

## **FERC Initiates Rulemaking to Revisit PURPA Rules** *Modernizing PURPA Will Help Reduce Costs for Electricity Customers*

**WASHINGTON (September 19, 2019)** – The Federal Energy Regulatory Commission (FERC) today voted to issue a notice of proposed rulemaking (NOPR) to revisit its rules and regulations implementing the Public Utility Regulatory Policies Act of 1978 (PURPA). Issuance of the NOPR opens a public comment window.

“We applaud FERC Chairman Chatterjee for his leadership and for prioritizing PURPA reform,” said Edison Electric Institute (EEI) President Tom Kuhn. “By initiating this important NOPR, Chairman Chatterjee has reaffirmed that there are concrete steps FERC can take to better protect electricity customers from unnecessary energy costs and drive additional investments in renewable energy, all while meeting the commission’s responsibilities under the Act.”

PURPA was enacted during a national oil crisis to promote increased energy conservation, efficiency, and the growth of renewable energy. Forty years later, and thanks in part to the influence of the original PURPA, renewable energy has grown dramatically, and the costs of those renewables continue to fall.

“The energy industry has undergone significant changes since PURPA was enacted,” said American Public Power Association (APPA) President and CEO Sue Kelly. “There has been a meaningful evolution in the electricity generation resource mix, including significant growth in renewable resources and the use of new and improved technologies. We applaud FERC for recognizing the need to ensure that PURPA’s implementation is aligned with today’s energy landscape.”

The 1978 law requires investor-owned electric companies, public power utilities, and electric cooperatives to purchase energy from qualifying facilities (QFs) at prices that often exceed the market.

“Today’s vote was a much-needed first step in the process of modernizing PURPA,” said National Rural Electric Cooperative Association (NRECA) CEO Jim Matheson. “FERC’s rules implementing PURPA today promote the uneven, unplanned, and uneconomic development of facilities and provide subsidies that promote these facilities at the expense of our members, system reliability and other more affordable resources.”

“The bottom line is that non-competitively priced PURPA projects continue to be built today, forcing electric companies to buy power they often don’t need at above-market prices and raising electricity prices for customers,” added Kuhn. “As the rulemaking process proceeds, we will remain engaged with FERC to achieve meaningful and timely PURPA reform for all customers.”

### ***About the American Public Power Association***

*The American Public Power Association is the voice of not-for-profit, community-owned utilities that power 2,000 towns and cities nationwide. It represents public power before the federal government to protect the interests of the more than 49 million people that public power utilities serve, and the 93,000 people they employ. The association advocates and advises on electricity policy, technology, trends, training, and operations. Its members strengthen their communities by providing superior service, engaging citizens, and instilling pride in community-owned power.*

### ***About the Edison Electric Institute***

*EEI is the association that represents all U.S. investor-owned electric companies. EEI's members provide electricity for more than 220 million Americans, and operate in all 50 states and the District of Columbia. In addition to our U.S. members, EEI has more than 65 international electric companies, with operations in more than 90 countries, as International Members, and hundreds of industry suppliers and related organizations as Associate Members.*

### ***About the National Rural Electric Cooperative Association***

*The National Rural Electric Cooperative Association is the national service organization representing the nation's more than 900 private, not-for-profit, consumer-owned electric cooperatives, which serve 42 million people in 48 states.*

### **Media Contacts**

Tobias Sellier (APPA)  
(202) 267-2927  
[tsellier@publicpower.org](mailto:tsellier@publicpower.org)

Brian Reil (EEI)  
(508) 414-5794  
[breil@eei.org](mailto:breil@eei.org)

Stephen Bell (NRECA)  
(571) 205-7719  
[stephen.bell@nreca.coop](mailto:stephen.bell@nreca.coop)