
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE RESOLUTION

No. 227 Session of
2017

INTRODUCED BY AUMENT, WHITE, FOLMER, CORMAN, ARGALL, GORDNER,
MENSCH, KILLION, RAFFERTY, STEFANO, TOMLINSON, LANGERHOLC,
BAKER, MARTIN, VOGEL, SCHWANK, HUTCHINSON AND MCGARRIGLE,
OCTOBER 19, 2017

REFERRED TO CONSUMER PROTECTION AND PROFESSIONAL LICENSURE,
OCTOBER 19, 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

17 WHEREAS, The North American Electric Reliability Corporation,
18 whose mission is to assure the reliability and security of North

1 America's bulk power system, in a May 2017 letter to United
2 States Secretary of Energy Rick Perry warned that "premature
3 retirements of fuel-secure baseload generating stations reduces
4 resilience to fuel supply disruptions"; and

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

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

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

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

25 WHEREAS, Pennsylvania's nuclear industry, including nuclear
26 power plants, is a vital contributor to the State's economy,
27 providing support through direct, indirect and induced impacts,
28 including approximately 15,900 in-State full time jobs and \$2
29 billion to the Commonwealth's gross domestic product, and \$69
30 million in net State tax revenues annually; and

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

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

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

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

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

27 WHEREAS, The Secretary of Energy has proposed, for
28 consideration by FERC, a Grid Resilience Pricing Rule with the
29 goal of ensuring our nation's energy security; therefore be it

30 RESOLVED (the House of Representatives concurring), That the

1 General Assembly of the Commonwealth of Pennsylvania acknowledge
2 the grid resilience and reliability benefits that fuel-secure
3 baseload electricity generation resources provide to the
4 residents, businesses and economy of this Commonwealth and
5 assert that fuel-secure baseload generation resources receive
6 proper compensation for these positive attributes; and be it
7 further

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

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

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