United States House of Representatives Subcommittee on Energy
February 3, 2026 Hearing: *Oversight of FERC: Advancing Affordable and Reliable Energy for All Americans*

Questions for the Record
Responses of The Honorable David Rosner, Commissioner
Federal Energy Regulatory Commission
June 3, 2026

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: At a time when families and small businesses have seen increases in utility bills, FERC continues to focus on affordability. In addition to the Commission's efforts to get new energy infrastructure of all kinds online as soon as possible to lower bills, we have approved expanded competitive electric markets in the West and in the Southeast that will give customers access to more sources of lower-cost generation. In PJM we approved a suite of reforms to improve market efficiency and lower capacity market prices – making sure that all supply resources[1] are offered into the PJM auctions at prices that reflect their actual costs[2], and applying a temporary price cap[3] that together saved consumers more than $10 billion. And, after years of effort, we finalized Order No. 904[4], which eliminates "reactive power" payments customers had been making to generators that the Commission showed had no economic basis and yielded no consumer benefits. These payments, now eliminated, had totaled hundreds of millions of dollars annually in recent years.

It is an exciting time as the Commission and industry stakeholders work together to power the industries that will unlock America's future economic growth – from re-shored manufacturing to artificial intelligence and more. To complement the Commission's efforts to bring needed new generation online, in 2025 FERC also adopted multiple

[1] Federal Energy Regulatory Commission, Order Accepting Tariff Revisions re PJM Interconnection, L.L.C. under ER25-785. *Available at* https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20250220-3084.
[2] Federal Energy Regulatory Commission, Order Accepting Tariff Revisions Subject to Condition re PJM Interconnection, L.L.C. under ER25-682. *Available at* https://elibrary ferc.gov/eLibrary/filelist?accession_number=20250214-3070.
[3] Federal Energy Regulatory Commission, Order Accepting Tariff Revisions and Dismissing Complaint re Commonwealth of Pennsylvania v. PJM Interconnection, L.L.C. under ER25-1357 et al. *Available at* https://elibrary ferc.gov/eLibrary/filelist?accession_number=20250421-3069.
[4] Federal Energy Regulatory Commission, Order No. 904. *Available at* https://www ferc.gov/media/e-2-rm22-2-000.

reforms to enable large users of energy – such as data centers and industrial customers – to adopt operating arrangements and rate designs that meet their needs while also protecting reliability and affordability for all consumers. The Commission's most significant action in this area was our December order directing PJM to establish new pathways for co-location[5] – directly connecting a large load with the power needed to serve it at the same site – and load flexibility that enable large co-located loads to reduce how much they lean on the grid, while ensuring that they pay their fair share. As a result, PJM can avoid constructing unnecessary transmission upgrades for large loads, reduce strains on the grid, and make power bills cheaper for everyone – including for families and small businesses. And co-located large loads and generators can get online faster and easier than would otherwise be the case.

I look forward to continuing to work with my colleagues to advance large load solutions while protecting residential customers. Last year, Secretary Wright asked FERC to consider reforms to ensure the timely and orderly interconnection of large loads to the transmission system, while also ensuring that families and small businesses do not foot the bill for the grid upgrades needed to support large consumers, such as data centers and industrial facilities. Through our recent PJM co-location order, the Commission has made significant progress on the matters referred to us by the Secretary. It's also exciting to see that regions other than PJM have submitted, or are preparing to submit, their own proposals to address various large load matters, and I am eager to continue to focus on these issues further in 2026.

For more examples of the Commission's work on these important issues in 2025, please see my post from January of this year: https://www.ferc.gov/news-events/news/energized-2026.

The Honorable Bob Latta (R-OH)

Question 1: FERC maintains permitting authority for interstate natural gas pipelines but has a very limited and targeted role in permitting interstate transmission lines. Some policy makers and advocates have called for "permitting parity" between how pipelines and transmission lines are treated. However, this "parity" argument fails to consider the fundamental differences between the bulk power system and the interstate natural gas pipeline network.

Will you respond to the nuances between pipelines and the electric transmission system in terms of resource planning, engineering, and cost allocation considerations and how might a state's visibility into their own electric infrastructure better inform state permitting authority compared to a federal takeover?

[5] Commissioner Rosner's Concurrence on PJM Co-Location. *Available at* https://www ferc.gov/news-events/news/e-1-commissioner-rosners-concurrence-pjm-co-location.

Answer: I believe that state public utilities commissions are important partners of the Commission and that their views, when shared, deserve to be carefully considered by the Commission. I also believe strongly in the importance of state involvement – that's why I voted to increase state roles in regional transmission planning and cost allocation in FERC's bipartisan Order No. 1920-A.[6]

Energy infrastructure is a key enabler of reliable and affordable access to energy, so it is a top priority for me to enable the development of needed infrastructure at reasonable cost to consumers. Across the country last year just 207 miles of interstate gas pipelines and 400 miles of electric transmission operating at voltages equal to or greater than 345 kV were constructed.[7] What is clear to me is that we need an all of the above approach to infrastructure to deliver more electrons and molecules to make our energy system more reliable and affordable for all Americans.

Question 2: We know the National Environmental Policy Act (NEPA) has historically been a significant impediment to infrastructure development, such as pipelines. However, I understand FERC has made significant improvements to the NEPA process that has cut down review timelines by upwards of 40 percent. This is important work as evidenced by natural gas demand across the country during last week's winter storm. Will you discuss the commission's work to reduce NEPA burdens? How can Congress help reduce duplicative reviews?

Answer: I defer to Congress to decide what our permitting laws should be. I stand ready to provide technical assistance to Congress with any proposed legislation to streamline NEPA.

I am proud of the work that my fellow Commissioners and I have done to execute Congress' directive to accelerate and streamline NEPA reviews under the Fiscal Responsibility Act of 2024 (FRA). It is clear to me that it takes too long to build energy infrastructure in our country and I am committed to faithfully implement any law that Congress passes and the President signs.

Across all types of energy infrastructure where FERC has a permitting role, we moved faster in 2025 to meet the moment – because if we want more affordable and reliable energy, America needs to build more of everything. To that end, in 2025 the Commission issued more than 60 permits for hydropower and natural gas infrastructure projects. In many instances we are moving from NEPA review to final permit more than 30% faster than was typical during the last decade, but without compromising quality –

[6] Federal Energy Regulatory Commission, Order No. 1920-A. *Available at* https://www.ferc.gov/media/e-1-rm-21-17-001.
[7] Federal Energy Regulatory Commission, Office of Energy Projects, Energy Infrastructure Update, 2025. *Available at* https://www ferc.gov/staff-reports-and-papers.

FERC's reviews were routinely upheld in court throughout last year, and we continue to weigh the views of *all* parties in our orders.

The Honorable Mariannette Miller-Meeks (R-IA)

Question 1: The grid is increasingly constrained, and grid congestion is costing ratepayers billions annually while projects sit in queues. Electricity affordability is now a kitchen table discussion for hardworking Americans.

We know that grid enhancing technologies like advanced conductors, reconductoring, dynamic line ratings, and others have been successfully deployed in across the country.

Order 1920 requires transmission planners to "consider" grid-enhancing technologies. In your view, what does "consider" mean? Does it mean check a box and move on? What should utilities be required to demonstrate and justify when choosing more expensive options?

Question 1(a): What can be done to make utilities do more than just "consider"?

Answer: Several Order No. 1920 compliance filings are currently pending before the Commission; accordingly, I am unable to address the merits of those proceedings at this time. However, without prejudging the facts of any pending case, I have consistently highlighted the importance of Grid-Enhancing Technologies (GETS) and believe that Order No. 1920-A provides a meaningful opportunity to accelerate their deployment.

As a general matter, the Commission's requirement to "consider" GETS may need to be strengthened if evidence shows that it is not resulting in cost-effective decision-making. For example, we already have some quantitative information on the consumer savings that one GET can deliver through the Commission's Ambient Adjusted Line Ratings (AARs) rulemaking. AARs enable efficient use of the transmission system by accounting for the true capabilities of the transmission system when weather conditions change. This practice allows the grid operator to move more energy with less infrastructure, which reduces costs and can increase reliability. MISO's Independent Market Monitor estimated that between 2023 and 2024, transmission customers could have saved half a billion dollars if temperature adjusted ratings and emergency ratings had been in place.[8]

Looking forward, I hope to work with my fellow Commissioners to advance additional grid efficiency reforms, including Dynamic Line Ratings (DLRs) through work on Docket No. RM24-6-000, an Advanced Notice of Proposed Rulemaking (or via any other

[8] Commissioner Rosner's Concurrence on Order Granting Extension of Time re MISO, Inc. under ER22-2363. *Available at* https://www ferc.gov/news-events/news/commissioner-rosners-concurrence-order-granting-extension-time-re-miso-inc-under. *See also* Midcontinent Indep. Sys. Operator, Inc., 183 FERC ¶ 61,194 (2023)

Commission action that moves this issue forward) as well as to explore the prospects for the cost-effective use of incentives under Federal Power Act Section 219 to drive more progress on GETS, particularly on technologies like advanced conductors and hardware sensors that require capital expenditures.

Question 2: Wholesale markets and competition deliver billions of dollars in savings annually by promoting competition and integrating more efficient resources. Our wholesale markets were designed for a world of stable baseload generation, predictable load growth, and occasional weather events.

That is no longer the case. We continue to see more Out of Market actions to address short-term issues.

What aspects of wholesale electricity markets are working well today? And where do you see the biggest opportunities for reform to ensure markets send accurate price signals that attract investment in cost-effective, reliable technologies?

Answer: Wholesale electricity markets save consumers billions of dollars every year. Competition drives down prices for electricity and grid services, identifying least-cost offers and efficiently deploying them to maintain reliable and affordable power systems for American consumers and businesses.

Last year, the Commission approved expanded electric markets in the Western and Southeastern U.S. that will unlock access to more sources of lower-cost generation for consumers. I look forward to reviewing additional proposals for new wholesale market structures and reforms across the country that meet regional needs and reflect regional values so we can continue to unlock cost savings for consumers.

Within many wholesale markets, Effective Load Carrying Capability (ELCC) constructs are a key tool used to ensure that markets accurately value an energy resource's empirical ability to reliably contribute capacity to the grid. Well-designed ELCC programs are uniquely equipped to send accurate price signals incentivizing new generation in specific locations on the grid where they are needed most for reliability. I continue to encourage the RTOs to further refine their capacity accreditation techniques as energy technologies advance to achieve the balance between reliability and affordability that all consumers deserve.

Question 3: 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: Ensuring that we right-size our investments in transmission infrastructure while protecting affordability is a delicate task, but I believe that Order No. 1920 is an example of the kinds of considerations that will make that balance possible to achieve. Under Order No. 1920, transmission providers must adopt an evaluation process and selection criteria that aim to maximize benefits over time without overbuilding transmission facilities. The benefits that transmission planners must consider include: avoided reliability investments; reduced risk of load shedding; lower energy costs; reduced energy losses; reduced congestion costs; mitigation of extreme conditions; and lower capacity costs.

Importantly, Order No. 1920-A for the first time ever incorporates input from our state partners in the DNA of the program, so that America can plan the backbone grid infrastructure needed to meet our growing energy demand and maximize benefits to consumers. Getting regional transmission planning right across the country will set up America to power the coming decades of economic growth, while also ensuring consumers are protected from paying for transmission that isn't needed, that is inefficient, or that doesn't provide benefits to them.

In addition to our work on regional transmission, in 2025 FERC also adopted multiple reforms to enable large users of energy – such as data centers and industrial customers – to adopt operating arrangements and rate designs that meet their needs while also protecting reliability and affordability for all consumers. The Commission's most significant action in this area was our December order directing PJM to establish new pathways for co-location[9] – directly connecting a large load with the power needed to serve it at the same site – and load flexibility that enable large co-located loads to reduce how much they lean on the grid, while ensuring that they pay their fair share. As a result, PJM can avoid constructing unnecessary transmission upgrades for large loads, reduce strain on the grid, and make power bills cheaper for everyone – including for families and small businesses. And co-located large loads and generators can get online faster and easier than would otherwise be the case.

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[9] Commissioner Rosner's Concurrence on PJM Co-Location. *Available at* https://www ferc.gov/news-events/news/e-1-commissioner-rosners-concurrence-pjm-co-location.

proposals to address various large load matters, and I am eager to continue to focus on these issues further in 2026.

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Question 4: 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: The Commission's core responsibility – its job # 1 – is to ensure the reliable and secure operation of the country's bulk power system. The grid is changing faster than ever before and keeping pace with that change is critical to maintaining reliability in the decades ahead. To that end, FERC continues to work with the North American Electric Reliability Corporation (NERC) and industry stakeholders to develop innovative solutions to better monitor, manage, and respond to reliability constraints, including deployment of advanced demand response, dynamic line ratings, and emerging cybersecurity technologies at the operational level. In addition, this year NERC will release reforms to its reliability standards development process, which will help accelerate the development of Reliability Standards that are the core of our grid's security.

In collaboration with NERC, the Commission implemented several significant improvements to electric reliability in 2025, including finalizing new, broadly supported standards to improve generator performance during extreme cold weather events[10], strengthen supply chain risk management and accelerate technological modernization for critical infrastructure[11], and further secure inverter-based resources against voltage and frequency disturbances. FERC also held an interagency technical conference on wildfire risk mitigation[12], issuing a corresponding directive to NERC to examine known and emerging technologies, such as predictive artificial intelligence and dynamic line rating sensors, to mitigate such risks.[13]

[10] Federal Energy Regulatory Commission, Reliability Spotlight: Cold Weather Preparedness. *Available at* https://www.ferc.gov/ReliabilitySpotlight.
[11] Federal Energy Regulatory Commission, FERC Takes Action to Enhance Reliability of the U.S. Electric Grid. *Available at* https://www ferc.gov/news-events/news/ferc-takes-action-enhance-reliability-us-electric-grid.
[12] Federal Energy Regulatory Commission, Wildfire Risk Mitigation Technical Conference. *Available at* https://www.ferc.gov/news-events/events/wildfire-risk-mitigation-technical-conference-09112025.
[13] Federal Energy Regulatory Commission, Order Directing Report re North American Electric Reliability Corporation under RD25-9. *Available at* https://elibrary.ferc.gov/eLibrary/filelist?accession_number=20250910-

Most recently, NERC has undertaken a multi-phase effort to understand and adapt to the unique physical characteristics of large computational loads like data centers. As you note, connecting these large loads quickly is a national security and economic imperative – doing so reliably and securely is not only possible but, if done correctly, may yield broad benefits to system stability and ratepayer affordability. I am glad to be working closely with NERC and my colleagues at the Commission on this important issue.

Question 5: 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: The Commission has a long history of relying on and coordinating with states and regions to obtain optimal outcomes in its regulation under the Federal Power Act (FPA). I expect the same to continue in the area of large load and intend to continue working with my state and federal colleagues to that end.

Question 6: 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: Because this is a matter that is currently before the Commission, I cannot speak to the specific impact of these rules on pending cases. However, as a general matter, I believe that the Commission should continue to apply its longstanding cost causation principles, and to ensure that its decisions are consistent with the statute, relevant case law, and FERC precedent.

Question 7: You mentioned the acceleration in energy demand we're experiencing. FERC has statutory responsibility for bulk power system reliability through your oversight of NERC. Has NERC or have regional transmission organizations raised concerns with the Commission about resource adequacy or the availability of dispatchable generation to meet peak demand, particularly given the surge in data center loads?

3067. North American Electric Reliability Corporation, Reducing the Risk of Wildfire Ignition by the Bulk Power System. *Available at* https://www.nerc.com/newsroom/nerc-outlines-recommendations-to-mitigate-wildfire-risk-ensure-grid-reliability.

Answer: The Commission's core responsibility – its job # 1 – is to ensure the reliable operation of the country's electric grid. The grid is changing faster than ever before and keeping pace with that change will be critical to maintaining reliability in the decades ahead. To that end, the Commission tracks reliability and resource adequacy matters very closely. Relevant to these issues, the Commission produces an annual State of the Markets report[14], Summer[15] and Winter[16] Energy Market and Electric Reliability Assessments, and closely studies NERC's Long Term Reliability Assessments[17] and Updates.[18] Many of these reports and assessments track growing demand, including from data centers, and its impact on the electric grid.

Question 7(a): In your oversight of wholesale electricity markets under FERC's jurisdiction, have you observed changes in the composition of resources participating in capacity markets, particularly regarding the balance between dispatchable baseload resources and intermittent generation?

Answer: According to data from the Energy Information Administration, nameplate generating capacity is increasing, particularly in solar, storage, wind, and natural gas.[19] Coal capacity is decreasing, but the Department of Energy has issued several FPA 202(c) orders to postpone retirements.

Question 7(b): Based on your experience observing FERC's regulatory approach during different periods, do you believe the Commission's current regulatory framework is better positioned to approve the natural gas infrastructure and transmission capacity necessary to meet the projected demand increase while maintaining the grid reliability standards FERC is charged with protecting?

Answer: As a general matter, I support actions that the Commission can take, consistent with the statute, to achieve its mission to assist consumers in obtaining reliable, safe, secure, and economically efficient energy services at reasonable cost. I believe that it is in the public interest for all regulatory processes to be as simple and efficient as possible,

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[14] Federal Energy Regulatory Commission, The State of the Markets Report 2025. *Available at* https://www.ferc.gov/news-events/news/report-3-state-markets-report-2025.
[15] Federal Energy Regulatory Commission, Summer Assessment 2026. *Available at* https://www.ferc.gov/media/report-summer-assessment-2026.
[16] Federal Energy Regulatory Commission, 2025-2026 Winter Energy Market and Reliability Assessment. *Available at* https://www ferc.gov/news-events/news/2025-2026-winter-energy-market-and-reliability-assessment.
[17] North American Electric Reliability Corporation, 2025 Long-Term Reliability Assessment. *Available at* https://prod.nerc.com/globalassets/our-work/assessments/nerc_ltra_2025.pdf.
[18] North American Electric Reliability Corporation, 2025 LTRA Sensitivity Case: Addition of ERAS Resources in the MISO Assessment Area. *Available at* https://www nerc.com/globalassets/our-work/assessments/2025-ltra-sensitivity-miso-eras.pdf.
[19] Table 4.3 of the Energy Information Administration's Electric Power Annual Report records national electric generating capacity by resource type. *Available at* https://www.eia.gov/electricity/annual/. *See also*, Figures 36-38 of FERC's 2025 State of the Markets Report showing changes in generating capacity within RTOs and ISOs. *Available at* https://www ferc.gov/news-events/news/report-3-state-markets-report-2025.

and that the Commission is well-positioned to timely review and approve the infrastructure needed to reliably meet America's growing energy demand.

The Honorable Troy Balderson (R-OH)

Question 1: 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: While I cannot prejudge this matter, I am glad to see PJM moving forward, and I stand ready to evaluate any future proposal with my colleagues. As a general matter, the Commission continues to take seriously the issue of cost allocation for large loads across several active proceedings, and I am confident that we will carefully evaluate this issue in accordance with the statute in any future filing from PJM.

The Honorable Randy Weber (R-TX)

Question 1: How did FERC determine that the prior cost thresholds were no longer realistic when it temporarily increased blanket certificate caps? And what evidence showed they were constraining timely infrastructure upgrades?

Answer: I refer you to Chairman Swett's response to this question.

Question 1(a): **How were outdated cost thresholds affecting the ability of pipeline operators to replace aging infrastructure, enhance safety, and respond to reliability needs?**

Answer: I refer you to Chairman Swett's response to this question.

Question 1(b): Can FERC provide examples of projects that were delayed or pushed into full certificate review solely due to obsolete cost caps?

Answer: I refer you to Chairman Swett's response to this question.

Question 2: Does FERC believe the new cost caps are sufficient over the long term, or will further regulatory adjustments be needed to avoid recurring waivers?

Answer: I refer you to Chairman Swett's response to this question.

Question 3: Does FERC have a long-term plan to comprehensively update its blanket certificate regulations?

Answer: I refer you to Chairman Swett's response to this question.

Question 3(a): FERC has already opened an inquiry into modernizing the blanket certificate program. When do you expect to act in that proceeding, and should stakeholders anticipate a Notice of Proposed Rulemaking in this calendar year to comprehensively update the blanket certificate regulations?

Answer: I refer you to Chairman Swett's response to this question.

Question 3(b): If not, what is FERC's timeline and sequencing for the next steps?

Answer: I refer you to Chairman Swett's response to this question.

<u>The Honorable Frank Pallone, Jr. (D-NJ)</u>

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. This issue has also come up repeatedly in technical conferences convened by the FERC.

Question 1(a): How should FERC ensure a buildout of more efficient and cost-effective transmission lines over more costly and less-effective transmission lines?

Answer: FERC issued Order No. 1920, which modernized long-term *regional* transmission planning, with the express objective of ensuring more efficient and cost-effective transmission development. This rule includes requirements for holistic planning to help ensure the most efficient and effective projects get built, including opportunities to "right-size" local projects to address broader needs. My proudest accomplishment has been working with colleagues to make the final version of this landmark order both bipartisan and unanimous, by incorporating more input from our state partners. This year, FERC will begin acting on electric transmission providers' proposals to implement the new planning requirements, centered around reliability, affordability and economic growth.

Question 1(b): What opportunities exist for FERC to add more transparency to the local transmission planning process?

Answer: Because there are related matters before the Commission at this time, I cannot speak to the specific merits of or opportunities for transparency in the local transmission process. However, as a general matter, I believe ensuring common-sense transparency in all planning processes helps to support public trust and enable optimal development outcomes.

Question 1(c): Does FERC need support from Congress to ensure that transmission projects paid for by ratepayers are efficient and cost-effective?

Answer: I believe that accelerating smart investments in needed regional and interregional transmission infrastructure should be a key component of all-of-the-above permitting reform legislation. A recent NERC report determined that "*35 GW of transfer capability is recommended across the United States as a vehicle to strengthen energy adequacy under extreme conditions*," among other findings regarding the benefits of transmission infrastructure.[20]

I defer to Congress to decide what our permitting laws should be – my job is to implement them. That said, Congress could consider legislating an interregional transmission planning process, similar to existing regional planning processes, and streamlining the Commission's existing statutory "backstop" siting authority for projects that are in the national interest. It is my view that any reforms should include robust engagement from states.

The Honorable Kevin Mullin (D-CA)

Question 1: Accurate load forecasting is paramount for planning future capacity. Please describe how FERC is working with RTOs to improve these forecasts, and if there are statutory limits to FERC's authority.

Answer: I agree. At a time when utilities forecast hundreds or thousands of megawatts of growth, improving forecasts by even a few percentage points in the right direction – up or down – can impact billions of dollars in investments and customer bills. Put simply, we cannot efficiently plan the electric generation and transmission needed to serve new customers if we don't forecast their energy needs as accurately as possible.

Our experience to date tells us that large loads, such as data centers, have characteristics that call for new and improved forecasting methods. Given the size and volume of new large *load* interconnection requests, I'm optimistic that utilities have an opportunity to apply similar criteria to those currently used to assess the commercial readiness of large projects in the *generator* interconnection queue. These objective criteria include

[20] North American Electric Reliability Corporation, Interregional Transfer Capability Study, at 3. *Available at* https://www nerc.com/globalassets/initiatives/itcs/itcs_part2_part3.pdf.

observable milestones such as contracts, financial security deposits, and physical site control.

Last September, I sent a letter to each of the RTOs and ISOs emphasizing the importance of accurate load forecasting, in order to efficiently plan the electric generation and transmission needed to serve new customers and industry. I asked them to describe their load forecasting processes and identify opportunities for improvement. Their responses are available on my website here: https://www.ferc.gov/news-events/news/chairman-rosners-letter-rtosisos-large-load-forecasting.

The Honorable Jennifer L. McClellan (D-VA)

Question 1: In June 2023, Congress passed the Fiscal Responsibility Act, which required NERC to study total electric transfer capabilities between regions, and for FERC to issue a report to Congress on its conclusions on the study, and any potential legislative recommendations. NERC submitted its study, which called for a 35 gigawatt increase in total interregional transfer capability, to FERC in November 2024, and we are awaiting FERC's report, which is due to us by February 25.

Commissioner Rosner, I want to emphasize that while NERC's remit under the law is limited to only reliability matters, FERC has a responsibility to craft rates and practices that ensure "just and reasonable" electricity prices – so any recommendations to Congress should account for the full suite of benefits that could result from increasing total interregional electric transfer capabilities.

Question 1(a): Can you preview what recommendations FERC will submit in its report to Congress?

Answer: FERC's report was issued on February 25, 2026 and is available on our website here: https://www.ferc.gov/news-events/news/ferc-sends-interregional-transfer-capability-report-congress?new=.

I believe that accelerating smart investments in needed regional and interregional transmission infrastructure should be a key component of all-of-the-above permitting reform legislation. NERC is our country's electric reliability watchdog. Its analysis indicates that our grid may come up short when we depend on it the most – during heat waves and winter storms – because we can't transmit enough power from where we produce it to where we use it. NERC determined that "*35 GW of transfer capability is recommended across the United States as a vehicle to strengthen energy adequacy under extreme conditions,"* among other important findings.[21]

[21] North American Electric Reliability Corporation, Interregional Transfer Capability Study, at 3. *Available at* https://www nerc.com/globalassets/initiatives/itcs/itcs_part2_part3.pdf.

While regulators should and will evaluate the need for, benefits from, and prudence of any particular project, the overarching message from these reports is clear – our country needs to permit and build more regional and inter-regional transmission. Further, as you point out, there is strong evidence that well-planned, high-capacity transmission can save consumers billions of dollars per year on their utility bills.[22]

Question 1(b): While waiting for Congress to act, what can FERC do on its own to increase interregional transmission deployment?

Answer: I believe that accelerating smart investments in needed regional and interregional transmission infrastructure should be a top priority. Similar to how FERC has established regional transmission planning practices, the Commission could also seek to develop more robust interregional planning requirements to lower consumer costs and increase grid reliability.

Since 2011, Order No. 1000's interregional consultation requirements have not resulted in any interregional transmission projects. Yet, time and time again over those 15 years, we have observed that interregional transmission has made meaningful contributions to grid reliability during periods of extreme stress.[23] In 2023, Congress directed NERC to study the reliability benefits of interregional transmission. NERC's study, the Interregional Transfer Capability Study, identified a 35 GW gap that, if left unaddressed, will contribute to a grid that is less reliable.[24]

I stand ready to take swift action on any future filings from industry, which I encourage. Absent such filings, I hope to work with my fellow Commissioners to move this critical ball forward.

[22] Grid Strategies, LLC., Large-scale Transmission Deployment Saves Consumers Money. *Available at* https://gridstrategiesllc.com/wp-content/uploads/GS_Transmission-Deployment-Saves-Consumers-Money.pdf.
[23] *See, e.g.*, FERC, NERC, & Regional Entity Staff, January 2025 Arctic Events: A System Performance Review, at 13-14, https://www ferc.gov/news-events/news/ferc-nerc-issue-report-system-performance-during-january-2025-arctic-weather; FERC, NERC, & Regional Entity Staff, Winter Storm Elliott Report: Inquiry into Bulk-Power System Operations During December 2022, at 123-25, https://www.ferc.gov/media/winter-storm-elliott-report-inquiry-bulk-power-system-operations-during-december-2022; FERC, NERC, & Regional Entity Staff, The February 2021 Cold Weather Outages in Texas and the South Central United States, at 96-98, https://www.ferc.gov/media/february-2021-cold-weather-outages-texas-and-south-central-united-states-ferc-nerc-and.
[24] *See* North American Electric Reliability Corporation, Interregional Transfer Capability Study, at xii, https://www nerc.com/globalassets/initiatives/itcs/itcs_final_report.pdf.