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April 17, 2018

The Honorable Fred Upton  
Chairman, House Energy and  
Commerce Committee Subcommittee  
On Energy  
2138 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Bobby Rush  
Ranking Member, House Energy and  
Commerce Committee Subcommittee  
On Energy  
2188 Rayburn House Office Building  
Washington, D.C. 20515

*Re: April 17 Subcommittee on Energy Oversight Hearing of the Federal Energy Regulatory Commission and the FY2019 Budget*

Dear Subcommittee Chairman Upton, Ranking Member Rush, and members of the House Energy and Commerce Committee Subcommittee on Energy:

I am writing on behalf of the Utilities Technology Council (UTC) regarding the Subcommittee on Energy's April 17, 2018, Oversight Hearing of the Federal Energy Regulatory Commission (FERC) and the FY2019 Budget. Established in 1948, UTC is the global association representing energy and water providers on their needs related to the deployment of reliable and resilient Information and Communications Technology (ICT) systems. Electric, natural gas, and water providers use ICT networks as the backbone for the infrastructure that delivers safe, reliable, and secure energy and water services. These networks are essential for reliability, safety, resilience, and security.

UTC applauds the Subcommittee on Energy for holding this important hearing. With FERC operating with five commissioners for the first time since 2015, this marks an opportune time to hear from the members about their priorities over the next year.

As members of the House Energy and Commerce Committee are well aware, new technologies and policy developments are driving a convergence between the electric, natural gas, and telecommunications industries. While much of this hearing will likely focus on energy infrastructure such as long-distance transmission lines, gas pipelines, and industry resilience, we urge the Subcommittee to also consider the interdependencies between the energy and telecom sectors. If not addressed holistically, these interdependencies could prevent new technologies like smart meters, smart grids, and infrastructure modernization from maximizing their fullest potential.

The backbone of our nation's energy infrastructure system (electric and natural gas transmission and distribution lines) runs on ICT networks. These networks—usually developed, owned, and operated by utilities—are essential for day-to-day reliability, storm recovery and response, grid modernization, security, and much more. Perhaps the most essential ingredient to these networks is the radio spectrum that enables wireless communications. Access to adequate and interference-free spectrum is paramount to ensure that the networks underpinning the nation's transmission and distribution systems are resilient and reliable.



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More specifically, electricity and natural gas providers use these networks for the following essential functions:

- Real-time monitoring of medium- and high-voltage networks (distribution and transmission, respectively)
- Protective relaying
- Energy management
- Outage management
- Distribution management
- Smart metering
- Substation automation

Spectrum is needed for any kind of wireless communication and is a finite commodity. As our nation's reliance on smart phones, autonomous machines, and other wireless devices grows, the need for spectrum is growing as well. The Federal Communications Commission (FCC) is the federal agency responsible for spectrum allocation. Although FERC and every other federal agency acknowledge the energy sector as the most critical of all critical industries, the FCC's spectrum policies do not. Utilities are treated like any other commercial enterprise when it comes to spectrum acquisition, making it difficult for our nation's energy providers to secure needed spectrum.

As this Subcommittee continues its oversight over FERC, we request that Subcommittee members encourage the agency to establish regular meetings with members of the FCC. Such meetings would build understanding between the two regulatory bodies and the industries they regulate, which is especially crucial as the energy and telecommunications sectors become more interdependent.

The full Energy and Commerce Committee has jurisdiction over both FERC and the FCC. Members of this Subcommittee therefore have a unique opportunity to facilitate these discussions and analyze the growing interdependencies between the energy and telecommunications sectors. We have also expressed these sentiments to members of the Subcommittee on Communications and Technology, which has oversight of the FCC. UTC stands ready to assist in this effort. Our organization has subject-matter experts willing to provide Subcommittee members with any information or resources they need.

Again, UTC thanks the Subcommittee for holding this hearing. We appreciate the opportunity to submit this letter and look forward to working with all of you going forward.

Sincerely,

A handwritten signature in black ink, appearing to read 'Joy Ditto', with a long horizontal line extending to the right.

Joy Ditto  
President, CEO of the Utilities Technology Council