
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, TOOHL,
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 AND FEE,
OCTOBER 24, 2017

REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, OCTOBER 24, 2017

A CONCURRENT RESOLUTION

1 Urging the Federal Energy Regulatory Commission to swiftly
2 consider the United States Department of Energy's proposed
3 Grid Resiliency Pricing Rule and implement policies to ensure
4 fuel-secure baseload electricity generation resources receive
5 proper compensation for the positive attributes they provide
6 our nation's and our Commonwealth's electric system.

7 WHEREAS, Electric generation power plants in this
8 Commonwealth that participate in the wholesale electric markets
9 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
15 generation resources, including traditional baseload generation
16 that is produced from long-term fuel sources located onsite; and

1 WHEREAS, The North American Electric Reliability Corporation,
2 whose mission is to assure the reliability and security of North
3 America's bulk power system, in a May 2017 letter to United
4 States Secretary of Energy Rick Perry warned that "premature
5 retirements of fuel-secure baseload generating stations reduces
6 resilience to fuel supply disruptions"; and

7 WHEREAS, The recent United States Department of Energy *Staff*
8 *Report to the Secretary on Electricity Markets and Reliability*
9 made clear that resiliency must be addressed by the Federal
10 Energy Regulatory Commission (FERC) and there is an "urgent need
11 for clear definitions of reliability- and resilience-enhancing
12 attributes and should quickly establish the market means to
13 value or the regulatory means to provide them"; and

14 WHEREAS, The 2014 polar vortex exposed problems with the
15 resiliency of the electric grid when PJM Interconnection
16 struggled to meet demand for electricity because a significant
17 amount of generation was not available to run due to weather-
18 related outages; and

19 WHEREAS, Pennsylvania's fuel-secure baseload generation
20 plants employ thousands of workers in high-paying jobs and
21 contribute significantly to State and local economies; and

22 WHEREAS, Pennsylvania's coal industry, including coal power
23 plants, is a vital contributor to the State's economy, providing
24 support through direct, indirect and induced impacts, including
25 approximately 36,100 full and part-time jobs, and \$4.1 billion
26 in total value added to the Commonwealth's economy; and

27 WHEREAS, Pennsylvania's nuclear industry, including nuclear
28 power plants, is a vital contributor to the State's economy,
29 providing support through direct, indirect and induced impacts,
30 including approximately 15,900 in-State full time jobs and \$2

1 billion to the Commonwealth's gross domestic product, and \$69
2 million in net State tax revenues annually; and

3 WHEREAS, In addition to the reliability, security, grid
4 resilience and economic attributes, Pennsylvania's fuel-secure
5 baseload coal plants have made significant investments to meet
6 increased environmental standards, helping to improve air and
7 water quality in the Commonwealth; and

8 WHEREAS, Pennsylvania is also home to unique fuel-secure coal
9 generation sources that use waste coal as a fuel-source,
10 employing 3,800 Pennsylvania residents and producing 1,500
11 megawatts of renewable energy, also helping to remove
12 approximately 200 million tons of refuse coal from mine scarred
13 land in Pennsylvania; and

14 WHEREAS, In addition to the reliability, security, grid
15 resilience and economic attributes, Pennsylvania's fuel-secure
16 baseload nuclear power plants also provide more than 93% of this
17 Commonwealth's emissions-free electricity and are the only
18 emissions-free, predictable and reliable electric generation
19 source; and

20 WHEREAS, Pennsylvania's diverse portfolio of fuel-secure
21 baseload generation resources are vital to our Commonwealth's
22 economic competitiveness, natural environment and public health
23 and safety; and

24 WHEREAS, It is in the public interest that fuel-secure
25 baseload generation resources be properly compensated for
26 providing these positive attributes and under the current design
27 of the wholesale electric markets, prices are set in a manner
28 that undervalues fuel-secure generation resources; and

29 WHEREAS, The Secretary of Energy has proposed, for
30 consideration by FERC, a Grid Resilience Pricing Rule with the

1 goal of ensuring our nation's energy security; therefore be it
2 RESOLVED (the Senate concurring), That the General Assembly
3 of the Commonwealth of Pennsylvania acknowledge the grid
4 resilience and reliability benefits that fuel-secure baseload
5 electricity generation resources provide to the residents,
6 businesses and economy of this Commonwealth and assert that
7 fuel-secure baseload generation resources receive proper
8 compensation for these positive attributes; and be it further

9 RESOLVED, That the General Assembly of the Commonwealth of
10 Pennsylvania agree with the goals of the United States
11 Department of Energy's proposed Grid Resiliency Pricing Rule and
12 urge the Federal Energy Regulatory Commission to swiftly
13 implement policies and approve tariff provisions to ensure fuel-
14 secure baseload electricity generation resources receive proper
15 compensation for all of the positive attributes they provide our
16 nation's and this Commonwealth's electric system; and be it
17 further

18 RESOLVED, That the General Assembly of the Commonwealth of
19 Pennsylvania, while expressing support for FERC's swift action
20 to ensure the positive attributes provided by fuel-secure
21 baseload generation resources receive proper compensation in the
22 wholesale market, will continue to exercise the General
23 Assembly's authority to make energy policy consistent with the
24 health, safety and welfare of our residents; and be it further

25 RESOLVED, That copies of this resolution be transmitted to
26 the President of the United States, United States Secretary of
27 Energy Rick Perry, FERC Commissioners, the presiding officers of
28 each house of Congress, each member of Congress from
29 Pennsylvania and the Board of Mangers of PJM Interconnection.