

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

North American Electric Reliability Corporation

Docket No. RR19-7-001

**Joint Comments of Public Citizen and the National Association of State
Utility Consumer Advocates**

Public Citizen and the National Association of State Utility Consumer Advocates (Consumer Advocates) offer these comments in response to the North American Electric Reliability Corporation (NERC) Compliance Filing submitted June 1, 2020. Our comments provide three suggested reforms to enhance representation for household consumers and strengthen governance.

About The Consumer Advocates

Established in 1971, Public Citizen is a national, not-for-profit, non-partisan, research and advocacy organization representing the interests of household consumers. We are active before FERC promoting just and reasonable rates, and supporting efforts for utilities to be accountable to the public interest. Our financial details are located at our web site.¹ Public Citizen intervened in this docket on July 30, 2019.

NASUCA is a national voluntary association of 58 state utility consumer advocate offices. NASUCA members represent the interests of utility consumers in 44 states, the District of Columbia, Puerto Rico, Barbados and Jamaica. NASUCA's full members are designated by the laws of their respective jurisdictions to represent the interests of utility consumers before state and federal utility regulators and in the courts. NASUCA's associate and affiliate members are recognized utility consumer advocates in their respective jurisdictions. Further information is on NASUCA's website.²

Consumer Advocates Comments

The NERC compliance filing details significant changes to how it develops reliability guidelines among its stakeholders. The three committees that previously had

¹ www.citizen.org/about/annual-report/

² www.nasuca.org

been charged with developing reliability guidelines have been consolidated into one: the Reliability and Security Technical Committee (RSTC).³ The RSTC, in turn, is comprised of eleven stakeholder “sectors” and one at-large sector. The eleven sectors are assigned two voting representatives, and there are 10 at-large voting seats. This newly constituted RSTC and its voting sectors are a centerpiece of NERC’s compliance filing.

We have three reform recommendations to improve representation of household consumers.

I. The Small End-Use Electricity Customer Sector Of NERC's Reliability And Security Technical Committee Should Have One Seat Reserved For A NASUCA Member Or Its Designee

The eleven stakeholder sectors of the RSTC are: investor-owned utility; state/municipal utility; cooperative utility; federal utilities; transmission-dependent utility; merchant generator; electricity marketer; large end-use electricity customer; small end-use electricity customer; ISO/RTO; and state government. Each sector has two voting seats. Elections are held to allow NERC members to choose among a slate of candidates who will serve in each of the two voting seats.

In order to qualify to run as a voting representative for the small end-use electricity sector, NERC simply requires that candidates pay a utility bill. This means that any individual—including employees of investor owned utilities or other entities represented in the other sectors—are free to run for a voting seat. The result is that the small end-use electricity sector is not guaranteed to have an individual representing a bona-fide household consumer advocate.

Therefore, Consumer Advocates ask that NERC reform its charter requiring that at least one of the two voting seats of the small end-use electricity sector be reserved for a NASUCA member or its designee. This will ensure that least one of the voting seats will represent a bona-fide consumer advocate.

II. One Of Ten At-Large Sector Seats Should Be Reserved For An Organization Representing Household Consumers

³ Compliance filing, at page 17.

The RSTC Charter notes that “selection of at-large members will allow for better balancing of representation on the RSTC . . . [including] organizational types.”⁴ Currently, there are no household consumer advocates represented in the at-large sector, despite NERC’s proclamation that their purpose is to help ensure better sector representation. Consumer advocates therefore request that one of the 10 at-large seats be reserved for an organization that demonstrates bona-fide representation of household consumers.

III. A Household Consumer Advocate Should Have One Seat on NERC’s Board of Trustees

The NERC compliance filing outlines numerous, critical oversight functions for its Board of Trustees. The Board of Trustees, therefore, plays a crucial role in maintaining independent oversight of NERC management. But nine of the ten Board members have professional or financial ties to the electric utility industry, limiting its independence.⁵

In order to preserve the Board’s role as an effective overseer of NERC’s functions, the Commission should require Board membership that is independent of utility interests or other conflicts and should include allocating at least one Board seat to someone with significant experience representing household consumers in regulatory proceedings.

Respectfully submitted,

/S/_____

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⁴ At page 3, www.nerc.com/comm/RSTC/RelatedFiles/RSTC_Charter_approved20191105.pdf

⁵ George. S. Hawkins is the only Board member with no professional background employed by the electric utility industry. www.nerc.com/gov/bot/

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