



FERC to EPA: We Are Here to Help on CPP

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The first proposal is the so-called “Reliability Safety Valve.” Under this proposal, the EPA would adopt a clearly defined role for FERC to review a petitioner’s claims that unforeseen or emergency system conditions will result in a violation of FERC-approved reliability standards or in a reserve margin deficiency unless a CPP compliance obligation is adjusted. The commissioners were clear to note that their role here would not involve assessing whether the petitioner made sufficient efforts to resolve the possible violation or whether there are other ways to resolve the deficiency. Rather, FERC’s role would be only to “consider whether a specified set of loads, resources and grid facilities would cause a Reliability Standard violation or reserve margin deficiency.” The commissioners’ letter did not specify the level of deference or consideration that the EPA should give to FERC’s findings.

The commissioners also discussed the possibility of FERC’s role in “Reliability Monitoring and Assistance.” This type of monitoring process would occur prior to, or in parallel with, the EPA’s review of state CPP carbon reduction plans and would allow FERC to review such plans for an assessment of potential reliability concerns. The commissioners explained that FERC-regulated Regional Transmission Operators and Independent System Operators, as well as entities such as North American Electric Reliability Council, currently have processes in place to assess the reliability of the grid. FERC could have these entities use their existing processes to analyze proposed state plans, FERC explained, and then FERC could review the analyses and provide the EPA with formal input on how the state plans affect reliability. The commissioners also contemplated FERC having the ability to request additional or modified analyses or, in limited circumstances, performing analyses itself.

FERC has been proactive thus far in anticipation of the EPA’s final rule. The agency recently held a series of technical conferences focused on how the CPP may affect three aspects of

FERC's jurisdiction: electric reliability, energy infrastructure and wholesale energy markets. For previous *Speaking Energy* coverage of the CPP proposal, click [here](#).

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