. As to E-13, Commissioner  
5     Glick is concurring with a separate statement. As to E-16,  
6     Commissioner Glick is dissenting in part with a separate  
7     statement. As to E-19, Commissioner Glick is dissenting  
8     with a separate statement.

9           As to C-1, Commissioner LaFleur is concurring  
10    with a separate statement. And Commissioner Glick is  
11    dissenting in part with a separate statement.

12           With the exception of E-1 where a vote will be  
13    taken after the discussion and presentation of that items  
14    later in the meeting, we will now take a vote on this  
15    morning's Consent Agenda.

16           The vote begins with Commissioner McNamee.

17           COMMISSIONER McNAMEE: Except for Items E-5, E-6,  
18    E-14, and G-2, and eventually E-1, I vote aye.

19           SECRETARY BOSE: Commissioner Glick.

20           COMMISSIONER GLICK: Noting my dissents in E-19  
21    and C-1, and I guess we'll vote on E-1 later, my concurrence  
22    on E-13, I vote aye.

23           SECRETARY BOSE: Commissioner LaFleur.

24           COMMISSIONER LaFLEUR: Noting my concurrence in  
25    C-1, I vote aye.



1           SECRETARY BOSE:   And Chairman Chatterjee.

2           CHAIRMAN CHATTERJEE:   Aye.

3           SECRETARY BOSE:   We are now ready to move to the  
4 discussion and presentation items this morning.   The first  
5 item is a joint presentation of Item E-1 and E-2 concerning  
6 processes for market-based rate sellers.

7           There will be a presentation by Byron Corum,  
8 Ashley Dougherty, and Sarah Batto from the Office of Energy  
9 Market Regulation.   They are accompanied by Carol Johnson  
10 and Mary Ellen Stefanou from the Office of the General  
11 Counsel, and Jamie Marcos from the Office of Enforcement.

12           MR. CORUM:   Good morning, Mr. Chairman and  
13 Commissioners.

14           E-1 I a draft final rule the Data Collection for  
15 Analytics and Surveillance and Market-Based Rate Purposes  
16 proceeding which was initiated in a Notice of Proposed  
17 Rulemaking, or NOPR, in 2016.

18           In the NOPR, the Commission set out three main  
19 proposals.   First, the Commission proposed changes to the  
20 information that is submitted by sellers in the electric  
21 market-based rate program.

22           Next, the Commission proposed to initiate the  
23 collection of a new class of information--Connected Entity  
24 Information--from entities that trade virtual products or  
25 that sell financial transmission rights within an RTO or ISO

1 as well as from all sellers in the market-based rate  
2 program.

3           And lastly, the Commission proposed to establish  
4 a relational database to modernize and streamline the  
5 collection of certain information submitted into the  
6 market-based rate program as well as to store the new  
7 Connected Entity Information.

8           The draft final rule adopts the proposed changes  
9 to the market-based rate program as well as the proposal to  
10 create the relational database. However, in response to  
11 concerns raised about the difficulties and burdens imposed  
12 by this aspects of the NOPR, the draft final rule declines  
13 to adopt the Connected Entity proposals. Instead, the draft  
14 final rule moves these proposals and related comments into a  
15 newly established AD docket, AD19-17-000 should the  
16 Commission wish to consider this issue again in the future.

17           In regard to the market-based rate program, the  
18 draft final rule adopts the NOPR proposals to reduce the  
19 amount of ownership information that sellers are required to  
20 provide and to require sellers to provide information on  
21 their long-term firm sales. This information, along with  
22 information on the sellers' assets, the sellers' indicative  
23 screens, as well as certain other market-based rate  
24 information will be submitted in XML format into the newly  
25 formed database.

1           Further, in response to comments, the draft final  
2 rule makes other changes to the market-based rate program  
3 aimed at reducing burden to market-based rate sellers. For  
4 example, the draft final rule revises Section 35.42 of the  
5 Commission's regulations such that sellers will no longer be  
6 required to file notices of change in status on a rolling  
7 30-day deadline, but instead will make these submissions on  
8 a quarterly basis.

9           The draft final rule will reduce burden on  
10 industry after initial data population and is a continuation  
11 of efforts to modernize the market-based rate program.

12           In response to comments, the draft final rule  
13 will extend the implementation timelines from the NOPR  
14 proposals. Specifically, the effective date for this draft  
15 final rule is October 1, 2020, and the baseline submissions  
16 will be due by February 1, 2021. The draft final rule  
17 anticipates that the database will be ready for testing in  
18 January 2020. More information on the timelines can be  
19 found in the draft final rule and will soon be provided on  
20 the Commission's website.

21           Staff will also provide on the website the SML,  
22 XSD, as well as a new version of the data dictionary.  
23 However, as noted in the draft final rule, because the  
24 database is still being built these documents are subject to  
25 minor changes and any such changes will be posted on the

1 Commission's website and reporting entities will be  
2 notified via email. Staff is also preparing a User's Guide  
3 which will be posted on the Commission's website before the  
4 effective date of the final rule.

5 Thank you, Mr. Chairman and Commissioners. I  
6 will now turn to my colleagues who will discuss Item E-2.  
7 Thank you.

8 MS. DOUGHERTY: Thank you, Bryan. E-2 is a draft  
9 final rule adopting changes to the market-based rate program  
10 as proposed in the Refinements to Horizontal Market Power  
11 Analysis for Sellers in Certain Regional Transmission  
12 Organization and Independent System Operator Markets NOPR.

13 The draft final rule adopts the NOPR proposal to  
14 eliminate the requirement that sellers submit horizontal  
15 market power indicative screens for markets with RTO- or  
16 ISO-administered energy, capacity, and ancillary services  
17 markets subject to Commission-approved monitoring and  
18 mitigation.

19 Specifically, at this time this would apply to  
20 sellers that would otherwise study PJM, MISO, NISO, and  
21 ISO-New England and any submarkets therein.

22 However, under the draft final rule sellers that  
23 study RTO/ISO markets that do not administer capacity  
24 markets with Commission-approved monitoring and mitigation,  
25 currently that is SPP and CAISO, would be required to submit

1 indicative screens if they wish to sell capacity at  
2 market-based rates. For such sellers, the draft final rule  
3 adopts the NOPR proposal to remove the requirement to submit  
4 indicative screens as long as the seller's market-based rate  
5 authority in that market is limited to scales of energy and  
6 ancillary services.

7 MS. BATTO: Under the draft final rule, this  
8 relief would begin with those market-based rate sellers that  
9 are scheduled to file triennials for the Northeast Region in  
10 December 2019 and June 2020. In the most recent triennial  
11 round for this region, the Commission received approximately  
12 97 filings which included 263 indicative screens.

13 Over the last three years, market-based rate  
14 sellers filed approximately 593 indicative screens with  
15 their triennials. If the Commission issues the draft final  
16 rule, market-based rate sellers would be relieved of  
17 submitting over half of these 593 indicative screens.

18 In addition to the reduction of indicative  
19 screens submitted in triennial filings, market-based rate  
20 sellers would also be relieved of submitting indicative  
21 screens in initial applications and change in status filings  
22 in these RTO/ISO markets.

23 With the adoption of the revised regulations  
24 proposed in E-1 and E-2, the market-based rate program will  
25 continue to streamline its processes, as well as reduce

1 regulatory burden for the industry.

2           This concludes the team's presentation on E-2.  
3 We are happy to answer any questions on either E-1 or E-2.  
4 Thank you.

5           CHAIRMAN CHATTERJEE: Thank all of you for that  
6 excellent presentation. I am pleased that we are taking  
7 action on these two final rules because the changes we are  
8 approving today are common-sense reforms that both reduce  
9 the burden on industry and improve staff's ability to  
10 conduct market oversight.

11           Implementing these types of changes is, to me, a  
12 textbook example of good government. And so I am proud to  
13 support these Orders.

14           While I strongly support both Orders, I know that  
15 there are some who will construe our decision not to move  
16 forward with the Connected Entities Proposal as a lack of  
17 commitment to our enforcement program. To anyone with that  
18 misconception, let me be clear:

19           Robust enforcement of our Orders and Regulations  
20 is and will remain one of the Commission's most critical  
21 objectives.

22           I want to applaud the good work that Commission  
23 staff does already to address market manipulation and other  
24 wrongdoing. Today's action reforms the process for  
25 submitting required market-based rate data to the

1 Commission. By using a relational database rather than  
2 cumbersome individual filings, our staff will have even  
3 better tools to monitor conduct in our markets.

4 Adopting only the market-based rate revisions  
5 result in significant improvements, so I think that the  
6 final rule correctly concludes that industry's concerns  
7 about the burden of collecting the Connected Entity data  
8 were well warranted and declined to adopt that proposal.

9 I have no questions for the team, but thank you  
10 all again for your hard work on these important final rules.  
11 Thank you.

12 COMMISSIONER LaFLEUR: Thank you, Mr. Chairman.  
13 Thank you, Byron, Ashley, and Sarah for your presentation,  
14 and thank you to the rest of the teams who have worked on  
15 these Orders for so many years.

16 Today's Orders involve issues that have been  
17 floating around for some time, and I'm glad that we're  
18 taking final action today.

19 The Commission's market-based rate program is an  
20 important part of our oversight and implementation of  
21 wholesale electric markets, including both organized and  
22 bilateral markets. Today's Orders are a critical step in  
23 our ongoing efforts to modernize and, where possible,  
24 streamline the MBR program to ensure that we have the  
25 information we need to evaluate market power while not

1 unduly burdening market participants, and to use information  
2 technology to modernize the program that's been in place for  
3 some time.

4           On E-1, I agree with the Commission's decision to  
5 proceed to final rule on the MBR reforms and the new  
6 relational database. I recognize that these reforms do not  
7 address all the issues the Connected Entities' Proposal  
8 would have covered, particularly with respect to financial  
9 market participants and traders.

10           I made the pragmatic decision that it was  
11 important to move forward on the MBR improvements that had  
12 been held up for three years due to being placed in the same  
13 NOPR with Connected Entities.

14           I appreciate that we put the Connected Entities'  
15 record in a new administrative docket to support further  
16 action, which I hope the Commission pursues.

17           I would note that Item E-2 concerning the  
18 elimination of horizontal market power screens actually was  
19 spun off from an earlier MBR proceeding in a similar way of  
20 being put in an AD docket and then pulled up later.

21           I am not going to be here, obviously, to see it  
22 carried out, but I wish staff, the IT team under Anton, and  
23 the MBR community good luck as you move forward with the  
24 relational database authorized today. I think it will be an  
25 ambitious undertaking, but hopefully once it's up and



1 running it will greatly improve our oversight of MBR  
2 programs and the markets we regulate.

3 Thank you.

4 CHAIRMAN CHATTERJEE: Commissioner Glick.

5 COMMISSIONER GLICK: Thank you, Mr. Chairman, and  
6 I thank the staff for the presentation. Also I want to  
7 thank you all for being very helpful in meeting with myself  
8 and my advisors to further discuss E-1 in particular.

9 Unfortunately, I'm going to be partially  
10 dissenting on E-1 today in large part--actually in sole part  
11 because of the NOPR proposal regarding Connected Entities.  
12 And I know that the Order does create an AD docket, but I'm  
13 really having a hard time figuring out how that's any  
14 different than just killing the proposal altogether, and  
15 that's what I'm very much troubled by.

16 As I mentioned earlier, if we're going to rely on  
17 competition in competitive markets to set just and  
18 reasonable rates, we actually have a responsibility to guard  
19 against market manipulation. In my opinion, through its  
20 actions today the Commission is dropping the ball to the  
21 detriment of consumers across the country.

22 In the NOPR that formed the basis for the rule we  
23 are considering today, the Commission proposed to collect  
24 data from the wholesale electric--from wholesale electric  
25 sellers and entities that trade virtual products or hold

1 FTRs so that we can know more about whether these entities  
2 are affiliated with other market participants.

3           This Connected Entity information is critical for  
4 enabling NERC--FERC to detect potential manipulation of  
5 wholesale electric markets. What I want to know is why was  
6 information no longer considered necessary, or whether we  
7 simply no longer care about how we're addressing market  
8 manipulation?

9           The majority even refused to retain a proposal to  
10 impose a duty of candor on virtual product and FTR traders.  
11 They aren't even required to tell the truth. I'm not sure  
12 how that's a common-sense reform.

13           I understand that some market participants  
14 complained that it would be too burdensome to gather and  
15 report the Connected Entities information, and actually I  
16 agree that previous iterations of this proposal were  
17 arguably burdensome, but it got significantly cut down over  
18 time. And I would have certainly been willing to further  
19 discuss and further reduce whatever burdens there are from  
20 this particular rulemaking, but we didn't get the chance to  
21 do that.

22           I'm not averse to reducing burdens where we can.  
23 For instance, we had a meeting recently with some of the  
24 trade associations in town to talk about some reforms to the  
25 enforcement process, and I think some of their proposals

1 actually made a lot of sense and I'm certainly willing to  
2 consider that. So when necessary we need to reduce burdens.  
3 But not with regard to market manipulation.

4 I am really opposed to tying one arm behind the  
5 Commission's back when we instead should be protecting the  
6 markets against market power and manipulation.

7 Thank you, Mr. Chairman.

8 CHAIRMAN CHATTERJEE: Commissioner McNamee.

9 COMMISSIONER McNAMEE: I'll refrain from  
10 commenting on the substance since I'm not participating in  
11 E-1, though I did participate in E-2. But I do want to  
12 thank the staff for their hard work in dealing with these  
13 things, because ensuring that the markets work efficiently  
14 and openly is very important.

15 Also, I need to clarify a statement on E-19. No  
16 subpoenas were issued. We had the authority to issue the  
17 subpoenas, but the parties voluntarily complied.

18 Thank you.

19 SECRETARY BOSE: We will now take a vote on these  
20 items separately. I will first call for the vote on Item  
21 E-1. The vote begins with Commissioner Glick.

22 COMMISSIONER GLICK: I dissent in part.

23 SECRETARY BOSE: Commissioner LaFleur.

24 COMMISSIONER LaFLEUR: Aye.

25 SECRETARY BOSE: And Chairman Chatterjee.

1 CHAIRMAN CHATTERJEE: Aye.

2 SECRETARY BOSE: I will now call for the vote on  
3 Item E-2. The vote begins with Commissioner McNamee.

4 COMMISSIONER McNAMEE: I vote aye.

5 SECRETARY BOSE: Commissioner Glick.

6 COMMISSIONER GLICK: Aye.

7 SECRETARY BOSE: Commissioner LaFleur.

8 COMMISSIONER LAFLEUR: Aye.

9 SECRETARY BOSE: And Chairman Chatterjee.

10 CHAIRMAN CHATTERJEE: Aye.

11 SECRETARY BOSE: Mr. Chairman that concludes our  
12 voting items for today's agenda.

13 The last item for your presentation and  
14 discussion is Item E-1--I'm sorry, A-1.

15 CHAIRMAN CHATTERJEE: Thank you, Madam Secretary.

16 In closing, I would like to introduce a few  
17 colleagues and friends of Commissioner LaFleur who would  
18 like to say a few words in recognition of her tenure here at  
19 the Commission.

20 Please welcome Commissioner Marc Spitzer; Montana  
21 PSC Chair Travis Kavulla; Jamie Simler; and Steven Wellner.

22 (Pause.)

23 No, that's alright. If we've executed this  
24 properly, Commissioner LaFleur should have had no idea this  
25 was coming.

1 (Laughter.)

2 CHAIRMAN CHATTERJEE: Commissioner Spitzer served  
3 as a FERC Commissioner from July 2006 through December of  
4 2011. He also served six years on the Arizona Corporation  
5 Commission, including one terms as ACC Chairman.  
6 Commissioner Spitzer was elected to the Arizona State Senate  
7 in 1992, serving four terms including as [Arizona] Senate  
8 Majority Leader. He currently is a partner at Steptoe.

9 Travis Kavulla served eight years as a  
10 Commissioner at the Montana Public Service Commission where  
11 he held roles as Chairman and Vice Chairman. Prior to that,  
12 he was an editor and journalist writing for National Review  
13 and other publications. He is currently Director of Energy  
14 and Environmental Policy at RSTRE.

15 Jamie Simler served in various roles over her  
16 tenure at FERC, including Technical Advisor to Commissioner  
17 Nora Brunell; the first Director of the Office of Energy  
18 Policy and Innovation; Director of the Office of Energy  
19 Market Regulation; and Acting Chief of Staff to Chairman Bay  
20 prior to retiring from FERC in 2017. She is currently  
21 Director of Federal Regulatory Affairs at AMRAN.

22 Steven Wellner currently serves as Commissioner  
23 LaFleur's Legal Advisor. Steven has been with the  
24 Commission for about seven years, starting in the Office of  
25 General Counsel. He served as an advisor to Commissioner

1 LaFleur for over five years, including as her Chief of Staff  
2 during the no-quorum period. Prior to joining FERC, he was  
3 in private practice.

4 With that, I'd like to turn it over to this  
5 distinguished group for their remarks.

6 MR. SPITZER: Thank you, Mr. Chairman and  
7 Commissioners, Commission employees, alumni, and those who  
8 practice before it.

9 I thank you, Chairman Chatterjee for your  
10 gracious indulgence to permit us to make these remarks. I  
11 would point out, we're all still alive. This is not a  
12 funeral.

13 (Laughter.)

14 MR. SPITZER: Although maybe funeral in respects.  
15 And I met some colleagues from out West. It's 72 degrees  
16 with no humidity in San Diego.

17 (Laughter.)

18 MR. SPITZER: Just saying, Mr. Chairman, there  
19 are some people that are here because we want to be here,  
20 not because we have to be here.

21 Mr. Chairman and Commissioners, today is about  
22 the tradition of this Commission as much as Commissioner  
23 Cheryl LaFleur. To describe Cheryl LaFleur, words such as  
24 dedicated, scholarly, thoughtful, and motivated come to  
25 mind, but it's much more than that.

1           The well-written Orders and Dissents, the  
2 speeches, and the energy infrastructure placed in service  
3 are all important, but it's much more than that. The large  
4 number of people Cheryl LaFleur touched in the course of her  
5 nine years at the Commission across the country and all over  
6 the world are important, but it's much more than that.

7           And those who counted themselves within the  
8 universe of Team Cheryl, and many others to whom she offered  
9 wise counsel and advice, both young and, like me, not so  
10 young, that's important. But again, it's much more than  
11 that.

12           The challenges of public service, particularly  
13 high-profile public service, in today's political climate  
14 have been well chronicled. Less common, in fact rare, are  
15 those who buck that trend and through grace, logic, and  
16 verve make a genuine difference.

17           That is Cheryl LaFleur, and that's what today is  
18 about.

19           During the time that we served together,  
20 Commissioner LaFleur and I met on average more than once a  
21 week. We were doing our jobs with regard to Orders and  
22 administrative issues, but again, Mr. Chairman, it was more  
23 than that. There were matters over which we disagreed,  
24 sometimes vigorously, but good will always triumphed even  
25 when we voted different ways.

1           I learned the value of humor early in my career  
2 in Arizona politics from a former Senate Majority Leader.  
3 Commissioner LaFleur appreciated my sense of humor and  
4 responded with her own, always drier and more erudite.

5           (Laughter.)

6           MR. SPITZER: Even when Commissioner LaFleur  
7 observed that I'd taken positions that were overboard on the  
8 right wing, or perhaps betrayed my lack of industry  
9 background, she always dissected me with grace.

10          (Laughter.)

11          MR. SPITZER: Behind Commissioner LaFleur's  
12 wisdom lies passion, and I think that's a good thing.

13          Two reminisces, Mr. Chairman and members, the  
14 September 2010 open meeting, it was Commissioner LaFleur's  
15 first open meeting, and there was a very contentious order  
16 in New England, kind of similar to my situation in 2006.  
17 There was an order and Senator Kyle, who was my sponsor, was  
18 in opposition to the order, so I cast a vote doing my job  
19 contrary to his wishes, so it was a little bit traumatic for  
20 my first vote. In those days, you couldn't--and I think  
21 it's still the case--no more than two Commissioners would  
22 ride the elevator. So Commissioner Moeller, being ever the  
23 gentleman, graciously allowed me to enter the elevator to go  
24 down to the open meeting room with Commissioner LaFleur.

25          And she asked, what's going on? And in an effort



1 to try and lighten things up, I said, well, it's a very  
2 important day, or a very important week, Michigan plays  
3 Notre Dame.

4 (Laughter.)

5 MR. SPITZER: And she responded with a comment  
6 that was somewhat disparaging of Notre Dame, and I have a  
7 client who was on a national championship team, so I'm not  
8 going to repeat that comment--

9 (Laughter.)

10 MR. SPITZER: --and we sat next to each other on  
11 the dais, and Commissioner LaFleur was tense. I thought she  
12 was going to snap a pencil in half, in fact, so much. So I  
13 went over to her and said: Cheryl, E-1 is not a death  
14 penalty case.

15 (Laughter.)

16 MR. SPITZER: Of course there's the sports  
17 passion that everyone appreciates. And to those who have  
18 not had the opportunity to watch a game of any kind of  
19 Commissioner LaFleur and Bill--and Bill is a walking  
20 encyclopedia. Bill corrects me every time we get together  
21 about some error I made with regard to the Philadelphia  
22 Eagles' roster from 1960.

23 (Laughter.)

24 MR. SPITZER: And after one or two, Bill and  
25 Cheryl finished each other's sentences, which is kind of

1 cool. After the January 2018 Super Bowl, no more than five  
2 minutes after Tom Brady's desperation heave into the end  
3 zone fell harmlessly to the ground, Commissioner Powelson  
4 and I received a text, the most gracious text conceivable  
5 under the circumstances, from Commissioner LaFleur  
6 congratulating the Eagles on their win.

7 So the passion is combined with wisdom and grace.

8

9 Mr. Chairman, Commissioners, this Commission is a  
10 special place. I commend each of you for upholding that  
11 tradition. Departure from the Commission is an inevitable,  
12 merciless fact for all of us. To the Chairman, again I  
13 thank you for this opportunity.

14 And, Commissioner LaFleur, I thank you for the  
15 wisdom and counsel that you provided to me during the time I  
16 served on the Commission and, much more importantly,  
17 Commissioner, I thank you for your splendid service to the  
18 people of the United States.

19 MR. KAVULLA: Thank you, Marc.

20 Mr. Chairman, Commissioners, the whole energy  
21 regulatory family, being here today, gratefully  
22 acknowledging Cheryl LaFleur for her public service is a  
23 high honor indeed.

24 Cheryl is a model regulator, a lawyer who is not  
25 just a due process jockey, she is an expert on the facts of

1 the industry she regulates. One among a Commission which  
2 usually has multiple members, she knows there are hills to  
3 die on, and also knows not to die on every hill.

4 A decision-maker who is decisive, she also  
5 permits developments to unfold in the marketplaces under her  
6 watch without needless intervention. I'll just share a  
7 couple of stories of my interactions with Cheryl, drawing on  
8 my time as a state commissioner and as a leader of NARUC.

9 First, I'm not sure Cheryl has ever declined the  
10 invitation to sit down and talk through issues of mutual  
11 concern with her state counterparts. She's sort of a  
12 walking, talking embodiment of cooperative federalism.  
13 That's not to say she always agrees or defers to states, but  
14 that she is always willing to be in a conversation with  
15 state regulators.

16 Last year Cheryl came to the biannual gathering  
17 of Western State Energy Officials and Regulators, known by  
18 its inscrutable acronym CREPSE WYREB, it's the West's  
19 best-kept secret because of that acronym--

20 (Laughter.)

21 MR. KAVULLA: At these events we've come to  
22 expect the average VIP to swoop in, give remarks, and then  
23 leave. And there can almost be a palpable sense of remove  
24 about these appearances sometimes. But Cheryl stayed. And  
25 not only that, plunged into the conversation. The topic was

1 PURPA, and the panelists gave their presentations, and in  
2 the next hour or so a friendly, unscheduled debate ensued  
3 between Cheryl and state regulators, myself among them on  
4 that same topic.

5           It was one of those rare agreeable disagreements,  
6 I like to think, a conversation where the give-and-take  
7 actually made people reflect on their positions and learn  
8 something new about where they came from. And I walked away  
9 from the conversation, as I know other people did, with a  
10 sheaf of notes--better to prepare the next time, better to  
11 prepare to challenge the assumptions I'd made in the  
12 statements I made that day.

13           Knowledge is power, and Cheryl knows a lot.  
14 She's probably the most studied regulator I've ever met.  
15 She not only knew a lot coming in, but she keeps learning.  
16 Anyone who's sat in Cheryl's proximity at any event knows  
17 that her notepads are afterwards a spider web of notes.

18           She has a reputation for sharing her views, but  
19 she also has a reputation for listening. And yet here is  
20 one of the striking things about Cheryl. There must always  
21 be a temptation on the part of a person so knowledgeable to  
22 slyly control the regulatory process through obscurantism,  
23 but Cheryl is generous with her knowledge. Even as she  
24 observes the weakness in one's positions, she provides the  
25 advice on how an obscure Commission Order two decades prior

1 might be the skeleton key to remedying it.

2 Cheryl is also devastatingly funny, candid, and  
3 engaging. I know a lot of knowledgeable people who are  
4 very boring, indeed.

5 (Laughter.)

6 Mr. Kavulla: Cheryl is not among them. She  
7 adheres to the advice of one of the best regulators of all  
8 time, Alfred Kahn, who wrote a memo to his staff advising  
9 them: May I ask you to try very hard to write board orders,  
10 and even more so drafts of my letters for my signature, in  
11 straightforward quasi-conversational human prose, as though  
12 you are talking or communicating with real people?

13 Out West there's a saying that admonishes, "Don't  
14 baffle me with bullshit." Cheryl does not. Nor does she  
15 infantilize a person. She does not appease the mob. She  
16 has been willing to lose her job for making unpopular  
17 decisions.

18 I would, finally, be remiss if I did not  
19 acknowledge Cheryl's unflagging support for those of us who  
20 have worked to accomplish the expansion of electricity  
21 wholesale markets in the Western United States.

22 Someday--and the history is as yet unconcluded,  
23 so must by nature be as yet unwritten--but someday a case  
24 study will be written about how this development was a model  
25 of regulation, and of a Commission and Commissioners who

1 knew what to say and what not to say, what to do and not to  
2 do at the right moments to secure an outcome that is one of  
3 the most tangible steps in the several past decades toward a  
4 functional West--a more functional Western Grid.

5 Suffice it to say now that it all could have been  
6 snuffed out if the Commission had made a misstep. Cheryl  
7 remarked at CAISO's annual symposium several years ago that  
8 it was like watching an old western, "The Good, The Bad, and  
9 The Ugly," or you take all of those three things in stride  
10 optimistic for a positive conclusion.

11 And progress is still being made with Cheryl's  
12 encouragement. Always ready with a quip, Cheryl has noted  
13 that the chosen acronym for the Western Interconnection's  
14 potential extended day-ahead market, EDAM, was at least a  
15 cheese which did not have any holes in it.

16 (Laughter.)

17 MR. KAVULLA: It's a good one. We're very  
18 grateful that your legacy, since Steven will be to the  
19 West's advantage of OEMR West.

20 Cheryl, you've been a friend and a mentor to so  
21 many. Thank you for much for your public service. We'll  
22 miss your presence on this Commission.

23 MS. SIMLER: Mr. Chairman, Commissioners, thank  
24 you so much for allowing me to be part of this opportunity  
25 to celebrate Commissioner LaFleur.

1           I toyed with what I was going to say this  
2 morning. You know, should I be serious? Should I be  
3 lighthearted? And then I decided to speak to you from the  
4 perspective of being a member of senior staff during your  
5 time here.

6           So I have to say, it was never dull. First, we  
7 met you as a Commissioner, and then it pivoted to Acting  
8 Chairman and Chairman, and then we were back to  
9 Commissioner. And then my last experience here was you as  
10 Chairman with no quorum.

11           And through all of that, I have to say, what we  
12 learned from you was grace. How to take change with grace  
13 and accept it. And you showed us how to be open with the  
14 transitions, and help others to ease through the  
15 transitions. As you've told many of us over the years, you  
16 bloom where you're planted. And you showed us how to bloom  
17 where you're planted.

18           So no matter what your title was, we had the  
19 security of knowing that you cared. Ted bought the agency--  
20 sorry (choking up) this is all Anna's fault.

21           (Laughter.)

22           MS. SIMLER: I'm just going to read now. I'm  
23 not going to have any visual with you.

24           (Laughter.)

25           MS. SIMLER: So no matter your title, we have the

1 security of knowing that you cared, cared deeply about the  
2 agency, the staff, the decisions, and getting things right  
3 or as close to right as possible. Sometimes that meant  
4 compromise, and sometimes that meant taking a step back and  
5 more process. Not always popular with staff, the process  
6 end, and not always popular with industry, but we think it  
7 led to better outcomes for the Commission, including  
8 prevailing at the Supreme Court.

9           We enjoyed our discussions with you. We felt  
10 heard. You listened to our views on countless issues,  
11 countless times. From capacity markets, to fast-start  
12 pricing, to Order 1000, to storage, and the list goes on and  
13 on. We even debated whether to issues notices of inquiry or  
14 NOIs, as you would call them, which I still can't say--

15           (Laughter.)

16           MS. SIMLER: --or whether to convene technical  
17 conferences. And then we had debates about the structure of  
18 the technical conferences. But through all of that, we felt  
19 very included and we knew that we were part of your  
20 decision-making process. And for that, we appreciated it.

21           Your candor was valued then, as it is now. We  
22 appreciated the time you made both on the substantive  
23 matters and with personal matters. You opened your office  
24 to our children, oftentimes unexpected--David--

25           (Laughter.)



1 MS. SIMLER: You inquired about our families.  
2 You connected with us on a lot of levels. You led us  
3 through some interesting times, a lot of them, but perhaps  
4 the most interesting and the most familiar to me was through  
5 the lack-of-quorum period.

6 You provided a steady hand, keeping things as  
7 normal as possible, and helped us develop plans for triaging  
8 and prioritizing when the Commission would regain quorum.  
9 You guided us and kept us focused.

10 Thank you.

11 MR. WELLNER: Mr. Chairman and Commissioners,  
12 thank you for the opportunity to speak today. I just want  
13 to provide some reflections from someone who served on  
14 Commissioner LaFleur's personal staff for several years.

15 Although I'll note that this wouldn't be a proper  
16 set of FERC remarks if I note that I speak only for myself,  
17 I do not speak for anyone--

18 (Laughter.)

19 MR. WELLNER: --I do not speak for anyone  
20 currently or previously--it's no secret that Commissioner  
21 LaFleur has a tremendous work ethic, intellect, and interest  
22 in energy, which I think alone would be enough to make her a  
23 phenomenal Commissioner, but as others have remarked, the  
24 professional part of working with Cheryl really only tells  
25 part of the story.

1                   Commissioners' offices often call themselves  
2 "teams" and rightly so, given the camaraderie necessary to  
3 make an office work. However, working for Cheryl often felt  
4 like being part of a family, or more specifically her  
5 family, and not just because her husband, Bill, is around  
6 all the time.

7                   (Laughter.)

8                   MR. WELLNER: The same commitment and investment  
9 that she brings to the work she brought to those of us who  
10 were fortunate enough to work for her. She cares deeply  
11 about her staff, and she's so giving with her time, her  
12 attention, and her hospitality. Cheryl LaFleur is all in  
13 all the time.

14                   As a result, though, working for her is not a  
15 9:00 to 5:00 job. She never demands your time. She's  
16 always flexible about people's commitments, particularly for  
17 their families, but it's not uncommon to have notes rolling  
18 in from Cheryl close to midnight, and then resuming first  
19 thing in the morning. Or to open up your email on a  
20 Saturday afternoon to see a wave of emails documenting her  
21 thoughts on memos and orders that she read on Friday night,  
22 I guess?

23                   (Laughter.)

24                   MR. WELLNER: Or to have meetings that extend for  
25 hours weaving randomly but seamlessly between case

1 discussions, the Patriots, how the open meeting is going to  
2 go, where Bill's going to next, whether she should dissent,  
3 the Patriots again, where she would go for lunch, how your  
4 family's doing, and then back to the case discussions.

5           Some of my fondest memories repeated hundreds of  
6 times over the years are the LaFleur staff sitting in the  
7 lobby or her office just listening to Cheryl debrief on a  
8 meeting that helps, as others have noted, that she's one of  
9 the funniest people I've ever met and always has a story or  
10 an analogy for pretty much any occasion.

11           But the nature of working for Cheryl also means  
12 that, while everybody in the office has their normal, his or  
13 her normal responsibilities, there were always other duties  
14 as embraced or assigned. And those included, among others,  
15 the restaurant adviser, wedding and honeymoon adviser, the  
16 Twitter adviser, cold-medicine adviser, martini adviser, the  
17 wine adviser--and to be clear, those are two separate  
18 people--

19           (Laughter.)

20           MR. WELLNER: --poultry adviser, learning how to  
21 throw a baseball adviser, and then for the last few months,  
22 which has pretty much been all of us, the  
23 what-am-I-going-to-do-with-the-rest-of-my-life adviser.

24           (Laughter.)

25           MR. WELLNER: So I hope we have given you some

1 good advice.

2           People rightly, and understandably, appreciate  
3 Cheryl's candor, humor, and accessibility, and others have  
4 talked about that already. She loves meeting with people on  
5 virtually any topic. And one of the great challenges of her  
6 advisers was getting her to stop accepting so many meetings  
7 and speeches, which was a challenge that none of us ever  
8 really succeeded at.

9           Of course she's never been shy about sharing her  
10 thoughts regardless of the forum, and as a result meetings  
11 with Cheryl were rarely boring. Despite our best efforts,  
12 30-minute meetings regularly sprawled to an hour as she  
13 peppered meeting attendants with questions and commentary.  
14 I can recall plenty of pre-filing meetings, watching  
15 Commissioner LaFleur help parties refine and improve their  
16 arguments, often on both sides of an issue. It was a rare  
17 occasion when someone left a meeting with her and didn't  
18 have a better sense of her views when it was done.

19           But as an adviser, that candor was not all  
20 upside. It was particularly nerve-racking to be in a  
21 meeting and hear her say, as she often did, "I'm not sure if  
22 I should say this, but"...

23           (Laughter.)

24           MR. WELLNER: And have absolutely no idea what  
25 she was going to say. That said, even in what we've called

1 over the last few months her drop-the-mike phase, it was  
2 never as terrifying as say working for late-stage John  
3 Norris, or any Rob Powelson--

4 (Laughter.)

5 MR. WELLNER: In the months since she announced  
6 she was leaving the Commission, a lot of people have  
7 conveyed their appreciation for her service and her approach  
8 to the Commission's work. Whether it's on social media, in  
9 meetings, in speeches, I've seen the same words pop up over  
10 and over, appreciation for her integrity and her  
11 collegiality, her honesty and wit, her intellect and  
12 engagement, and her authenticity and transparency.

13 These are the hallmarks of a tremendous person  
14 and traits you want in people in any aspect of your life.  
15 But for the last nine years, we've been fortunate to have  
16 those qualities in Commissioner LaFleur as a leader here at  
17 the Commission.

18 Commissioner LaFleur has said that a key aspect  
19 of leadership is to serve as a mirror that shows people in  
20 an organization the best parts of that organization. And in  
21 her different roles, she's done exactly that. She has shown  
22 the dogged, daily commitment to the work and to advancing  
23 the public interest case by case, to creating a work  
24 environment that prioritizes civility, respect, and decency  
25 in which everyone is valued and everyone's views can be

1 heard and engaged with. To be idealistic but not  
2 ideological, and be willing to search for the practice if  
3 imperfect solution that can keep the Commission's work  
4 moving forward.

5 She was never one to let the perfect be the enemy  
6 of the good and, when necessary, to not even let the good be  
7 the enemy of the tolerable. And ultimately she supported  
8 transparency and accountability for her decisions,  
9 especially when those decisions were hard.

10 More than half of the agency's current staff have  
11 been hired since July 2010, which means a majority of FERC  
12 employees, myself included, have never worked at FERC  
13 without Commissioner LaFleur. It is going to be a big  
14 adjustment. Her commitment to this agency, its work, and  
15 its staff was never contingent on her title, and she's  
16 brought humor and humanity to the job while serving as a  
17 source of stability for FERC during uncertain times.

18 So, Cheryl, thank you for your service, for your  
19 leadership, and your friendship. I am personally honored to  
20 have worked with you, and will always be proud to call  
21 myself a Team LaFleur Alum. More importantly, this  
22 Commission and the country are better because you've been  
23 here.

24 And finally, with all due respect to your current  
25 and former colleagues, you're still the only person I trust

1 to run this place by yourself.

2 (Laughter.)

3 MR. WELLNER: So with that, Mr. Chairman, thank  
4 you again for the opportunity.

5 CHAIRMAN CHATTERJEE: Thank you all for your  
6 incredibly thoughtful remarks.

7 Before I turn it over to my colleagues for their  
8 comments, I have a couple of questions--

9 (Laughter.)

10 CHAIRMAN CHATTERJEE: I do have two comments.  
11 One, Commissioner Spitzer, I will note you talked about the  
12 failed Tom Brady heave at the end of the Super Bowl. That  
13 only came as a result of the NFL's absolutely arbitrary and  
14 capricious decision to allow the Zach Ertz touchdown on the  
15 previous drive to stand. I know Bill agrees with me on  
16 that.

17 (Laughter.)

18 CHAIRMAN CHATTERJEE: And, Commissioner Kavulla,  
19 I will note, I served with Rob Powelson for a year, and so  
20 I'm stunned that today was the first time I heard a curse  
21 word in the Commission's--

22 (Laughter.)

23 CHAIRMAN CHATTERJEE: With that, I would like to  
24 turn it over to Commissioner Glick.

25 COMMISSIONER GLICK: Not to mention, Chairman

1 Chatterjee's children are out in the audience.

2 (Laughter.)

3 COMMISSIONER GLICK: You know, I was--just like  
4 Commissioner Spitzer, I was--you don't have to leave. You  
5 can stay if you want.

6 (Laughter.)

7 COMMISSIONER GLICK: Just like Commissioner  
8 Spitzer, I was actually trying to think of the one word, the  
9 best word to describe you, Cheryl, and I've written down  
10 "intelligent, hardworking, dedicated" but I ended up also,  
11 just like Commissioner Spitzer said, "passionate." Because  
12 anyone who's ever worked with you or worked for you knows  
13 how passionate you are about this place, about the people  
14 that work here, about the work that we do every day, and  
15 you know how important it is not just to the folks here but  
16 to the folks around the country and to the everyday lives of  
17 Americans.

18 And you have embodied that passion every one of  
19 the approximately 3,300 days that you've been on the  
20 Commission. We had to calculate that, by the way.

21 (Laughter.)

22 COMMISSIONER GLICK: That's a lot of days.

23 When I got to FERC in November of 2017, Cheryl  
24 was incredibly gracious and helped me very quickly try to  
25 get up to speed and learn about what being a Commissioner is



1 all about, and how you vote, and all the other stuff. And  
2 she was extremely gracious about that.

3 But she's also kind of been a FERC historian.  
4 You know, she knows everything about what happened at this  
5 place, why things happen, how things came about. And after  
6 you leave, Cheryl, Chairman Chatterjee is going to be the  
7 longest serving FERC Commissioner and he's going to tell us  
8 all about the great days of August 2017.

9 (Laughter.)

10 COMMISSIONER GLICK: But Commissioner LaFleur is  
11 also one of the hardest working people I know, and everyone  
12 who has spoken has already mentioned that. I've told this  
13 story before, but I have to say it again.

14 Early on when I started, you know we get a lot of  
15 these memos, 200, sometimes over 200 pages, lots of stuff,  
16 lots of appendices and all that, and I printed it out on  
17 Monday morning, started reading it, and I had a regularly  
18 scheduled meeting with Commissioner LaFleur on Monday  
19 afternoon. And I got in her office and she's got the entire  
20 memo tabbed, like many pages of notes, and all sorts of  
21 questions about it.

22 So I was always very intimidated going into your  
23 office--

24 (Laughter.)

25 COMMISSIONER GLICK: But I just wanted to say,

1 everyone here knows, words matter a lot. Words matter in  
2 Washington, D.C., around the country, and they're very  
3 important. And Commissioner LaFleur has written and spoken  
4 so eloquently about many of the important issues that have  
5 come before this Commission over the last decade, and as a  
6 small token of our appreciation, our office put together a  
7 word file. We wanted to commemorate the impact your words  
8 have had on the energy industry.

9           And my advisers, because they're much more  
10 computer literate than I, put together a word file of the  
11 over than 50,000 words that you have spoken and written in  
12 terms of what's been published on the FERC website. And so  
13 here is the word file, in red, white and blue.

14           (Presentation.)

15           COMMISSIONER GLICK: I assure you that was not  
16 intentional.

17           (Laughter.)

18           COMMISSIONER GLICK: But again, thank you,  
19 Cheryl, for everything you've done for me, but more  
20 importantly everything you've done for this country.  
21 Everyone is going to be very proud of everything you've done  
22 here. Thank you.

23           CHAIRMAN CHATTERJEE: Commissioner McNamee.

24           COMMISSIONER McNAMEE: I too want to say it has  
25 just been a great pleasure to get to work with you. I've



1                   CHAIRMAN CHATTERJEE: Thank you, Commissioner  
2    McNamee. I too want to take a few moments to say a few  
3    words about my good friend and colleague.

4                   It's hard to believe that this will be  
5    Commissioner LaFleur's final Commission meeting. This being  
6    FERC, I have to start with some numbers.

7                   Commissioner Glick was correct. She served about  
8    3,300 days, but I will note by the end of her term on August  
9    31st, she will have served 3,336 days, making her the second  
10   longest serving Commissioner at FERC. It is 519 days  
11   shorter than the longest serving Commissioner, Bill Massey,  
12   but I will note that Cheryl has Massey beat when it comes to  
13   being Chairman.

14                  (Laughter.)

15                  CHAIRMAN CHATTERJEE: She served a total of 704  
16    days as Chairman. As for Massey, we've all heard him say  
17    many times, his Chairmanship was a glorious weekend.

18                  (Laughter.)

19                  CHAIRMAN CHATTERJEE: But you can't measure  
20    Cheryl's influence just by the amount of time she was Chair  
21    at the Commission. Just to give you sense of how much  
22    Cheryl LaFleur cares about her country, about this  
23    Commission, about the work, she first reached out to me when  
24    she heard that there was a possibility that I would be  
25    nominated to the Commission.

1           It was during the no-quorum period, and despite  
2 the fact that I was being nominated to serve for the other  
3 Party, she cared more about restoring a quorum at the  
4 Commission and gave me guidance on how to approach the  
5 nomination and confirmation process, and started to prep me,  
6 saying don't get ahead of yourself, you've still got to get  
7 confirmed, but should you be confirmed, these are the kinds  
8 of things that you'll want to think about as you put your  
9 staff together, and how you structure your life, and how you  
10 go about the Commission. She advised me on how to look at  
11 work/family balance, knowing that I had a young family, and  
12 was really incredible.

13           I got through the confirmation process. She was  
14 down to the lone member of the Commission, even had a  
15 picture of the volley ball from the Tom Hank movie, I'm  
16 blanking on the name. As of now as I've spent a couple of  
17 years at the Commission, I now have a greater appreciation  
18 for how difficult a period that must have been not just  
19 because of the stress of the backlog that was accruing, but  
20 just maintaining morale amongst the wonderful staff here at  
21 the Commission.

22           And Cheryl led through that period. As Jamie  
23 mentioned, it was orderly and organized and she made sure  
24 that we triaged all the cases that were coming in, and  
25 prioritized what we needed to get out when a quorum was

1 restored. But she did all that while keeping morale up,  
2 which is just to me the embodiment of leadership.

3 But she took that and extended it even further as  
4 Commissioner Powelson and I were confirmed in August of  
5 2017. So I'd been with the Commission two days. She was on  
6 vacation in Nantucket, and again being the consummate  
7 professional, called me immediately on my first day to  
8 apologize for being on vacation when I was sworn in. I told  
9 her I blamed the United States Senate for that, not her.

10 (Laughter.)

11 CHAIRMAN CHATTERJEE: But I was then named  
12 Chairman temporarily two days later, and without flinching,  
13 when she returned to the office, you know, came in and just  
14 laid out the game plan of how we were going to proceed to  
15 address the backlog.

16 And, again, she didn't have to do that. But she  
17 prioritized the agency and the work we do, and our  
18 stakeholders, above all else. And she lent Steven to me to  
19 help me put my team together, and to prepare the difficult  
20 work that we had to do to cut through that significant  
21 backlog that had accrued.

22 It's been a tough time during the past couple of  
23 years. Commissioner Powelson left after just a year. We  
24 had Chairman McIntyre's tragic passing. And it's been hard  
25 through that. And you've got, as Commissioner Glick noted,

1 you know, I will be the senior member of the Commission from  
2 August of 2017. And we've been able to get it through,  
3 despite the fact that Commissioner Glick, my own, and  
4 Commissioner McNamee's tenure don't even equal half of yours  
5 because of the leadership and the institutional memory and  
6 the guidance that you provide.

7           There have been numerous occasions on issues that  
8 I'm not even certain Commissioner LaFleur agreed with the  
9 course that I was taking, but she was able to provide me  
10 that institutional history and say, well, back in 2011 we  
11 handled a similar situation like this in this manner, and  
12 that manner, and that is just so, so valuable. And I don't  
13 know, I'll have to check with Charles Beamon to see if I can  
14 still call you in the fall for similar guidance.

15           But I think what speaks most of how Commissioner  
16 LaFleur, you know, just putting the Commission first, you  
17 know when Commissioner Powelson left we didn't have a lot of  
18 time to process his departure, and we really had to scramble  
19 to identify areas where we could maintain a quorum and get  
20 important issues done.

21           When Chairman McIntyre passed, obviously that was  
22 something that all of us struggled to deal with and didn't  
23 have time to prepare for emotionally or professionally. You  
24 know, Commissioner LaFleur didn't have to lay out a game  
25 plan for her departure. She didn't have to announce when

1 she did that she wasn't going to continue on at the  
2 Commission, but she put the Commission first and enabled us  
3 to go through and similarly make sure that we will get the  
4 important work of the Commission done in an orderly fashion,  
5 always putting country first, the Commission first.

6 We will miss you, not only for your role of New  
7 England sports champions, your seasonal appearance in New  
8 England sports jerseys, our shared love of the goat, Tom  
9 Brady, but I will personally miss your wise counsel, your  
10 leadership, and your wit.

11 And before I conclude and turn it over to you for  
12 your comments, I want to present you with this.

13 (Presentation made. Applause.)

14 COMMISSIONER LaFLEUR: Well thank you, very much,  
15 Neil, Rich, and Bernie, for those comments and gifts, and  
16 thank you to Marc, and Travis, and Jamie, and Steven for  
17 your very touching personal comments. It means a lot to me  
18 that you're here and that all the folks who I see around, so  
19 many old friends in the audience, are here. It just makes a  
20 tremendous--means a tremendous amount.

21 I put off writing my thoughts for today because  
22 it's hard for me to express what my time at FERC has meant  
23 to me. And I'll probably read a little bit more than I  
24 usually do. I might take this down (indicating) so I can  
25 see people. I'll put it in the office later.



1           I've been very honest that serving on FERC was an  
2 opportunity I didn't expect to get when I got a cold call  
3 from the White House in September of 2009, almost 10 years  
4 ago. Like Lin Manuel Miranda says in Hamilton, "I did not  
5 throw away my shot." I said, oh, yeah, yeah, I'll be on  
6 the list. What do I have to do?

7           And that surprise call has led to the most  
8 rewarding and meaningful professional experience of my life,  
9 and I've been fortunate to have a lot of good professional  
10 experiences.

11           When I was leaving Boston to move to D.C., a  
12 bunch of my friends took me out to lunch. And my friend Bob  
13 McClaren, said: If I know you, you're going to love it, and  
14 you'll probably end up being one of the longest serving  
15 Commissioners, and you won't walk out of there until you're  
16 a little old lady with a cane.

17           (Laughter.)

18           COMMISSIONER LaFLEUR: And I said, that's  
19 ridiculous. We're not even selling our house. I'll just be  
20 back in a couple of years, I'm sure, but it'll be good to  
21 do, you know.

22           Well, I don't have a cane--

23           (Laughter.)

24           COMMISSIONER LaFLEUR: --although I do think I  
25 look like a Face App version of myself in 2010--

1 (Laughter.)

2 COMMISSIONER LaFLEUR: --but otherwise I think a  
3 lot of what he said was true. Before I came to FERC, I  
4 thought I knew a lot about energy, but I quickly found out I  
5 had a lot to learn. And I really haven't stepped off the  
6 learning curve yet, but I've learned a lot more than I knew  
7 before from the people in this building and the people in  
8 the energy community around the country at meetings like  
9 PRPSI and others. And the relationships I've made in the  
10 process are definitely what I'm going to miss the most and  
11 treasure the most.

12 I've tried to have a consistent regulatory  
13 philosophy of learning as much as I can about the issues,  
14 deciding every case by what I thought was right,  
15 compromising with my colleagues when I could, and dissenting  
16 when I couldn't. I've tried not to let politics or my own  
17 chances of re-nomination affect how I did the job.

18 I appreciated the chance to lead the Commission  
19 twice from 2013 to 2015, and again in 2017. My  
20 Chairmanships were anything but standard. The first time I  
21 didn't even know if I was getting re-nominated again or how  
22 long I'd be Chairman. The second time we lost quorum. But  
23 senior staff and the whole organization carried me and kept  
24 us going.

25 I have a lot of people to thank for the past nine

1 years. I can't name all of them, but if you'll indulge me  
2 I'm going to name some. And I'm not going to give a  
3 soliloquy on each one because we'd be here until like four  
4 o'clock, but I just want to name some folks.

5 First, of course, President Obama for nominating  
6 me. And Senators Bingaman, Landrieu, and Murkowski for  
7 shepherding my nominations through the Senate Energy  
8 Committee both times.

9 The center of my experience are the 12 fellow  
10 Commissioners I've served with who became valued colleagues  
11 and, in some cases, close friends, and I'm just going to  
12 name them in their order of joining the Commission:

13 Marc Spitzer, Jon Wellinghoff, Bill Moeller, by  
14 my count he still has me beat by a few days but he has the  
15 longevity record, John Norris, Tony Clark, Norman Bay,  
16 Colette Honorable, Neil Chatterjee, Rob Powelson, Kevin  
17 McIntyre, Rich Glick, and Bernie McNamee.

18 I would also like to just call out the very, very  
19 supportive community of former FERC Commissioners, many of  
20 whom I--some of whom I knew before, most of whom I didn't,  
21 but who reached out to me when I got nominated, when I  
22 joined the Commission, when I became Acting Chairman, when  
23 we lost quorum, from Charlie Curtis, to Betsy Moler, to Pat  
24 Wood, and Joe Kelliher, and all the colleagues who served  
25 with them and in between them. They are a community of

1 people that really cares about our work. And it's a  
2 community I look forward to joining next month. I do expect  
3 to stay active in energy. I'm going to work part-time, no  
4 more than 40 hours a week--

5 (Laughter.)

6 COMMISSIONER LaFLEUR: --but probably in a  
7 portfolio of board, nonprofit, academic, rather than a  
8 single full-time job. But I will definitely be following  
9 the future work of this Commission.

10 The people who've worked in my office over the  
11 last nine years have been at the heart of my experience, and  
12 the closest relationships I've formed by far. And that was  
13 really my biggest surprise when I came. I'd worked with  
14 FERC. I'd read FERC orders. But how kind of isolated you  
15 were in chambers there with your team.

16 I was used to being in an organization where  
17 everybody worked for everybody kind of. I know every  
18 Commissioner thinks his or her team is the best, but I think  
19 of some of the ups and downs I have put my group through,  
20 and also working for a workaholic chatterbox, and how much  
21 they've accomplished for the Commission, I'm grateful and  
22 humbled.

23 Everybody who knows this building knows that the  
24 advisers do most of the stuff the Commissioners get credit  
25 for. I have had 12 advisers in the past 9 years. I didn't

1 know any of them before joining FERC. I hired all of them  
2 from FERC professional staff. And among the hardest  
3 decisions I've ever had to make was choosing people from the  
4 very talented staff, because there's a lot more that are  
5 able.

6 I am deeply honored that all of my past and  
7 present advisers and folks who have served in my office are  
8 here today, and I'd ask them to stand when I say their name,  
9 which I'll try to do in chronological order.

10 My first adviser, who was alone with me, Ruta  
11 Skucas, Josh Koneckni, Mary Wierzbicki, Kurt Longo, who was  
12 also my co-chief of staff during my first term as Chairman,  
13 Lisa Luftig, Jette Gebhart, my other co-chief of staff  
14 during my first term as Chairman. Some of them usually sit  
15 up here, you know. Andy Weinstein. Becky Robinson.  
16 Jessica Cockrell. Cat Giljohann, and Anne Marie  
17 Hirschberger.

18 I have also been blessed with wonderful staff  
19 whose titles were officially administrative but did their  
20 official jobs and much more, and I'd like to ask them to  
21 stand also. Kim Shannon who made the place run for so many  
22 years. Patricia Smith who is my longest serving person on  
23 my team. And also, if she weren't running OAL, she'd make a  
24 great Uber driver or getaway driver--

25 (Laughter.)

1                   COMMISSIONER LaFLEUR: And Andrew Holleman, who I  
2 talked about earlier in the meeting. And I've been  
3 fortunate to call on excellent people whenever we had a need  
4 for people who serve in the office on detail, so I have  
5 adopted LaFleurs everywhere. Shante Collier-Haygood, Ron  
6 LeComte. I know he's not here today. Colleen Ferrell.  
7 Tracy Adamsky. Eric Vandenberg, he went on to great  
8 things. Kris Fitzpatrick. And now Michelle Brown.

9                   I have had Princeton interns in my office every  
10 summer since 2012. I won't name them all, but I want a  
11 shout out to my first, if she's here, Nicole Businelli, who  
12 is now an analyst in OMER-East, and my wonderful current  
13 intern Clair Wayner who is behind me, I hope.

14                   I want to thank everyone on senior staff, both  
15 the people who are on senior staff now and all the ones who  
16 have retired that were here during my time. They're a huge  
17 part of what makes FERC work.

18                   I particularly relied on this brain trust to  
19 carry me during my stints as Chairman, but they've been a  
20 big part of the experience and the success of the agency  
21 every day I've worked here. I'm not going to name them all,  
22 but I just want to mention the few who played key support  
23 roles to me, just a few.

24                   David Morenoff, whom I was privileged to have as  
25 General Counsel during both of my stints as Chairman. Anton

1 Porter, the COO of FERC. His team and all of the things he  
2 oversees makes everything run here, and he is unfailingly  
3 patient and accomplishes what needs to be done no matter  
4 what it takes.

5 Mark Radlinski and his security team who keep us  
6 safe. If there was a group whose job has increased the most  
7 over the last nine years, it would be security.

8 Kim Bose and Diana, and everyone in OSEC who keep  
9 us on track and make sure our words say what they're  
10 supposed to say, and stay late into the night after we vote  
11 out orders, which is sometimes already late into the night.

12 And I want to call out Charles Beamon and his  
13 unsung heroes in GAL who manage innumerable ethical  
14 questions and FOIAs and invitations, and financial forms,  
15 and everything else.

16 I'd like to thank all the FERC employees here in  
17 888, down the street in OAL, and in all the regional offices  
18 around the country. It's great that Dave Capka is at the  
19 table today, who runs our regional offices.

20 We're lucky to have a big team of people who care  
21 about our mission and do what's right to keep electric, gas,  
22 and oil rates just and reasonable, to keep the markets  
23 running correctly, the grid reliable, and the facilities we  
24 oversee safe. They care deeply about the independence of  
25 this Commission and the quality of the work it puts out.

1           They care about the community, as evidenced by  
2 our record-breaking achievements in the Combined Federal  
3 Charity Campaigns. And they care about each other. And  
4 there are many, many people in this building I will deeply  
5 miss.

6           I would like to thank everyone in the energy  
7 community, the FERC Bar, and the FERC press for being so  
8 welcoming to me when I came to town knowing pretty much no  
9 one, and for caring about the work we do and about this  
10 Commission.

11           And of course I have to thank my family. I'm  
12 happy that my husband Bill and my daughter Allison are at  
13 today's meeting, and my son Dan was here just a couple of  
14 months ago. Allison has known just about everyone on my  
15 team, but she's never been to a meeting, and I'm really  
16 touched that she got up at oh-dark-thirty to make the trip.

17           When I got the call about FERC, Bill was sitting  
18 next to me in the car and I know he was not necessarily  
19 looking to move to D.C. because it's located many miles from  
20 Gillette Stadium, and take on all the other aspects of the  
21 job, but he did. And he's been very involved--very  
22 involved--caring and supportive every step of the way.

23           Bill's FERC nickname is "Cinco," which is a long  
24 story for another time, but he is like the fifth adviser  
25 whether we want his advice or not.



1 (Laughter.)

2 COMMISSIONER LaFLEUR: At the end of the day, I  
3 gave him one instruction, don't say anything--

4 (Laughter.)

5 COMMISSIONER LaFLEUR: At the end of the day,  
6 when you leave some place--and I've left jobs I've loved  
7 before, but it's the people you leave behind that are going  
8 to carry on that mean the most to you. And to all of you at  
9 this table, and everyone at FERC who is taking this  
10 Commission forward, thank you for making this a very special  
11 place.

12 Thank you, very much.

13 (Extended applause.)

14 CHAIRMAN CHATTERJEE: With that, Madam Secretary,  
15 our meeting is adjourned. If OGC says it's okay, I think it  
16 only appropriate if Cheryl would gavel us out. Okay?

17 COMMISSIONER LaFLEUR: (Gaveling) Thank you.

18 (Whereupon, at 11:48 a.m., Thursday, July 18,  
19 2019, the meeting of the Commissioners of the Federal Energy  
20 Regulatory Commission was adjourned.)

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## 1 CERTIFICATE OF OFFICIAL REPORTER

2

3 This is to certify that the attached proceeding

4 before the FEDERAL ENERGY REGULATORY COMMISSION in the

5 Matter of:

6 Name of Proceeding:

7 1058th Commission Meeting

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16 Docket No.:

17 Place: Washington, DC

18 Date: Thursday, July 18, 2019

19 were held as herein appears, and that this is the original

20 transcript thereof for the file of the Federal Energy

21 Regulatory Commission, and is a full correct transcription

22 of the proceedings.

23

24 Gaynell Catherine

25 Official Reporter