119TH CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPORT
119–307

POWER PLANT RELIABILITY ACT OF 2025

SEPTEMBER 23, 2025.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. GUTHRIE, from the Committee on Energy and Commerce, submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 3632]

The Committee on Energy and Commerce, to whom was referred the bill (H.R. 3632) to amend the Federal Power Act to adjust the requirements for orders, rules, and regulations relating to furnishing adequate service, to require owners or operators of generating facilities to provide notice of planned retirements of certain electric generating units, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

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59–006

Purpose and Summary

H.R. 3632, the "Power Plant Reliability Act of 2025", was introduced by Representative Griffith on May 29, 2025, and referred to the Committee on Energy and Commerce on May 29, 2025. H.R. 3632 enhances authority under Section 207 of the Federal Power Act to allow affected parties to contest the retirement of generation resources, for up to a 5-year period, in the event that a retirement causes harm to the reliability of the bulk power system. The bill would also require power plants to provide a 5-year advance notice of plans to retire.

Background and Need for Legislation

During the 119th Congress, the Energy Subcommittee of Energy and Commerce has held several hearings to better understand the ongoing electric reliability crisis facing our nation. While record levels of baseload thermal generation are being retired from the bulk power system, our nation is experiencing an historic increase in electricity demand, largely driven by artificial intelligence (AI) data centers, domestic manufacturing, and general economy wide electrification. These increases follow several decades of relatively flat electricity demand growth. Data centers alone could consume upwards of 132 GW by 2028.[1] The North American Electric Reliability Corporation (NERC) projects peak demand to grow by 151 GW by 2034.[2] At the same time, NERC reports that as much as 115 GW of thermal generation has announced to retire within the same time period.[3] NERC has stated that "[e]nvironmental regulations and energy policies that are overly rigid and lack provisions for electric grid reliability have the potential to influence generators to seek deactivation despite a projected resource adequacy or operating reliability risk; this can potentially jeopardize[e] the orderly transition of the resource mix."[4] The pace of retirements of baseload generation combined with the explosive growth of large loads could leave our nation's bulk power system at extreme risk of power outages over the next 5 years. A recent report from the Department of Energy finds that our current pace could increase the risk of power outages by 100 times by 2030.[5]

The pre-mature retirements of baseload generating units have largely been driven by federal and state actions that prevent, limit, or otherwise discourage continued operation or new investments in fossil fuels. In particular, the Environmental Protection Agency's "New Source Performance Standards for Greenhous Gas Emissions from New, Modified, and Reconstructed Fossil Fuel-Fired Electric Generating Units: Emission Guidelines for Greenhouse Gas Emissions from Existing Fossil Fuel-Fired Electric Generating Units'" would have significant adverse impacts on existing coal units and

[1] Arman Shehabi et al., 2024 *United States Data Center Energy Usage Report*, Lawrence Berkely National Laboratory (Dec. 20, 2024), [https://escholarship.org/uc/item/32d6m0d1].

[2] North American Reliability Corp. (NERC), *2024 Long-Term Reliability Assessment* (Dec. 2024, updated Jul. 15, 2025), https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC__Long%20Term%20Reliability%20Assessment__2024.pdf.

[3] *Id.*

[4] NERC, 2023 *Long-Term Reliability Assessment* (Dec. 2023), https://www.nerc.com/pa/RAPA/ra/Reliability%20Assessments%20DL/NERC__LTRA__2023.pdf.

[5] U.S. Dep't of Energy, *Evaluating the Reliability and Security of the United States Electric Grid* (Resource Adequacy Report) (Jul. 2025), https://www.energy.gov/sites/default/files/2025-07/DOE%20Final%20EO%20Report%20%28FINAL%20JULY%207%290.pdf.

new natural gas units. In 2024, FERC Commissioner Mark Christie testified before the House Energy and Commerce Committee regarding the severe impact of the Biden administration EPA's power plant rule, commonly known as the Clean Power Plan 2.0, specifically stating, "[i]f the EPA's new power plant rule survives court challenge, it will force the retirements of nearly all remaining coal generation plants and will prevent the construction of vitally needed new combined-cycle baseload gas generation. This loss of vitally needed dispatchable generation resources will be catastrophic." In 2023, fossil fuels contributed 60 percent of all electricity generation in the United States.[6]

The historic rate of premature retirements is compounded by ongoing constraints for new natural gas turbines, backlogs in interconnection queues, and permitting delays at the federal and state level. Given the urgency of addressing the ongoing reliability crisis, the Commission requires additional tools to address reliability and potential electricity supply shortfalls. Increasingly, states have taken it upon themselves to push more stringent environmental standards and implemented intermittent energy standards that seek to increase the share of a utility's generation mix coming from renewable sources. These standards have contributed to pre-mature closures of fossil generating units that provide necessary baseload power and a growing reliance on states that are maintaining these resources. As an example, Pennsylvania is the only net exporter of electricity in 13 states and Washington, D.C. membership of PJM.[7]

Under current law, section 207 of the Federal Power Act provides FERC with authority to determine proper, adequate, or sufficient service to be furnished in the event that the Commission, upon a complaint from a state Commission, finds that any interstate service of a public utility is inadequate or insufficient. This authority of the Commission to address electric reliability has been used sparingly over its statutory history. When the authority has been invoked, it has been predominantly centered on the impacts of neighboring states to close generating stations that provide interstate service. Most recently, the District of Columbia Public Service Commission petitioned FERC under section 207 following the closure of the Potomac River Generating Station in Alexandria, Virginia. FERC found that the closure of the power plant in Virginia would result in electricity shortages in the Washington, D.C. area and would violate NERC reliability standards, endangering the transmission system.[8] As part of these findings, FERC issued an order under section 207 requiring the grid operator and utility develop short-term and long-term solutions to reliability in the affected area, which resulted in new transmission lines and ultimate closure of the generation facility.[9]

The Power Plant Reliability Act would enhance section 207 of the Federal Power Act by standardizing the process by which FERC

[6] U.S. ENERGY INFO. ADMIN., *FAQs: What is U.S. electricity generation by energy source?,* (Feb. 29, 2024), https://www.eia.gov/tools/faqs/faq.php?id=427&t=3.

[7] Kim Riley, *IFO report shows state still is top electricity exporter,* PA. BUS. REP. (Feb. 4, 2025), https://pennbizreport.com/news/30128-ifo-report-shows-state-still-is-top-electricity-exporter/.

[8] Order on Petition and Complaint of the D.C. Pub. Serv. Comm'n., U.S. FED. ENERGY REG. COMM'N., Docket. No. EL05–145–000 (Issued Jan. 9, 2006), [https://www.ferc.gov/sites/default/files/2020-05/20060109190229-EL05-145-000.pdf].

[9] *Id.*

may issue orders, including flexibility for orders issued up to a 5-year time frame with the ability for reissuance if necessary. The legislation also includes transmission organizations, in addition to state Commissions, as parties authorized to file complaints with FERC to initiate a proceeding under this provision. The legislation also sets out cost allocation and compensation for service to be furnished pursuant to any order under section 207. This legislation would also address the competing interests of emission requirements of state and federal authorities that are weighed against reliability requirements implemented by NERC through the Federal Power Act by waiving violations of environmental standards that are required as part of any order under section 207.

Additionally, the legislation would require power plant owners to provide a 5-year advance notice to FERC of plans to retire operations. In the event the plant requires deactivation due to an emergency, catastrophe or similar event that renders a facility inoperable, plant owners are provided an opportunity to petition the commission for an earlier retirement. Currently, states and grid operators uniquely implement retirement notices, which must comply with NERC reliability standards implemented through the Federal Power Act. This legislation does not make any changes to the existing NERC reliability standards.

COMMITTEE ACTION

On April 30, 2025, the Subcommittee on Energy held a legislative hearing on 14 pieces of legislation, including H.R. 3632. The Subcommittee received testimony from:

- Mike Goff, Acting Undersecretary of Energy, U.S. Department of Energy;
- David L. Morenoff, Acting General Counsel, Federal Energy Regulatory Commission;
- Terry Turpin, Director, Office of Energy Projects, Federal Energy Regulatory Commission;
- Jim Matheson, Chief Executive Officer, National Rural Electric Cooperative Association;
- Amy Andryszak, President and Chief Executive Officer, Interstate Natural Gas Association of America;
- Todd A. Snitchler, President and Chief Executive Officer, Electric Power Supply Association and;
- Kim Smaczniak, Partner, Roselle LLP.

On June 5, 2025, the Subcommittee on Energy met in open markup session and forwarded H.R. 3632, without amendment, to the full Committee by a record vote of 15 yeas and 14 nays. On June 25, 2025, the full Committee on Energy and Commerce met in open markup session and ordered H.R. 3632, without amendment, favorably reported to the House by a record vote of 25 yeas and 21 nays.

COMMITTEE VOTES

Clause 3(b) of rule XIII requires the Committee to list the record votes on the motion to report legislation and amendments thereto. The following reflects the record votes taken during the Committee consideration:

As of 02/24/2025

COMMITTEE ON ENERGY AND COMMERCE
SUBCOMMITTEE ON ENERGY
119TH CONGRESS
ROLL CALL VOTE # 6

BILL: H.R. 3632, Power Plant Reliability Act of 2025

AMENDMENT: Approved favorably to the Full Committee (Final Passage)

DISPOSITION: **Agreed to,** by a roll call vote of 15 yeas to 14 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Latta	X			Ms. Castor		X	
Mr. Weber	X			Mr. Peters		X	
Mr. Palmer				Mr. Menendez		X	
Mr. Allen	X			Mr. Mullin		X	
Mr. Balderson	X			Ms. McClellan		X	
Mr. Pfluger	X			Ms. DeGette		X	
Mrs. Harshbarger	X			Ms. Matsui		X	
Mrs. Miller-Meeks				Mr. Tonko		X	
Mr. James	X			Mr. Veasey		X	
Mr. Bentz	X			Ms. Schrier		X	
Mr. Fry	X			Ms. Fletcher		X	
Ms. Lee				Ms. Ocasio-Cortez		X	
Mr. Langworthy	X			Mr. Auchincloss		X	
Mr. Rulli	X			Mr. Pallone		X	
Mr. Evans	X						
Mr. Goldman	X						
Mrs. Fedorchak	X						
Mr. Guthrie	X						

06/05/2025

As of 02/24/2025

COMMITTEE ON ENERGY AND COMMERCE
119TH CONGRESS
ROLL CALL VOTE # 7

BILL: H.R. 3632, Power Plant Reliability Act of 2025

AMENDMENT: Final Passage

DISPOSITION: **Agreed to,** by a roll call vote of 25 yeas and 21 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Guthrie	X			Mr. Pallone		X	
Mr. Latta	X			Ms. DeGette		X	
Mr. Griffith	X			Ms. Schakowsky		X	
Mr. Bilirakis	X			Ms. Matsui			
Mr. Hudson				Ms. Castor		X	
Mr. Carter (GA)	X			Mr. Tonko		X	
Mr. Palmer	X			Ms. Clarke			
Mr. Dunn	X			Mr. Ruiz		X	
Mr. Crenshaw	X			Mr. Peters		X	
Mr. Joyce	X			Mrs. Dingell		X	
Mr. Weber	X			Mr. Veasey		X	
Mr. Allen	X			Ms. Kelly		X	
Mr. Balderson	X			Ms. Barragán		X	
Mr. Fulcher	X			Mr. Soto		X	
Mr. Pfluger	X			Ms. Schrier		X	
Mrs. Harshbarger	X			Ms. Trahan		X	
Mrs. Miller-Meeks	X			Ms. Fletcher		X	
Mrs. Cammack				Ms. Ocasio-Cortez			
Mr. Obernolte	X			Mr. Auchincloss		X	
Mr. James	X			Mr. Carter (LA)		X	
Mr. Bentz	X			Mr. Menendez		X	
Mrs. Houchin	X			Mr. Mullin		X	
Mr. Fry	X			Mr. Landsman		X	
Ms. Lee				Ms. McClellan		X	
Mr. Langworthy	X						
Mr. Kean							
Mr. Rulli							
Mr. Evans	X						
Mr. Goldman	X						
Mrs. Fedorchak	X						

06/25/2025

Oversight Findings and Recommendations

Pursuant to clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII, the Committee held hearings and made findings that are reflected in this report.

New Budget Authority, Entitlement Authority, and Tax Expenditures

Pursuant to clause 3(c)(2) of rule XIII, the Committee finds that H.R. 3632 would result in no new or increased budget authority, entitlement authority, or tax expenditures or revenues.

Congressional Budget Office Estimate

Pursuant to clause 3(c)(3) of rule XIII, at the time this report was filed, the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974 was not available.

Federal Mandates Statement

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

Statement of General Performance Goals and Objectives

Pursuant to clause 3(c)(4) of rule XIII, the general performance goal or objective of this legislation is to amend section 207 of the Federal Power Act to enhance opportunities for state commissions or transmission organizations to file complaints with FERC to furnish adequate service in the event that interstate service is found to be inadequate. This legislation also amends section 207 to require generating facilities provide a 5-year advance notice on retirement plans.

Duplication of Federal Programs

Pursuant to clause 3(c)(5) of rule XIII, no provision of H.R. 3632 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

Related Committee and Subcommittee Hearings

Pursuant to clause 3(c)(6) of rule XIII, the following related hearings were used to develop or consider H.R. 3632:

On February 5, 2025, the Subcommittee on Energy held a hearing on H.R. 3632, titled "Powering America's Future: Unleashing American Energy." The Subcommittee received testimony from:

- Amanda Eversole, Executive Vice President and Chief Advocacy Officer, American Petroleum Institute;
- Brigham McCown, Senior Fellow and Director, Initiative on American Energy Security, The Hudson Institute;
- Gary Arnold, Business Manager, Denver Pipefitters Local 208 and;
- Tyler O'Connor, Partner, Crowell & Moring LLP.

On March 5, 2025, the Subcommittee on Energy held a hearing on H.R. 3632, titled "Scaling for Growth: Meeting the Demand for Reliable, Affordable Electricity." The Subcommittee received testimony from:

- Todd Brickhouse, CEO and General Manager, Basin Electric Power Cooperative;
- Asim Haque, Senior Vice President for Governmental and Member Services, PJM;
- Noel W. Black, Senior VP of Regulatory Affairs, Southern Company and;
- Tyler H. Norris, James B. Duke Fellow, Duke University.

On March 25, 2025, the Subcommittee on Energy held a hearing on H.R. 3632, titled "Keeping the Lights On: Examining the State of Regional Grid Reliability." The Subcommittee received testimony from:

- Gordon van Welie, President and Chief Executive Officer, ISO New England;
- Richard J. Dewey, President and Chief Executive Officer, New York Independent System Operator;
- Manu Asthana, President and Chief Executive Officer, PJM Interconnection LLC;
- Jennifer Curran, Senior Vice President for Planning and Operations, Midcontinent ISO;
- Lanny Nickell, Chief Operating Officer, Southwest Power Pool;
- Elliot Mainzer, President and Chief Executive Officer, California Independent System Operator and;
- Pablo Vegas, President and Chief Executive Officer, Electric Reliability Council of Texas, Inc.

On April 9, 2025, the Committee on Energy and Commerce held a hearing on H.R. 3632, titled "Converting Energy into Intelligence: The Future of AI Technology, Human Discovery, and American Global Competitiveness." The Committee received testimony from:

- Eric Schmidt, Chair, Special Competitive Studies Project;
- Manish Bhatia, Executive Vice President of Global Operations, Micron Technology;
- Alexander Wang, Founder and Chief Executive Officer, Scale AI, and;
- David Turk, Distinguished Visiting Fellow, Center on Global Energy Policy, Columbia University.

On April 30, 2025, the Subcommittee on Energy held a legislative hearing on H.R. 3632, titled "Assuring Abundant, Reliable American Energy to Power Innovation." The Subcommittee received testimony from:

- Mike Goff, Acting Undersecretary of Energy, U.S. Department of Energy;
- David L. Morenoff, Acting General Counsel, Federal Energy Regulatory Commission;
- Terry Turpin, Director, Office of Energy Projects, Federal Energy Regulatory Commission;
- Jim Matheson, Chief Executive Officer, National Rural Electric Cooperative Association;
- Amy Andryszak, President and Chief Executive Officer, Interstate Natural Gas Association of America;

- Todd A. Snitchler, President and Chief Executive Officer, Electric Power Supply Association and;
- Kim Smaczniak, Partner, Roselle LLP.

COMMITTEE COST ESTIMATE

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974. At the time this report was filed, the estimate was not available.

EARMARK, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

Pursuant to clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that H.R. 3632 contains no earmarks, limited tax benefits, or limited tariff benefits.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

Section 1 provides that the Act may be cited as the "Power Plant Reliability Act".

Section 2. Furnishing of adequate service; advance notice of planned retirements

Section 2 amends section 207 of the Federal Power Act to clarify the process by which a state Commission or transmission organization can file a complaint with FERC to furnish adequate service in the event that interstate service of a public utility is found to be inadequate or insufficient. Generating facilities that may be ordered to operate pursuant to orders under section 207 may not extend longer than 5 years, with an opportunity for reissuance. This section also provides that any action taken by a generating facility to comply with orders issued under section 207 may not be considered a violation of any federal, state, or local environmental law. This section also requires generating facilities to provide 5-year advance notice on plans to retire.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

FEDERAL POWER ACT

* * * * * * *

PART II—REGULATION OF ELECTRIC UTILITY COMPANIES ENGAGED IN INTERSTATE COMMERCE

* * * * * * *

[FURNISHING OF ADEQUATE SERVICE

[SEC. 207. Whenever the Commission, upon complaint of a State commission, after notice to each State commission and public utility affected and after opportunity for hearing, shall find that any interstate service of any public utility is inadequate or insufficient, the Commission shall determine the proper, adequate, or sufficient service to be furnished, and shall fix the same by its order, rule, or regulation: *Provided,* That the Commission shall have no authority to compel the enlargement of generating facilities for such purposes, nor to compel the public utility to sell or exchange energy when to do so would impair its ability to render adequate service to its customers.]

SEC. 207. FURNISHING OF ADEQUATE SERVICE; ADVANCE NOTICE OF PLANNED RETIREMENTS.

(a) FURNISHING OF ADEQUATE SERVICE.—

(1) IN GENERAL.—Whenever the Commission, upon complaint of a State commission or a Transmission Organization, after notice to each State commission and public utility affected, and after opportunity for hearing within 90 days of receipt of such complaint, finds that any interstate service of any public utility is inadequate or insufficient, or is likely to become inadequate or insufficient within 5 years of receiving such complaint, the Commission shall determine the proper, adequate, or sufficient service to be furnished, and shall fix the same by issuing an order, rule, or regulation.

(2) REQUIREMENTS.—The Commission, in an order, rule, or regulation issued under paragraph (1)—

(A) may not—

(i) compel the enlargement of generating facilities; or

(ii) compel the public utility to sell or exchange electric energy when to do so would impair its ability to render proper, adequate, or sufficient service to its customers;

(B) may require—

(i) continuing the operation of an electric generating unit; and

(ii) any affected State commission, Transmission Organization, or public utility to develop and implement a long-term plan for the planning, construction, and operation of interstate transmission facilities that may be necessary for the public utility to provide adequate and sufficient interstate service; and

(C) shall determine—

(i) any rate or charge necessary to provide compensation for the additional costs of the proper, adequate, or sufficient service to be furnished, including compensation to an owner or operator of an electric generating unit that is required to continue to operate under such order, rule, or regulation; and

(ii) the cost allocation of any rate or charge.

(3) TERM LENGTH.—Except as provided in paragraph (4), an order, rule, or regulation issued under paragraph (1) shall terminate on the date that the Commission determines appropriate, which may not be later than 5 years after the date on which the Commission issues such order, rule, or regulation.

(4) EXTENSION.—

(A) REQUEST FOR EXTENSION.—Not earlier than the date that is 180 days prior to the date on which an order, rule, or regulation terminates, as determined under paragraph (3), and not later than 60 days prior to such termination date, any affected State commission, Transmission Organization, or public utility may submit to the Commission a request to extend such order, rule, or regulation.

(B) DEADLINE.—With respect to a request submitted under subparagraph (A), the Commission shall—

(i) not later than 14 days after the date on which the Commission receives the request, notify each affected State commission, Transmission Organization, and public utility of the request;

(ii) provide an opportunity for a hearing on the request before accepting or denying the request under clause (iii); and

(iii) not later than 60 days after the date on which the Commission receives the request—

(I) accept the request and extend the applicable order, rule, or regulation; or

(II) deny the request.

(C) TERM LENGTH.—An order, rule, or regulation extended under subparagraph (B) shall terminate on the date that the Commission determines appropriate, which may not be later than 5 years after the date on which the Commission extended such order, rule, or regulation.

(5) TREATMENT OF CERTAIN ACTIONS.—To the extent an omission or action taken by a party, that is necessary to comply with an order, rule, or regulation issued or extended under this subsection, including any omission or action taken to voluntarily comply with such order, rule, or regulation, results in noncompliance with, or causes such party to not comply with, any Federal, State, or local environmental law or regulation, such omission or action shall not be considered a violation of such environmental law or regulation, or subject such party to any requirement, civil or criminal liability, or a citizen suit under such environmental law or regulation.

(b) ADVANCE NOTICE OF PLANNED RETIREMENTS.—

(1) IN GENERAL.—If an owner or operator of a generating facility plans to retire an electric generating unit that is a component of such facility, such owner or operator shall submit to the Commission and any affected State commission or Trans-

mission Organization a notice of such plan at least 5 years before the date on which such owner or operator plans to retire such electric generating unit.

(2) UNPLANNED RETIREMENTS.—An owner or operator of a generating facility that retires an electric generating unit due to an unplanned catastrophe, emergency, disaster, or similar event that renders such electric generating unit inoperable is not subject to the notice requirement described in paragraph (1).

(3) PUBLICLY AVAILABLE.—The Commission shall make publicly available each notice submitted under paragraph (1).

(c) DEFINITIONS.—In this section:

(1) BULK-POWER SYSTEM.—The term "bulk-power system" has the meaning given such term in section 215(a).

(2) ELECTRIC GENERATING UNIT.—The term "electric generating unit" means an electric energy producing unit that—

(A) is a component of a generating facility;

(B) has a power production capacity of not less than 5 megawatts; and

(C) is interconnected to the bulk-power system.

(3) RETIRE.—The term "retire", with respect to an electric generating unit, means to, for an indefinite period of time—

(A) idle the electric generating unit;

(B) disconnect the electric generating unit from the bulk-power system; or

(C) otherwise make unavailable for sale all electric energy that is generated by the electric generating unit.

* * * * * * *

MINORITY VIEWS

H.R. 3632, the Power Plant Reliability Act H.R. 3632, the Power Plant Reliability Act, would convey new powers upon the Federal Energy Regulatory Commission (FERC) to compel aging, outdated, and expensive power plants to stay online past their useful or economic life and would require retiring generation resources to give five years' notice to their grid operators and state utility regulatory commissions. This authority would drastically increase American families' utility bills and is unnecessary to address the issues identified by the majority's report.

The bill also broadly represents a rejection of American innovation. As the Committee heard at a legislative hearing, long-term reliability concerns are best addressed by utility planning and market design—exactly what utilities and grid operators have been doing for over a century.[1] Power markets have developed a number of constructs to acquire enough power to ensure reliability at the lowest cost. This bill presumes that government regulators know better. The Committee heard testimony that the bill ". . . would impose astronomical new costs on Americans at a time when energy costs are already rising."[2] Americans are already paying $3 billion more on their power bills as utilities arbitrarily choose to run their own aging coal plants instead of cheaper or more efficient power plants.[3] H.R. 3632 would severely worsen the problem.

Recent actions by the Department of Energy (DOE) illustrate the negative outcomes we can expect if this bill is enacted. Earlier this summer, the Department ordered two fossil fuel power plants slated to retire to stay online: a coal plant in Michigan and a dual gas-and-oil-fired power plant in Pennsylvania.[4] This was an unprecedented usage of DOE's authority under section 202(c) of the Federal Power Act.[5] While the emergency underlying DOE's order is entirely made up, the costs that the order will impose on consumers are not. DOE's action came despite the fact that the retirement of the Michigan plant was slated to save ratepayers nearly $600 million, and that same plant racked up costs of $29 million in its first five weeks of forced operation—costs that will be borne by ratepayers across the Midwest, even families that live hundreds of miles away from the facility itself.[6] Undeterred by these sky-

[1] House Committee on Energy and Commerce, Testimony of Kim Smaczniak, Partner, Roselle LLP, *Hearing on Assuring Abundant, Reliable American Energy to Power Innovation*, 119th Cong. (Apr. 30, 2024).
[2] *Id.*
[3] Rocky Mountain Institute, *Economic Dispatch Dashboard* (https://utilitytransitionhub.rmi.org/economic-dispatch/) (accessed Sep. 11, 2025).
[4] Department of Energy, *Order No. 202–25–3* (May 23, 2025); Department of Energy, *Order No. 202–25–4* (May 30, 2025).
[5] 16 U.S.C. § 824a(c).
[6] Settlement Reply Brief of Consumers Energy Company (May 27, 2002), *In the Matter of the Application of Consumers Energy Company for Approval of an Integrated Resource Plan under MCL 460.6t, certain accounting approvals, and for other relief*, Michigan Public Service Commis-

Continued

rocketing energy bills, the Trump Administration has extended the two 90-day orders to keep the power plants online. One recent report found that if all retiring fossil fuel power plants were subject to indefinite similar orders, ratepayers would be on the hook for $6 billion in annual costs by the end of Trump's term.[7]

While DOE's actions are egregious and illegal, H.R. 3632 actually proposes a worse framework. The bill would not require any evidence of an emergency, just the hint of a supply—demand mismatch that could be a half-decade away. The bill would also enable FERC to issue orders for five years at a time, rather than the current 90 days that DOE is limited to. Under the bill, in one action, FERC could mandate massive increases in Americans power bills for five years without any evidence of an actual grid emergency. Furthermore, the bill contains no requirement that the rates assigned be just and reasonable, or that they follow cost-causation principles that FERC currently must abide by for assigning the costs of DOE's 202(c) orders. When Rep. Robin Kelly (D–IL) offered an amendment to add these guardrails to the bill at the Committee markup, her amendment was defeated in a party-line vote.

Such a massive grant of power to a single agency requires significant evidence that the change is necessary. Unfortunately, several pieces of evidence cited by the majority in their report are misleading or are blatantly incorrect. The majority report cites a recent DOE report claiming that the risk of power outages could increase by 100 times by the end of the decade.[8] But that report was rife with methodological errors, most notably by fundamentally biasing itself towards over-estimating load growth, over-estimating power plant retirements, and under-estimating new power plant construction by assuming that only projects with signed interconnection agreements in 2025 will manage to come online by 2030.[9] The majority's report also states that "Pennsylvania is the only net exporter of electricity in . . . PJM." This is simply untrue. The PJM-jurisdictional portions of Illinois, Indiana, Michigan, and West Virginia were all net-exporters of power in 2024, in addition to Pennsylvania.[10] The paltry evidence simply does not justify such a government intervention in the electricity sector.

FERC and grid operators currently have a number of tools to fix short-term reliability issues, namely reliability-must-run agreements. Critically, those agreements are time-limited, designed only to act as a bridge until such time as a reliability constraint is relieved.[11] They are not meant to be recurring without end. H.R.

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sion (Case No. U–21090); *Coal Plant Ordered to Stay Open Cost $29M to Run in 5 Weeks*, E&E News (Aug. 1, 2025).

[7] Grid Strategies, *The Cost of Federal Mandates to Retain Fossil-Burning Power Plants* (Aug. 2025).

[8] Department of Energy, *Evaluating the Reliability and Security of the United States Electric Grid* (July 2025).

[9] Motion to Intervene and Request for Rehearing of Natural Resources Defense Council, the Ecology Center, Environmental Defense Fund, Environmental Law and Policy Center, Public Citizen, Sierra Club, and Vote Solar (Aug. 8, 2025), *Resource Adequacy Report Evaluating the Reliability and Security of the United States Electric Grid*, Department of Energy.

[10] PJM, *2024 Illinois State Infrastructure Report* (June 2025); PJM, *2024 Indiana State Infrastructure Report* (June 2025); PJM, *2024 Michigan State Infrastructure Report* (June 2025); PJM, *2024 West Virginia State Infrastructure Report* (June 2025); PJM, *2024 Pennsylvania State Infrastructure Report* (June 2025).

[11] *See* note 1.

3632 would meddle with a system that already has the tools it needs to ensure reliability, all at the cost of higher electricity bills.

For the reasons stated above, I oppose this legislation.

FRANK PALLONE, Jr.,
Ranking Member.

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