

ONE HUNDRED FIFTEENTH CONGRESS
Congress of the United States
House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

Majority (202) 225-2927

Minority (202) 225-3641

August 29, 2017

Ms. Cheryl Mele
Senior Vice President and Chief Operating Officer
Electric Reliability Council of Texas
7620 Metro Center Drive
Austin, TX 78744

Dear Ms. Mele:

Thank you for appearing before the Subcommittee on Energy on Wednesday, July 26, 2017, to testify at the hearing entitled "Powering America: A Review of the Operation and Effectiveness of the Nation's Wholesale Electricity Markets."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please respond to these questions with a transmittal letter by the close of business on Wednesday, September 13, 2017. Your responses should be mailed to Elena Brennan, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, DC 20515 and e-mailed in Word format to Elena.Brennan@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,



Fred Upton
Chairman
Subcommittee on Energy

cc: The Honorable Bobby L. Rush, Ranking Member, Subcommittee on Energy

Attachment

Attachment—Additional Questions for the Record

The Honorable Fred Upton

1. At our July 18, 2017, Energy Subcommittee hearing, Calpine submitted testimony stating that while the Texas' market is working well, some improvements are needed. Interestingly, Calpine stated that while Texas currently has an energy-only market, it was confident that this decision will be revisited to consider a capacity market. Will you be considering establishing a capacity market in the future?
 - a. If not, why?
 - b. The Texas PUC recently opened a proceeding to examine improvements to your energy market structure. What do you expect to come of this review?

The Honorable John Shimkus

1. If, as we learned at the hearing, markets were structured to build only the least expensive generation, we would build nothing but natural gas plants right now.
 - a. Is that correct? Is that what's happening?
 - b. If not, how do you explain other generation sources entering the market?

The Honorable Billy Long

1. RTO development began in late 1999 with ISO development soon to follow. Both organizations help to monitor our electric power system. There are still a number of gaps in our electric system where problems could occur. What are your thoughts about the creation of another RTO that could include the states of Nevada, Arizona, Colorado, and other western states? Should it be an RTO or an ISO?
2. How are you planning to manage the growing surplus of generation in your respective regions?

The Honorable Frank Pallone, Jr.

1. Consumer advocates have identified the resource imbalance between the stakeholder members of the RTO/ISO Boards and the small consumer community as a major barrier to having meaningful representation of consumer viewpoints included in decisions about grid operation and capital project evaluation and approvals. What mechanisms, reductions in costs of stakeholder participation, or other support does your RTO/ISO provide to the small consumer community to facilitate their participation in RTO/ISO governance?

2. You indicated at the hearing that ERCOT had a formal structure (e.g. committee or liaison position) for obtaining input on consumer views and concerns on grid management. Please provide detail about how consumer views are incorporated into decision-making at your RTO/ISO.
 - a. Do consumer advocates have voting representation on the Board?
 - b. Do consumer advocates participate actively in the development and approval of grid planning?
 - c. Are there funds available to support full-time staff that serve the interests of consumer advocates? If so, what is the source of those funds?