



February 18, 2020

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The Honorable Neal Chatterjee, Chairman
The Honorable Richard Glick, Commissioner
The Honorable Bernard McNamee, Commissioner
Federal Energy Regulatory Commission
888 First Street, NE
Washington D.C. 20426

Re: Calpine Corporation, et al. v. PJM Interconnection, LLC,
Docket No. EL16-49, EL 18-178 (consolidated)

Dear Chairman Chatterjee, Commissioner Glick and Commissioner McNamee:

On behalf of the National Association of State Energy Officials (NASEO), I want to express our concern over the order in the above-captioned case, issued on December 19, 2019. NASEO represents the state energy directors, and these officials lead state efforts in developing energy policies, programs, and initiatives. They work with their governors and state legislatures in a variety of energy areas, such as developing state energy plans and policies, preparing for energy emergencies, and addressing resilience needs.

NASEO, while not a participant in this case, is compelled to express deep concern over the order's expected intended or unintended consequences of limiting state authority and constraining the states' abilities to enact and implement policies and programs that they believe are beneficial to their citizens, both now and into the future. The order appears to limit concepts of cooperative federalism and we urge the Commission to either modify it or suspend it. The new, expanded concepts underlying the minimum offer price rule (MOPR), which would broadly define "state subsidies," are antithetical to the basic idea of cooperative federalism and the long-time interpretations of Part II of the Federal Power Act. There appears to be no rational basis for the "state subsidies" argument, other than to impose a Commission majority perspective over the studied actions of state officials who may choose as a matter of law to support clean energy policies and generation, nuclear power, and other generation sources. If unmodified, the order in this case will limit our nation's and states' ability to respond to emergencies, implement a more resilient energy system, and respond to a range of economic challenges. We remain fearful that the Commission's order will have the unintended effect of rendering organized markets as an obstacle to state pursuit of the needs of its citizens and economy.

We appreciate the opportunity to submit these comments out of time in this proceeding.

Respectfully,

David Terry
Executive Director

cc: State Energy Officials

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