



STATEMENT

Statement of Commissioner Neil Chatterjee on Electric Storage Participation in Markets Operated by RTOs and ISOs

Date: February 15, 2018

Docket Nos.: RM16-23-000;
AD16-20-000
Item No.: E-1

"Today's storage rulemaking is a significant achievement, one that would not have been possible without the excellent work of many across this building. As always, I'm immensely grateful for the expertise and dedicated efforts of the staff, my colleagues, and my team which resulted in this order.

"This storage rulemaking is a clear example of something I learned rather quickly when first coming onto the Commission – that is, the perception of FERC's processes outside this building is not always reflective of the reality within it.

"As I was making my way through the Senate confirmation process, I and others on Capitol Hill, were under the impression that this rule would be finalized in short order, and, as such, I committed to Senators Ed Markey and Sheldon Whitehouse that I would make the storage rulemaking one of my top priorities. My sense that this could be accomplished quickly changed significantly after I came on as Commissioner and began digging deeper into the complexities of the rulemaking. I realized that although the staff worked diligently on the rulemaking throughout the no quorum period, the issues addressed in this order were more intricate than I first thought and they required additional efforts to properly tackle them.

"Even still, I intended to keep my commitment to Senators Markey and Whitehouse, and as I began my short time as Chairman, I had the opportunity to drive that process forward. It continued as I stepped into my role as Commissioner, where I've had the privilege of working with my colleagues and staff to reach a conclusion that resolves many of these complex issues. That hard work has yielded what I believe is a very thoughtful and well written final rule, one that we as a Commission can be proud of.

"Not only is this rulemaking a win for both consumers and industry, but it is also the kind of positive regulatory action that removes barriers to competition, allowing emerging technologies to compete in the marketplace. Ultimately, that means greater reliability and lower costs for the American people. Importantly, the storage rulemaking also recognizes the value of empowering different regions in taking focused actions that best address their individual challenges rather than forcing upon them a one-size-fits-all, top-down approach. Put simply, it's good regulatory policy that people from all political backgrounds can support.

"While today's action in finalizing the storage portion of the rulemaking is certainly a significant step forward, I recognize that our work is not done when it comes to addressing the issue of distributed generation.

"After thoroughly reviewing the record, I acknowledge the significant legal and technical challenges associated with the issue at hand. I am pleased that we are moving forward with the technical conference on this matter, which I believe is a prudent next step in confronting this complicated subject. Though we are setting this issue for a technical conference, I remain committed to moving forward in a timely manner. Distributed energy resources are becoming increasingly more integral to our resource mix, and we at the Commission should make every effort to advance this issue without delay."