## UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Grid Reliability and Resilience Pricing ) Docket No. RM18-1-000

## MOTION OF THE INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA AND COOPERATING ASSOCIATIONS FOR EXTENSION OF TIME FOR COMMENTS AND REQUEST FOR EXPEDITED CONSIDERATION

Pursuant to Rule 212 of the Rules of Practice and Procedure of the Federal Energy

Regulatory Commission ("Commission"), 18 C.F.R. § 385.212 (2016), and section 403(b) of

the Department of Energy Organization Act, 42 U.S.C. § 7173, the Independent Petroleum

Association of America ("IPAA") and the following organizations (collectively,

"Independent Producers")<sup>1</sup> hereby respectfully submit this motion for extension of time for

filing comments on the Notice of Proposed Rulemaking ("NOPR") in this docket. The

Independent Producers request at a minimum the 90-day initial comment period and 45-day

reply comment period suggested by the Energy Industry Associations.

American Association of Petroleum Geologists American Association of Professional Landmen American Exploration & Production Council Arkansas Independent Producers and Royalty Owners Association Association of Energy Service Companies California Independent Petroleum Association

<sup>&</sup>lt;sup>1</sup> Collectively, these groups represent the thousands of independent oil and natural gas explorers and producers, as well as the service and supply industries that support their efforts, that will be the most significantly affected by the actions resulting from this regulatory proposal. Independent producers drill about 90 percent of American oil and gas wells, produce 54 percent of American oil and produce 85 percent of American natural gas.

Coalbed Methane Association of Alabama Colorado Oil & Gas Association **Domestic Energy Producers Alliance** Idaho Petroleum Council Illinois Oil & Gas Association Independent Oil & Gas Association of New York Independent Oil & Gas Association of West Virginia Independent Oil Producers' Agency Independent Oil Producers Association Tri-State Indiana Oil & Gas Association International Association of Drilling Contractors Kansas Independent Oil & Gas Association Kentucky Oil & Gas Association Louisiana Oil & Gas Association Michigan Oil & Gas Association Montana Petroleum Association National Association of Royalty Owners New Mexico Oil & Gas Association North Dakota Petroleum Council Northern Montana Oil and Gas Association Ohio Oil & Gas Association Oklahoma Independent Petroleum Association Oklahoma Oil and Gas Association Panhandle Producers & Royalty Owners Association Pennsylvania Independent Oil & Gas Association Permian Basin Petroleum Association Petroleum Association of Wyoming Petroleum Equipment & Services Association Southeastern Ohio Oil & Gas Association **Texas Alliance of Energy Producers** Texas Oil and Gas Association Texas Independent Producers and Royalty Owners Association Utah Petroleum Association Virginia Oil and Gas Association West Slope Colorado Oil & Gas Association West Virginia Oil and Natural Gas Association

### I. BACKGROUND

On September 28, 2017, the Secretary of the Department of Energy ("DOE") released the NOPR, directing the Commission to issue a final rule directing Regional Transmission Organizations and Independent System Operators (RTOs/ISOs) to implement new electric market pricing policies within 60 days from publication in the *Federal Register*. According to DOE's NOPR, comments from the public to the Commission would be due either 45 days from publication of the Notice, or according to a schedule to be published by the Commission. Prior to the publication, the Commission issued its Notice Inviting Comments and hastened the comment period by establishing that comments would be due in 21 days—less than half the time suggested in DOE's NOPR.

#### **II. MOTION FOR EXTENSION OF TIME TO FILE COMMENTS**

The actions DOE proposes for the Commission to undertake are complex,

far-reaching, and unsuitable for such hasty consideration. As noted in the Motion for

Extension filed by the Energy Industry Associations:

The proposed reforms laid out in the NOPR, if finalized, would result in one of the most significant changes in decades to the energy industry and would unquestionably have significant ramifications for wholesale markets under the Commission's jurisdiction. When agencies consider a proposed rule that could affect electricity prices paid by hundreds of millions of consumers and hundreds of thousands of businesses, as well as entire industries and their tens of thousands of workers, such as the proposal in question, it is customary for an agency to allow time for meaningful comments to be filed in the record so that the agency can make a reasoned decision thereon. In fact, agencies are under an obligation to allow a comment period of not less than 60 days for typical rulemaking proceedings, unless exceptional circumstances exist.

The time frame for comments provided in the Notice is far too short to allow stakeholders to submit careful analysis on this complex and significant rulemaking.

The DOE Staff Report to the Secretary on Electricity Markets and Reliability explained changes that have occurred in electric markets, with significant growth in generation from natural gas and renewables. However, neither the DOE Report nor information from the North American Electric Reliability Corporation support an emergency that would warrant such an expedited schedule.

While DOE set forth a schedule that does not provide adequate time for consideration of the questions, implications, and implementation of dramatic changes to competitive electric markets, the Commission is not required to adopt that schedule, much less propose even tighter deadlines.

#### III. REQUEST FOR EXPEDITED TREATMENT

The Independent Producers respectfully request that the Commission act on this motion promptly to reassure markets—electricity markets, the energy markets that supply fuel for generation, and markets that rely on electricity for residential, commercial and industrial uses that adequate time and resources will be devoted to this vital issue. Issuing a Notice Extending Comment Deadlines by October 6, 2017, would provide this reassurance.

WHEREFORE, for the foregoing reasons, the Independent Producers respectfully request that the Commission extend the deadline for filing initial comments at least until January 2, 2018, and for reply comments until February 16, 2018.

Respectfully submitted,

# INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA

<u>/s/ Susan W. Ginsberg</u>
Susan W. Ginsberg
Vice President, Crude Oil and Natural Gas Regulatory Affairs
Independent Petroleum Association of America
1201 15th Street, N.W., Suite 300
Washington, D.C. 20005
Tel: (202) 857-4728
E-mail: sginsberg@ipaa.org