

REPLY TO:

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WASHINGTON, DC 20510-1501  
(202) 224-3744  
www.grassley.senate.gov
- 721 FEDERAL BUILDING  
210 WALNUT STREET  
DES MOINES, IA 50309-2106  
(515) 288-1145
- 111 7TH AVENUE, SE, BOX 13  
SUITE 6800  
CEDAR RAPIDS, IA 52401-2101  
(319) 363-6832

# United States Senate

CHARLES E. GRASSLEY

WASHINGTON, DC 20510-1501

May 17, 2017

REPLY TO:

- 120 FEDERAL BUILDING  
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SIOUX CITY, IA 51101-1244  
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- 210 WATERLOO BUILDING  
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- 201 WEST 2ND STREET  
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DAVENPORT, IA 52801-1817  
(563) 322-4331
- 307 FEDERAL BUILDING  
8 SOUTH 6TH STREET  
COUNCIL BLUFFS, IA 51501-4204  
(712) 322-7103

The Honorable Rick Perry  
Secretary  
U.S. Department of Energy  
1000 Independence Ave. SW  
Washington, DC 20585

Dear Secretary Perry,

In mid-April, you directed your chief of staff to initiate a study to explore issues central to protecting the long-term reliability of the electric grid. In particular, you highlighted the erosion of baseload power and whether federal policies are responsible for forcing the premature retirement of baseload power plants. The directive included a rigorous study and investigation of the “market-distorting” federal policies that “create acute and chronic problems for maintaining adequate baseload generation and have impacted reliable generators of all types.”

I understand you set a mid-June deadline for the study. I’m concerned that a hastily developed study, which appears to pre-determine that variable, renewable sources such as wind have undermined grid reliability, will not be viewed as credible, relevant or worthy of valuable taxpayer resources. In fact, at least one similar study has already been conducted by the DOE’s National Renewable Energy Laboratory. It’s my understanding that study took two years to complete.

As the former Governor of Texas, you surely have an appreciation for the enormous economic contributions wind energy is already providing in many parts of the country. In Iowa, more than 36 percent of the electricity produced comes from wind. The state’s largest utility, MidAmerican Energy, currently generates 55 percent of its electricity from wind and expects to generate 90 percent in just a few years.

Not only is Iowa’s wind energy resource reliable, it’s also affordable. According to MidAmerican Energy, wind energy helps keep electricity costs down. Their electricity rates are currently frozen until at least 2029, and have increased only once since 1998. In fact, MidAmerican’s rates are the ninth-lowest nationally. Any study reviewing the impacts of wind energy on grid reliability and security should look closely at Iowa’s utility operations as evidence of its success.

Accordingly, please answer the following questions regarding the grid reliability study:

1. Which of the following grid reliability and security organizations do you intend to work with to ensure the issues are “rigorously studied and analyzed?”

Committee Assignments:

CHAIRMAN,  
JUDICIARY

AGRICULTURE  
BUDGET  
FINANCE

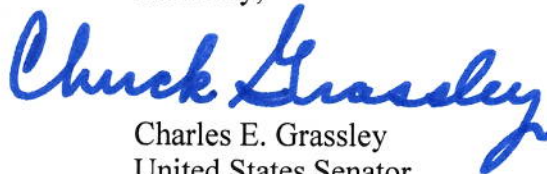
CO-CHAIRMAN,  
INTERNATIONAL NARCOTICS  
CONTROL CAUCUS

North American Electric Reliability Corp., Federal Energy Regulatory Commission, Midcontinent Independent System Operator, PJM Interconnection, Electric Power Research Institute, Department of Energy national laboratories.

2. Have you hired, or do you expect to hire, a contractor to conduct the study or assist with the study?
3. Please provide the details on the process being used to develop the study, including: who is conducting the analysis, who will draft the study, who is primarily responsible for approving content, and what experts – internal and external – will be consulted for the study.
4. How much do you expect the study to cost taxpayers? Please provide a full accounting of the dollars expected to be spent on the study.
5. Do you intend to publish the report in draft form and take comments in order to benefit from the expertise and input of stakeholders?

Thank you in advance for your cooperation with this request. Please number your answers according to their corresponding questions and respond no later than May 25, 2017. If you have any questions, contact Kurt Kovarik of my staff at 202/224-3744.

Sincerely,



Charles E. Grassley  
United States Senator