## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## HOUSE RESOLUTION

No. 576 Session of 2017

INTRODUCED BY PYLE, SNYDER, CORBIN, MATZIE, QUIGLEY, CUTLER, PASHINSKI, PICKETT, SAYLOR, BERNSTINE, MARSHALL, MEHAFFIE, LONGIETTI, NEILSON, BARBIN, HICKERNELL, SAINATO, TOOHIL, MACKENZIE, CHARLTON, EVERETT, M. K. KELLER, A. HARRIS, GODSHALL, PETRARCA, PETRI, GILLESPIE, METZGAR, MAHER, SANKEY, MASSER, DeLUCA, KORTZ, KAMPF, TOEPEL, ROTHMAN, LEWIS, SANTORA, FARRY, MILLARD, STEPHENS, COOK, WARD, WALSH, MARSICO, MILNE, ELLIS, JOZWIAK, DELOZIER, HENNESSEY, TURZAI, BARRAR, TAYLOR, DRISCOLL, READSHAW, REED, RAPP, FEE, MICCARELLI AND JAMES, OCTOBER 24, 2017

AS REPORTED FROM COMMITTEE ON CONSUMER AFFAIRS, HOUSE OF REPRESENTATIVES, AS AMENDED, OCTOBER 25, 2017

## A CONCURRENT RESOLUTION

- Urging the Federal Energy Regulatory Commission to swiftly consider the United States Department of Energy's proposed
- Grid Resiliency Pricing Rule and implement policies to ensure
- fuel-secure baseload electricity generation resources receive
- proper compensation for the positive attributes they provide
- our nation's and our Commonwealth's electric system.
- 7 WHEREAS, Electric generation power plants in this
- Commonwealth that participate in the wholesale electric markets
- strengthen competition and enhance the resilience and
- 10 reliability of the bulk power and transmission systems and are
- 11 vital to the public interest; and
- 12 WHEREAS, The nation's and this Commonwealth's economy,
- 13 environment and security depend on a reliable, resilient
- 14 electric grid powered by an "all of the above" mix of energy
- generation resources, including traditional baseload generation 15

- 1 that is produced from long-term fuel sources located onsite; and
- 2 WHEREAS, The North American Electric Reliability Corporation,
- 3 whose mission is to assure the reliability and security of North
- 4 America's bulk power system, in a May 2017 letter to United
- 5 States Secretary of Energy Rick Perry warned that "premature
- 6 retirements of fuel-secure baseload generating stations reduces
- 7 resilience to fuel supply disruptions"; and
- 8 WHEREAS, The recent United States Department of Energy Staff
- 9 Report to the Secretary on Electricity Markets and Reliability
- 10 made clear that resiliency must be addressed by the Federal
- 11 Energy Regulatory Commission (FERC) and there is an "urgent need
- 12 for clear definitions of reliability- and resilience-enhancing
- 13 attributes and should quickly establish the market means to
- 14 value or the regulatory means to provide them"; and
- 15 WHEREAS, The 2014 polar vortex exposed problems with the
- 16 resiliency of the electric grid when PJM Interconnection
- 17 struggled to meet demand for electricity because a significant
- 18 amount of generation was not available to run due to weather-
- 19 related outages; and
- 20 WHEREAS, Pennsylvania's fuel-secure baseload generation
- 21 plants employ thousands of workers in high-paying jobs and
- 22 contribute significantly to State and local economies; and
- 23 WHEREAS, Pennsylvania's coal industry, including coal power
- 24 plants, is a vital contributor to the State's economy, providing
- 25 support through direct, indirect and induced impacts, including
- 26 approximately 36,100 full and part-time jobs, and \$4.1 billion
- 27 in total value added to the Commonwealth's economy; and
- 28 WHEREAS, Pennsylvania's nuclear industry, including nuclear
- 29 power plants, is a vital contributor to the State's economy,
- 30 providing support through direct, indirect and induced impacts,

- 1 including approximately 15,900 in-State full time jobs and \$2
- 2 billion to the Commonwealth's gross domestic product, and \$69
- 3 million in net State tax revenues annually; and
- 4 WHEREAS, In addition to the reliability, security, grid
- 5 resilience and economic attributes, Pennsylvania's fuel-secure
- 6 baseload coal plants have made significant investments to meet
- 7 increased environmental standards, helping to improve air and
- 8 water quality in the Commonwealth; and
- 9 WHEREAS, Pennsylvania is also home to unique fuel-secure coal
- 10 generation sources that use waste coal as a fuel-source,
- 11 employing 3,800 Pennsylvania residents and producing 1,500
- 12 megawatts of renewable energy, also helping to remove
- 13 approximately 200 million tons of refuse coal from mine scarred
- 14 land in Pennsylvania; and
- 15 WHEREAS, In addition to the reliability, security, grid
- 16 resilience and economic attributes, Pennsylvania's fuel-secure
- 17 baseload nuclear power plants also provide more than 93% of this
- 18 Commonwealth's emissions-free electricity and are the only
- 19 emissions-free, predictable and reliable electric generation
- 20 source; and
- 21 WHEREAS, Pennsylvania's diverse portfolio of fuel-secure
- 22 baseload generation resources are vital to our Commonwealth's
- 23 economic competitiveness, natural environment and public health
- 24 and safety; and
- 25 WHEREAS, It is in the public interest that fuel-secure
- 26 baseload generation resources be properly compensated for
- 27 providing these positive attributes and under the current design
- 28 of the wholesale electric markets, prices are set in a manner
- 29 that undervalues fuel-secure generation resources; and
- 30 WHEREAS, The Secretary of Energy has proposed, for

- 1 consideration by FERC, a Grid Resilience Pricing Rule with the
- 2 goal of ensuring our nation's energy security; therefore be it
- 3 RESOLVED (the Senate concurring), That the General Assembly, <--
- 4 THAT THE HOUSE OF REPRESENTATIVES of the Commonwealth of
- 5 Pennsylvania acknowledge the grid resilience and reliability
- 6 benefits that fuel-secure baseload electricity generation
- 7 resources provide to the residents, businesses and economy of
- 8 this Commonwealth and assert that fuel-secure baseload
- 9 generation resources receive proper compensation for these
- 10 positive attributes; and be it further
- 11 RESOLVED, That the General Assembly HOUSE OF REPRESENTATIVES <-
- 12 of the Commonwealth of Pennsylvania agree with the goals of the
- 13 United States Department of Energy's proposed Grid Resiliency
- 14 Pricing Rule and urge the Federal Energy Regulatory Commission
- 15 to swiftly implement policies and approve tariff provisions to
- 16 ensure fuel-secure baseload electricity generation resources
- 17 receive proper compensation for all of the positive attributes
- 18 they provide our nation's and this Commonwealth's electric
- 19 system; and be it further
- 20 RESOLVED, That the General Assembly HOUSE OF REPRESENTATIVES <--
- 21 of the Commonwealth of Pennsylvania, while expressing support
- 22 for FERC's swift action to ensure the positive attributes
- 23 provided by fuel-secure baseload generation resources receive
- 24 proper compensation in the wholesale market, will continue to
- 25 exercise the General Assembly's authority to make energy policy
- 26 consistent with the health, safety and welfare of our residents;
- 27 and be it further
- 28 RESOLVED, That copies of this resolution be transmitted to
- 29 the President of the United States, United States Secretary of
- 30 Energy Rick Perry, FERC Commissioners, the presiding officers of

- 1 each house of Congress, each member of Congress from
- 2 Pennsylvania and the Board of Managers of PJM Interconnection. ◀