

**U.S. House Committee on Energy and Commerce**  
**Subcommittee on Energy, Climate, and Grid Security**  
**“Powered Up: State Utility Regulators on Challenges to Reliable, Affordable**  
**Electricity”**  
**[February 14, 2024]**

1. Letter to Chairs Rodgers and Duncan and Ranking Members Pallone and DeGette from Clean Energy Grid Action, submitted by the Minority.

The Honorable Cathy McMorris Rodgers  
Chairwoman  
House Committee on Energy & Commerce

The Honorable Jeff Duncan  
Chairman  
House Energy & Commerce Subcommittee on  
Energy, Climate, & Grid Security

The Honorable Frank Pallone  
Ranking Member  
House Committee on Energy & Commerce

The Honorable Diane DeGette  
Ranking Member  
House Energy & Commerce Subcommittee on  
Energy, Climate, & Grid Security

Dear Chairwoman McMorris Rodgers, Ranking Member Pallone, Chairman Duncan, Ranking Member DeGette, and members of the House Energy & Commerce Subcommittee on Energy, Climate, & Grid Security:

On behalf of Clean Energy Grid Action (CEGA), thank you for holding today's hearing on how best to ensure the reliability and affordability of the nation's electric grid. We agree that this is a crucial issue, which is why we advocate for development of an expanded, modernized, and integrated high-capacity transmission system. Put simply, transmission is the most effective, least-cost way to achieve a grid capable of standing up to the rigors of 21<sup>st</sup> century demands and ensuring that we achieve strong economic growth and a good standard of living.

Our reliance on the grid has never been more acute or important to our economic and personal well-being. Recent power outages due to extreme weather, most famously in Texas during Winter Storm Uri, have resulted in the loss of hundreds of lives and billions of dollars. Further, with the acceleration of economy-wide electrification thanks to new manufacturing requirements, the growth and proliferation of data centers, and changes to our transportation fleet, among other factors, demand is expected to increase at five times the recent average.<sup>1</sup>

We need new power resources to meet this growing demand, and we must efficiently move that power to new customer energy loads. We risk missing out on economic development opportunities, as well as jeopardizing our ability to keep the lights on for households and businesses, if the grid can't keep up — so expanding transmission capacity is key. Accounting for the high load growth that's expected to occur will require a 128% increase in our nation's transmission capacity.<sup>2</sup>

In times of emergency, the demand for a dependable and integrated grid is undeniable. During World War II, the U.S. urgently required power to produce essential war materials and meet civilian needs. Power companies and the federal government acknowledged the pivotal role of an expanded and interconnected electric transmission system in fulfilling both defense and domestic demands.

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<sup>1</sup> Wilson, John and Zach Zimmerman, [The Era of Flat Power Demand is Over](#), (December 2023).

<sup>2</sup> U.S. Department of Energy. [National Transmission Needs Study](#), (October 2023).

Then, the Federal Power Commission (FPC, now the Federal Energy Regulatory Commission) invoked its authorities under federal law to require transmission for intra- and interstate interconnections for a wide variety of reasons: to alleviate electricity shortages, to prevent outages in the case of failure of generation or transmission facilities due to “breakdown, weather conditions, acts of God, or other unforeseen occurrences,” and even to “provide for a dependable market” for energy.<sup>3</sup> The FPC routinely found that transmission interconnection was required because war time led to an increase in electricity demand and delays in constructing new generating and transmission facilities. These actions not only underscore the significance of interstate transmission in safeguarding grid reliability, but also highlight the crucial role the federal government plays in ensuring robust transmission for the efficient provision of much needed electricity.

As the Federal Power Act (FPA) was drafted, Congress originally envisioned a robust federal role in ensuring the reliability and efficiency of the nation's electrical grid. They understood that relying solely on individual states to ensure resource adequacy and coordinate transmission planning might result in a fragmented and less effective approach. Today, as the U.S. faces new challenges in the power sector, the lessons from history and the original intent of the FPA remain relevant. Our increasing reliance on cheaper, more diverse energy sources, will require an investment in the development of a resilient and robust transmission system – similar to that of the interstate highway system in the 1950s.

The expansion and modernization of electric transmission infrastructure can unlock the full potential of our nation’s energy resources by efficiently transporting power from regions with abundant energy resources to areas of high demand. Building transmission is the single most impactful action we can take to ensure reliability and reduce energy costs in the long term. The federal government, with its overarching perspective and resources, is uniquely positioned to facilitate this effort. A strategic investment in transmission not only ensures a reliable and resilient grid but also contributes to economic efficiency by minimizing unnecessary bottlenecks, eliminating costly congestion, and reducing electricity costs for consumers.

Unfortunately, America currently lacks the transmission system necessary to keep up, and as China and the European Union build high-voltage transmission 80 and 15 times faster than the United States, respectively, it’s clear that the federal government must take an active role in addressing this growing crisis, as it has in the past. This requires:

- A clear regulatory framework at the federal level to require planning and development of new transmission lines necessary to deliver new generation from resource-rich areas to population centers.
- Streamlining the often complex and lengthy permitting processes for multi-state transmission projects, including a provision for federal jurisdiction over interstate transmission lines, on par with federal jurisdiction over interstate natural gas pipelines.
- Ensuring sufficient electric transfer capability between regions to help prevent blackouts during times of severe weather or other emergencies.

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<sup>3</sup> Federal Power Commission, *Order Approving the Making of a Permanent Connection for Emergency Use Only*, Docket No. IT-5761 (April 1942).

- Clarity and support regarding how to effectively pay for high-capacity interregional transmission lines that offer more benefits than costs and provide the security and reliability that Americans deserve.

This hearing is a good first step in clarifying the need for new resources – generation and transmission – to ensure the reliability and affordability of the grid in the years ahead. We look forward to working with the members of the committee on these issues. Please do not hesitate to reach out if we can provide any further assistance.

Sincerely,

A handwritten signature in black ink that reads "Christina M. Hayes". The signature is written in a cursive, flowing style.

Christina Hayes  
Executive Director, Clean Energy Grid Action