

June 2, 2021

Chairman Richard Glick
Commissioner Neil Chatterjee
Commissioner James P. Danly
Commissioner Allison Clements
Commissioner Mark C. Christie
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Organized Wholesale Power Markets

Dear Chairman Glick and Commissioners:

As former FERC Commissioners and Chairs, appointed by both Republican and Democratic Presidents over the past three decades, we are united in our strongly held view that organized regional wholesale power markets, known as RTOs and ISOs, provide compelling platforms for renewable energy development and are achieving considerable consumer benefit.

Organized markets do not exist in some regions of the country, and customers in those regions cannot enjoy the benefits they provide. Yet organized markets are more essential than ever as our nation decarbonizes the power sector. As the pace of decarbonizing the grid accelerates, we are convinced that the time for organized market expansion is now. Hence, we are writing to urge the Commission to use the broad authorities and tools available under the Federal Power Act to move toward well-structured organized power markets in all regions of the country.

These market platforms have been proven to attract substantial clean energy investment and will be the key to implementing needed climate solutions and achieving the goal of clean, reliable and affordable electricity for our entire nation.

Customer preferences, broad electrification of our economy, falling costs of clean technologies, and climate-related grid emergencies will drive changes that FERC will have to anticipate and address. We recommend that FERC get ahead of the curve by getting the basic foundations in place everywhere. Promoting the expansion of organized wholesale markets now ensures that the grid is a powerful enabler of our clean electricity future.

At this stage of electricity market evolution, our recommendation is a compelling one and well inside the mainstream of sound energy policy. Indeed, the approach FERC has championed for over two decades to ensure a well-functioning and dynamic grid is organized wholesale markets. There is no longer any doubt that these markets are reliable, resilient and highly attractive to innovative new technologies and clean energy resources, and the Commission is

aware of the ongoing initiatives in the West to expand market platforms and growing interest in the Southeast for more ambitious market reform.

More than 80% of renewable generation has been deployed in the organized market regions, and emissions are falling faster in such regions. Organized wholesale markets are defined by features that are critical foundations for a least-cost, customer-centric transition to a low carbon or zero-carbon grid: large footprints able to handle the variability of renewable resources, level playing fields for all providers, non-discriminatory grid access, robust markets and efficient congestion management. A considerable body of data, published in highly credible studies, establishes that substantial customer benefits would flow from expansion of organized wholesale markets.¹ In addition, as we seek infrastructure resilience in all sectors of the economy, we note that organized markets, properly planned and focused on grid integration across the country, are critical. Finally, we need robust expansion and operation of transmission over large areas to integrate and take advantage of large amounts of remote renewable generation and offshore wind resources.

To prepare the grid for a rapid evolution toward the low carbon future, we urge you to finish the job of setting up organized wholesale power markets and ensure that they flourish in all regions of the country. We know you have a full plate of electricity issues to address; it is our collective opinion that this one is foundational.

Sincerely,

/s/ Nora Mead Brownell

Nora Mead Brownell

Commissioner 2001-2006

/s/ James J. Hoecker

James J. Hoecker

Commissioner 1993-1997, Chairman 1997-2001

/s/ William L. Massey

William L. Massey

Commissioner 1993-2003

/s/ Elizabeth Anne Moler

Elizabeth Anne Moler

Commissioner 1988-1993, Chair 1993-1997

/s/ John R. Norris

John R. Norris

Commissioner 2010-2014

/s/ Robert F. Powelson

Robert F. Powelson

Commissioner 2017-2018

¹ [SUMMARY REPORT: ECONOMIC AND CLEAN ENERGY BENEFITS OF ESTABLISHING A SOUTHEAST U.S. COMPETITIVE WHOLESALE ELECTRICITY MARKET;](https://www.caiso.com/documents/sb350study_aggregatedreport.pdf)

https://brattlefiles.blob.core.windows.net/files/16092_nc_wholesale_power_market_whitepaper_april_2019_final.pdf; https://www.caiso.com/documents/sb350study_aggregatedreport.pdf

/s/ Branko Terzic

Branko Terzic

Commissioner 1990-1993

/s/ Pat Wood, III

Pat Wood, III

Chairman 2001-2005

/s/ Jon Wellinghoff

Jon Wellinghoff

Commissioner 2006-2009, Chairman 2009-2013