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2125 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6115

MAJORITY (202) 225-2927
FACSIMILE (202) 225-2525
MINORITY (202) 225-3641

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May 8, 2009

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The Honorable Jon Wellinghoff
Chairman
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Dear Chairman Wellinghoff:

We write to you for confirmation and/or clarification of recent comments attributed to you. Your views on energy policy are of importance to us as we consider climate change legislation. The Federal Energy Regulatory Commission (FERC) has a deserved reputation for respected technical and regulatory expertise on energy issues. As Chairman of the Commission, your public statements are in part a reflection on the FERC.

The April 22, 2009, *New York Times* article entitled "Energy Regulatory Chief Says New Coal, Nuclear Plants May Be Unnecessary" reports that you said that "no new nuclear or coal plants may ever be needed in the United States" and that "renewables like wind, solar and biomass will provide enough energy to meet baseload capacity and future energy demands." You also were quoted as stating that "I think baseload capacity is going to become an anachronism" and that "[b]aseload capacity really used to mean in an economic dispatch, which you dispatch first, what would be the cheapest thing to do. Well, ultimately wind's going to be the cheapest thing to do, so you'll dispatch that first."

The Committee is reviewing the American Clean Energy and Security Act of 2009 and has recently conducted hearings on this proposed legislation. During those hearings, witnesses have testified to the critical role of coal and nuclear energy, which collectively provide almost 70 percent of the nation's electricity supply, and have acknowledged that, to meet growing energy demands, both coal and nuclear power will need to continue to be part of the nation's energy portfolio.

We support development of domestic renewable electricity sources. Renewable resources provide roughly eight percent of the Nation's electricity supply. However, almost six of this eight percent is provided by hydroelectric resources; with energy from biomass, municipal

solid waste, geothermal, wind, and solar accounting for a little more than two percent. Further, it remains to be seen how these renewable sources can be effectively incorporated into baseline electricity production because of the many challenges associated with the development of facilities (including the financing, siting, permitting, construction and operation), the need for new transmission and distribution infrastructure, and—with respect to wind and solar in particular—the intermittent nature of power availability.

One of the key issues in evaluating the proposed legislation is determining realistically the availability and costs of energy derived from wind, solar, biomass and other renewable energy sources. In the years ahead, it will be critical to ensure that American consumers and businesses have access to reliable, efficient and affordable energy. Congress and the Administration must act responsibly and prudently in formulating the nation's energy policy relating to climate change and should not base that policy on unrealistic expectations or assumptions. On the other hand, if the Committee's hearing record is deficient based on studies and data familiar to you, the Committee needs to know this at once. Accordingly we request that you provide us with responses to the following:

1. Were the reported statements in the article accurate and/or were they taken out of context?
2. If the statements in the article to the effect that you believe there may be no need for any new nuclear or coal plants in the U.S. are accurate, what data, assumptions, analyses and/or documentation were you relying upon? Please identify and provide copies of any supporting documentation upon which you were relying to support such statements.
3. If the statement in the article to the effect that you believe that wind will ultimately be "the cheapest thing to do" is accurate, by what date do you believe that this statement would be true, in what region(s) of the country would it be true, and upon what data, assumptions, analyses and/or documentation were you relying to support such a statement? In your view, would wind be the cheapest alternative for all regions of the country?
4. Has FERC prepared any analyses, projections or other documentation concluding that there will not be any need for new nuclear or coal plants to be constructed in the coming years? If so, please identify and provide copies of those documents.

We would respectfully request, if the Commission withholds any documents or information in response to this letter, that a Vaughan Index or log of the withheld items be attached to the response. The index should list the applicable question number, a description of the withheld item (including date of the item), the nature of the privilege or legal basis for the withholding, and a legal citation for the withholding claim.

The Congressional leadership is seeking to move forward with climate change legislation in the very near term. Please provide your responses to the questions above within two weeks from the date of this letter. Please coordinate with Alan Slobodin, the Republican Chief Counsel

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for Oversight and Investigations, at (202) 225-3641, on providing a response and documents by the two week deadline. We appreciate your prompt attention to this matter.

Sincerely,



Joe Barton
Ranking Member



Greg Walden
Ranking Member
Subcommittee on Oversight and Investigations

cc: The Honorable Henry A. Waxman, Chairman
The Honorable Bart Stupak, Chairman
Subcommittee on Oversight and Investigations