

Opening Statement of Chairman Greg Walden
Subcommittee on Energy
“Powering America: Defining Reliability in a Transforming Electricity
Industry”
September 14, 2017

(As prepared for delivery)

As you are aware, this hearing was originally scheduled for the beginning of this week but was postponed due to the destruction caused by hurricane Irma. I would like all of those effected by hurricane Irma to know that we are thinking about them and we are doing what we can to hasten the recovery efforts, especially as it pertains to restoring power to the region. Both hurricane Irma and hurricane Harvey have highlighted concerns and challenges that this committee is working to address and which we will be talking about this morning.

As we continue our “Powering America” hearing series today, we will be examining the U.S. electricity system through the important lens of reliability. If there is one thing that we can all agree upon, it is the fact that this country must have an electricity system that provides reliable power to every corner of the country. Everyone in this room understands that electricity is a crucial component in the lives of all Americans and serves as the backbone of the U.S. economy. For these reasons, this committee has always paid special attention to the issue of reliability, which can be seen through our extensive record of hearings and legislation related to the electricity sector.

As noted in previous “Powering America” hearings, the United States electricity system is going through a significant period of transformation which is being driven by several factors ranging from a changing generation fuel mix to the deployment of new energy technologies located at the edge of the grid.

Clearly, the transforming grid is creating exciting new opportunities and benefits for consumers across the country, which is demonstrated by low electricity prices and the deployment of new consumer-focused energy technologies. However, along with the benefits that accompany an evolving grid, there are of course some associated challenges that are causing many stakeholders to rethink how we should go about regulating and operating a 21st century electricity system. Chief among these challenges is improving how we address and ensure grid reliability.

Given the importance and far reaching impact of the grid, multiple entities and stakeholders are working together to make sure that electricity is generated and delivered reliably. Joining us today, we have three entities – the Federal Energy Regulatory Commission, the Department of Energy, and the North American Electric Reliability Corporation - who each play a crucial role in overseeing our

electricity system. I look forward to hearing from them. More specifically, I am particularly interested in hearing how these entities are implementing market rules and standards to ensure not only a reliable grid today but to make sure that we have a reliable grid 10 or 20 years from now.

I should also mention that at a later date, we will be hearing from a separate panel of witnesses representing the various types of power producing technologies that generate the nation's electricity supply. These witnesses will help us understand how various generation resources are working together, under the direction of grid operators, to generate adequate power and to offer essential grid reliability services, such as frequency regulation and voltage support.

As Americans, we have always been incredibly fortunate to have access to reliable electricity at all times of the day and in every region of the country. To maintain this reliable electricity system going forward, we must continue to promote adequate system planning, smart energy policies, and robust technology standards, while still providing electricity sector participants with the flexibility they need to bring about innovation and sustain low electricity prices. With this goal as a backdrop, I look forward to the remainder of this hearing and would like to thank our witnesses for their patience and flexibility with rescheduling this hearing.