

Congress of the United States
Washington, DC 20515

September 25, 2018

The Honorable Kevin J. McIntyre
Chairman
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: PURPA Reform, Docket No. AD16-16-000

Dear Chairman McIntyre:


Thank you for your July 24, 2018, letter regarding the Commission's review of its Public Utility Regulatory Policies Act of 1978 (PURPA) regulations. As you state in your letter, American energy markets have undergone many changes since 1978. We urge the Commission to perform a comprehensive modernization of its PURPA regulations to reflect these changes and protect electricity consumers from unnecessary costs.

Among the critical issues that the Commission must address is the rate paid by electric utilities to qualifying facilities (QFs). Under PURPA, the Commission is obligated to ensure that the rates paid to QFs are fair to both the QFs and the electricity consumers paying for the QFs' power. Unfortunately, current regulations fail to meet this obligation. In many states administratively-established QF rates greatly exceed market prices, and electricity consumers are forced to pay billions in excess costs as a result.


In order to protect consumers from unnecessary costs, the Commission should update its regulations to allow states to price QF power through competitive bidding processes that reflect the true market price for energy and capacity. This commonsense reform would ensure that QFs continue to have a robust market for their power without requiring enormous subsidies from consumers.

We look forward to continuing to follow the Commission's PURPA reform efforts. Thank you for your consideration of our comments.

Sincerely,


John Barrasso, M.D.
United States Senator


Tim Walberg
United States Representative



James E. Risch
United States Senator



Kevin Cramer
United States Representative



Heidi Heitkamp
United States Senator




Larry Bushon, M.D.
United States Representative



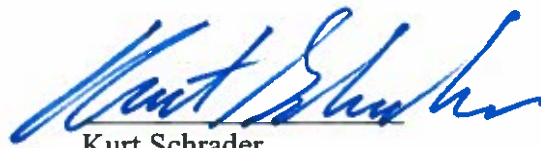
Steve Daines
United States Senator



Dave Loebsack
United States Representative



John Hoeven
United States Senator



Kurt Schrader
United States Representative