

Committee on Energy and Commerce

**Opening Statement as Prepared for Delivery
of
Chairman Frank Pallone, Jr.**

Hearing on “The Changing Energy Landscape: Oversight of FERC”

July 27, 2021

The Federal Energy Regulatory Commission plays a critical role in ensuring the safe, reliable, and affordable delivery of energy to American homes and businesses. I’m pleased to welcome all the current FERC Commissioners to this oversight hearing.

I first want to congratulate Chairman Glick on his appointment by President Biden, and I look forward to speaking with you about the Commission’s priorities for the coming year.

I would also like to recognize Commissioner Chatterjee, whose term on the Commission recently expired. Although we have had our policy differences, we found common ground on several important issues, and I thank you for your service.

Recent extreme weather events in Texas, California, and the Pacific Northwest dramatically illustrate that the climate crisis is here and will only get worse if we do not act. That is why Chairmen Rush, Tonko and I introduced the CLEAN Future Act, to get us to a 100 percent clean economy no later than 2050 and to make our electric grid more resilient to extreme weather.

FERC has a large role to play in achieving this clean energy future and in maintaining the reliable operation of our nation’s grid. As we heard at our transmission legislative hearing several weeks ago, reforming the transmission planning, siting, and cost allocation processes are critical to ensuring we can move renewable power from our wind and solar corridors to major population and industrial centers.

I commend FERC for its recent announcement of a joint task force with the National Association of Regulatory Utility Commissioners. This is an effort to resolve the tensions between FERC and state regulators that too often interfere with the responsible deployment of more transmission.

I am also interested to hear more about the Commission’s recent Advanced Notice of Proposed Rulemaking on transmission and interconnection issues. In particular, I want to hear how FERC plans to pursue transmission policies that promote transmission development while also protecting ratepayers.

FERC, of course, also regulates the certification and siting of natural gas pipelines. Two of the biggest challenges we face in this area have to do with protecting landowner rights and

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accounting for greenhouse gas emissions. Fortunately, I believe FERC has made some much-needed progress in these areas.

On eminent domain, FERC recently issued guidance protecting landowner interests during natural gas pipeline siting proceedings. That's a good start, but the Gas Act needs to better reflect today's realities and balance development with state and landowner rights. I hope FERC does more to address the appropriate scope of pipelines' eminent domain authority, as well as consider whether it should permit pipeline companies to demonstrate a market need for a new pipeline by signing gas supply contracts with their own affiliates.

With respect to greenhouse gas emissions, during our 2019 hearing with FERC, I expressed disappointment about FERC's failure to account for greenhouse gas emissions in the pipeline review process. Earlier this year, for the first time, FERC assessed the significance of a project's greenhouse gas emissions and contribution to climate change. That's a welcome step forward.

I would also like to mention two other promising FERC actions. First, this year, after a long wait, FERC committed to establishing an Office of Public Participation. The public, and in particular members of underrepresented communities, must have the opportunity and ability to participate in Commission proceedings. I am pleased that FERC finally acted to establish the Office of Public Participation. I am committed to ensuring that FERC makes this office an effective resource for environmental justice leaders, Tribes, landowners, consumer advocates, and other members of the public.

And second, I want to congratulate Montina Cole, who Chairman Glick appointed to be the Commission's first senior counsel for environmental justice and equity. For too long, regulators have overlooked the environmental justice and equity concerns associated with siting new natural gas pipelines, hydroelectric licenses and other projects. This is an important step to ensure these concerns are no longer ignored.

Again, thank you for joining us today. I look forward to your testimony as we discuss the path forward.