U. S. House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
Subcommittee on Energy
"Oversight of FERC: Advancing Affordable and Reliable Energy for All Americans."
February 3, 2026

Additional Questions for the Record for Commissioner LaCerte

The Honorable Brett Guthrie (R-KY)

Question 1: It takes time to build reliable generation and infrastructure upgrades, yet these are what people need for a more reliable system and what the Tech Industry needs in the race for AI dominance. How do you see harnessing the tech industry interest and resources in speed to power with the imperative to ensure affordability?

Answer: I agree that it is imperative that we ensure affordability while at the same time building reliable generation and infrastructure upgrades that are necessary to provide speed to power so that our nation can win the race for AI dominance. I am committed to working with my colleagues to find a path forward on this critical issue. In fact, on April 16, 2026, in Docket No. RM26-4-000, the Commission issued an order regarding our intent to act by the end of June 2026 with respect to the Secretary of Energy's advance notice of proposed rulemaking (ANOPR) on large load interconnection. As the order explains, the Commission agrees with the Secretary that there is an urgent need for thoughtful reforms to ensure that large loads are "able to connect to the transmission system in a timely, orderly, and non-discriminatory manner," and we share the Secretary's goal of ensuring that all Americans (and all American businesses) have access to affordable, reliable, and secure electricity. Moreover, I note that the Commission has accepted proposals, including from Southwest Power Pool, intended to expedite the interconnection of large loads to the transmission system while protecting consumers from unreasonable costs.

The Honorable Robert Latta (R-OH)

Question 1: Recent extreme cold across the country highlights how imperative reliable pipeline infrastructure is to keeping Americans warm and safe. Does FERC believe the current permitting structure for interstate natural gas pipelines is aligned with the scale and speed of infrastructure expansion now required?

Answer: I agree that recent cold-weather events have highlighted just how critical reliable pipeline infrastructure is to Americans. As I mentioned in my written testimony, it is my belief that it simply takes too long to build energy infrastructure in this country. Fortunately, we are in a moment today where there is broad agreement that certain permitting and environmental statutes and policies, like the National Environmental Policy Act (NEPA), should be used to enable responsible infrastructure development, not stymie it as was so often the case in the past. At FERC, we are looking at ways to streamline our internal processes to better align our obligations under NEPA with the Supreme Court's decision in Seven County. We are evaluating existing, expedited procedures for programs like FERC's blanket certificate program to find ways to expand their use and make them more streamlined. We continue to closely review our

regulations to cut red tape where possible. These, and other actions we are taking, will allow FERC to process permit applications at a faster pace to help meet the scale and speed of infrastructure now required. Of course, I welcome actions by Congress to further expedite permitting processes such as reforms relating to section 401 of the Clean Water Act.

The Honorable Mariannette Miller-Meeks (R-IA)

Question 1: February's hearing focused on whether FERC is helping us meet our economic and national security goals while ensuring affordable rates to all customers. Additions and upgrades to the electrical transmission system, which you regulate, are necessary to meet those goals, but also represent a significant percentage of the increase in customer bills. What concrete steps are you taking to ensure customer affordability in the face of this challenge?

Answer: Affordability is a top issue for me. I take seriously the Commission's responsibility to ensure just and reasonable rates for customers, and I am committed to identifying ways that we can better fulfill that responsibility. For example, on April 16, 2026, in Docket No. RM26-4-000, the Commission issued an order regarding our intent to act by the end of June 2026 with respect to issues raised in the Secretary of Energy's ANOPR on large load interconnection. As the order explains, the Commission shares the Secretary's goal of ensuring that all Americans (and all American businesses) have access to affordable, reliable, and secure electricity. I note that the Commission has accepted proposals, including from Southwest Power Pool, intended to expedite the interconnection of large loads to the transmission system while protecting consumers from inflated costs. The Commission also carefully reviews all proposals submitted by individual utilities. The Commission has accepted numerous agreements between transmission owners and data centers or the electric distribution companies that will serve them that address cost allocation. Some of these agreements seek to ensure that the data centers will make a minimum contribution toward the costs of the transmission owner's transmission system, while others directly assign certain costs of serving the data center to that data center. At the same time, the Commission has rejected proposals that fail to reasonably allocate costs.

Question 2: The whole of the federal government and the energy industry are focused on speed to power to allow new large loads, primarily data centers, to interconnect and operate as quickly as possible. While interconnecting these larges load quickly is a national security and economic imperative, they bring with them new and not well understood reliability risks to the bulk electric system. Ignoring these reliability risks could cost customers significantly in the future. Please explain what actions FERC can take to ensure that large load interconnection processes are not jeopardizing reliability.

Answer: Reliability is one of the Commission's paramount obligations. To that end, the Commission is working with the North American Electric Reliability Corp. (NERC) and stakeholders to understand and mitigate the reliability impacts of rapidly growing large loads, particularly computational loads (e.g., data centers and cryptocurrency miners). NERC has announced plans to develop reliability standards for large loads to be filed with the Commission by the end of the year. I commit to work expeditiously with my colleagues on any proposed reliability standards that may come out of this NERC process.

Question 3: At the January Commission meeting, Chairman Swett praised MISO's Expedited Resource Addition Study or ERAS process as providing a framework for expedited generator interconnection to address urgent resource adequacy needs. As you work towards final action on the Department of Energy's Large Load Interconnection ANOPR, how do you plan to support flexibility in compliance with any rule such as leveraging effective, regionally developed solutions like MISO's ERAS process and Expedited Project Review transmission planning process?

Answer: As noted above, on April 16, 2026, in Docket No. RM26-4-000, the Commission issued an order regarding our intent to act by the end of June 2026 with respect to issues raised in the Secretary of Energy's ANOPR on large load interconnection. As the order explains, the Commission shares the Secretary's goal of ensuring that all Americans (and all American businesses) have access to affordable, reliable, and secure electricity. PJM's Reliability Resource Initiative, MISO's Expedited Resource Addition Study, and SPP's Expedited Resource Adequacy Study are all regionally developed solutions to accelerate the interconnection of crucial generation needed to meet unprecedented load growth in their respective regions. I expect that the Commission will continue to focus on and take appropriate steps to address this important issue.

Question 4: 3 coal plants in the MISO region have now received Section 202(c) orders from the Secretary of Energy to continue operating past their retirement dates. Their owners have proposed cost allocations to FERC to recover the net costs of keeping those plants open across broad swaths of the MISO footprint. Please explain what the Commission is doing to ensure that those costs are prudently incurred and that consistent with cost causation only those who benefit from the plants are allocated costs.

Answer: Several cases that directly involve the allocation and recovery of costs associated with the Secretary of Energy's designations under section 202(c) of the Federal Power Act (FPA) are pending before the Commission; accordingly, I am unable to address the merits of those proceedings. However, without prejudging the facts of any pending case, I take seriously the Commission's mandate under the FPA to ensure that the mechanism for recovering costs incurred due to the Secretary's designations is just and reasonable.

The Honorable Troy Balderson (R-OH)

Question 1: In December, the House of Representatives passed my bill, the Reliable Power Act, with bipartisan support.

This bill would task FERC with reviewing agency regulations and rulemakings that directly affect the bulk-power system, if the electric reliability organization has determined the system is at risk of not having sufficient electric generation to maintain reliability. The bill directs FERC to consult with the electric reliability organization and transmission organizations such as RTOs when reviewing these agency actions.

Do you believe FERC has the expertise to coordinate with agencies and review regulations impacting the bulk-power system? And would partnering or consulting with NERC and

transmission organizations in these reviews help ensure federal rulemakings are not negatively impacting the reliability of the bulk-power system?

Answer: The Commission has a long history of coordinating with other federal agencies, whether through informal discussions, technical reviews, and through comments submitted for the record. The Commission likewise has an extensive history of partnering and consulting with NERC and transmission organizations to identify vulnerabilities early and to develop solutions that strengthen the Bulk-Power System. If Congress enacts the Reliable Power Act, then I expect that such coordination would help ensure that any federal rulemakings would not have an adverse impact on Bulk-Power System reliability.

Question 2: Ohio and other states across the PJM region are facing rapidly accelerating electricity demand - particularly from data center growth. The White House and regional PJM governors recently endorsed a "Statement of Principles" urging PJM to conduct a Reliability Backstop Auction to bring new generation online quickly. I believe President Trump and this administration deserve credit for bringing these parties together so we can win the AI race while also protecting ratepayers and ensuring our constituents have access to reliable, affordable energy.

As PJM and FERC work together on this backstop auction, what changes to existing PJM policies or FERC practices may be needed to ensure residential ratepayers are protected? And will FERC evaluate whether this approach appropriately allocates costs so that data centers pay their fair share and costs are not shifted to households?

Answer: Given the urgent need for new generation capacity in the PJM footprint to serve unprecedented load growth, I am pleased that PJM is working towards a filing that includes holding a Reliability Backstop Auction this fall. While I do not want to prejudge this filing, I commit to working with my colleagues to expeditiously consider PJM's proposal when it is filed, including evaluating whether it allocates costs in a manner that is just and reasonable.

The Honorable Frank Pallone, Jr. (D-NJ)

Question 1: A 2024 report indicated that transmission spending is sharply increasing largely due to low-voltage, local transmission projects, which may be less efficient and cost-effective than higher-voltage regional or interregional projects, and are subject to less scrutiny by FERC.[1] This issue has also come up repeatedly in technical conferences convened by the FERC. How should FERC ensure a buildout of more efficient and cost-effective transmission lines over more costly and less-effective transmission lines?

a. **What opportunities exist for FERC to add more transparency to the local transmission planning process?**

1 https://rmi.org/insight/mind-the-regulatory-gap/

b. Does FERC need support from Congress to ensure that transmission projects paid for by ratepayers are efficient and cost-effective?

Answer: The Commission's policy on local transmission planning is detailed in several landmark orders, including Order No. 890, Order No. 1000, and Order No. 1920. It is our role to ensure that local transmission planning adheres to the principles found in those orders, including transparency. Most recently, in Order No. 1920, the Commission strengthened transparency in local transmission spending by mandating a process for stakeholder engagement on local planning inputs through publicly noticed meetings. Transparency protocols in local transmission planning are memorialized in the Commission's pro forma Open Access Transmission Tariff (OATT). Should a utility file nonconforming provisions to its pro forma OATT, I commit to reviewing those provisions to ensure that reliability concerns, novel legal issues, and/or other unique factors are appropriately identified and fully evaluated. I also note that while I cannot comment on a pending proceeding, I am committed to carefully considering this issue further as it is raised in proceedings before the Commission.

Additionally, my fellow Commissioners and I are laser-focused on ensuring existing ratepayers are only paying for those transmission projects needed to ensure the grid remains reliable today and tomorrow even in the face of today's unprecedented load growth. We have also demonstrated that we are more than willing to scrutinize rates utilities charge for transmission service, including revisiting return-on-equity levels of transmission owners and considering reforms to our transmission incentive policies that will appropriately incentivize cost-effective transmission development and investment in appropriate grid enhancing technologies to get more out of the existing system. Should Congress pass legislation on these matters, I commit to ensuring implementation of that legislation as quickly as possible.