

July 24, 2015

Chairman Lisa Murkowski
U.S. Senate Committee on Energy and Natural Resources
304 Dirksen Senate Office Building
Washington, DC 20510-6150

Ranking Member Maria Cantwell
U.S. Senate Committee on Energy and Natural Resources
304 Dirksen Senate Office Building
Washington, DC 20510-6150

Dear Chairman Murkowski and Senator Cantwell:

On behalf of the Large Public Power Council (LPPC), I want to commend you for including a Reliability Impact Statement provision in the legislative draft you released on July 22, 2015. LPPC fully supports the need to address electric grid reliability in energy legislation, and appreciates the opportunity your staff gave us to have input on this important issue.

As you know, the Large Public Power Council (LPPC), represents the twenty-five largest consumer-owned electric utilities in the United States and collectively serve thirty million electricity consumers. We represent utilities in thirteen states including Washington, California, Arizona, Colorado, Texas, Oklahoma, Nebraska, Georgia, Florida, North and South Carolina, New York and the Territory of Puerto Rico.

Our members represent broad diversity in geography, asset and resource mix, and customer base. We are all focused on striking the optimal balance of reliability, affordability and environmental stewardship. The services that we provide are critical to the economic vitality and quality of life in the communities we serve.

I believe that in order for the electric industry to make the transition to the next generation of energy infrastructure, enactment of a Reliability Assurance Mechanism is essential to maintain and enhance the grid's reliability, resiliency and security. LPPC commends the bill's elevation of reliability considerations to an equal footing with affordability and environmental stewardship. LPPC supports the approach taken in section 4301 of the legislative draft to establish the necessary prospective and ongoing review of reliability as major federal actions are considered.

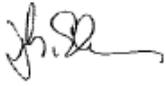
The transition of the electric industry will take time, and the current carbon emission proposals represent only the first installment of reductions being advocated for the longer term. The changes in the supply mix currently being proposed, albeit very challenging, only represent a beginning to the transition to cleaner fuels and a more distributed environment.

LPPC believes also that timing is critical since major investments by communities will need to be made to support the transition and working hard to get things right the first time reduces the likelihood of a reliability event or unnecessary costs to consumers. Reliability, affordability and environmental stewardship are not mutually exclusive but they do require foresight and a balanced approach.

For all of these reasons, LPPC appreciates your inclusion of section 4301 in the bill, and stands ready to work with you to support enactment of a prospective Reliability Assurance Mechanism as the legislative process moves forward.

I am available to answer questions or comments that you may have as the process progresses.

Thank you,



John

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cc: Members of the Senate Energy and Natural Resources Committee