AMERICA'S POWER Reliable • Secure • Resilient • Affordable

ONE STEP BACKWARD, ONE STEP FORWARD

April 19, 2021

In February, the Federal Energy Regulatory Commission (FERC) took a big step backward by closing a docket the Commission had opened three years ago to consider whether the nation's electricity system is resilient. Resilience means keeping the lights on during extreme disturbances, such as the winter storm that caused rolling blackouts in Texas and other parts of the country in mid-February and the extreme heat that contributed to blackouts in California last August. Resilience and reliability are often used interchangeably but they are different. Reliability means withstanding normal, not extreme, problems.

In March, the Commission took a modest step forward by opening a new docket to consider how to avoid to avoid future power outages caused by extreme weather and climate change. The new docket does not mention the word resilience, even though the electricity grid has to be resilient to withstand extreme weather.

FERC has scheduled a conference on its new docket for June 1 and 2, and invited responses to 17 questions prior to the conference. America's Power submitted responses to four of the questions. Here are some of the highlights of our responses:

- The coal fleet is a critical part of the nation's electricity supply because it is a resilient and reliable source of power.
- The premature retirement of coal-fired generation (slightly more than half of the coal fleet) is a big threat to grid resilience.
- Coal's resilience enabled it to provide almost half the electricity in two major regions of the country during the winter storm. The coal fleet in MISO doubled its output, and the SPP coal fleet increased its output by 70 percent during the winter storm. The output of wind dropped by half in MISO and by two-thirds in SPP.
- We offered five recommendations to FERC: (1) explain what resilience means, (2) identify resilience criteria, (3) establish standards for resilience, (4) value fuel security, and (5) assess whether the regional electricity grids are truly resilient to extreme weather and other extreme disturbances. (Three years ago, ERCOT said its grid was resilient, even though it turned out to be wrong.)

Our comments to FERC can be found at <u>www.americaspower.org</u> or by clicking <u>here</u>.