## UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

	)	
Proposed Rulemaking to	)	
Revise Regulations Implementing	) Docket 1	Nos.
Sections 201 and 210 of the	) RM19-1	5-000 and

particular, the NOPR would allow states to remove a qualifying facility's option for a fixed contract without any similar restriction on incumbent utilities that enjoy long-term revenue security. The NOPR also does not appear to explain sufficiently its proposed reduction in the size of qualifying facilities that are eligible for the rebuttable presumption of non-discriminatory access in organized markets. FERC should retain the fixed contract option for qualifying facilities and develop a comprehensive record of the competitive effects of any final actions based on the NOPR's proposed reforms.

## PURPA Background and the Clean Energy Transition

PURPA sits at the intersection of competition and regulatory policy in an area of vital and urgent interest.<sup>2</sup> By enacting PURPA, Congress sought to encourage the development of cost-efficient alternative sources of electricity generation, including renewable energy sources, and promote substitution from the traditional power sources to renewable- and cogeneration-based facilities. Indeed, PURPA represents one of the few instances where Congress expressed a

unsubsidized utility-scale wind- and solar-based energy costs are already in line with and, in some cases, even cheaper than the most efficient fossil fuel-based energy sources in the U.S.<sup>7</sup> With utility-scale energy storage costs projected to decline by roughly 52% by 2030,<sup>8</sup> several analysts predict that renewables will be

At a minimum, I urge FERC to develop a record that addresses how the NOPR's proposed reforms will alter the competitive balance in affected regions. FERC should also retain the long-term contract option for qualifying facilities unless, in cases where states impose short-term rates on such facilities, their incumbent utility rivals agree to be bound by the same short-term rates.

November 26, 2019