



Committee: House Energy & Commerce Subcommittee on Energy
Event: [Oversight of FERC: Advancing Affordable and Reliable Energy for All Americans](#)
Date: February 3, 2026

Executive Summary: Reliability and affordability emerged as central themes of the hearing, with members across the aisle highlighting rising electricity costs for constituents and growing reliability concerns. Much of the discussion was framed by the risks identified in the North American Electric Reliability Corporation's (NERC) recently released Long-Term Reliability Assessment (LTRA), which highlighted ongoing risks to the North American bulk power system. While members broadly agreed on the challenges facing the grid, they differed in their explanations for those challenges. Republican members focused on insufficient natural gas infrastructure and concerns about the reliability of intermittent resources, while Democratic members emphasized the Trump Administration's targeting of constraints on renewable energy deployment and the need for additional transmission to support new generation. Commissioners for the Federal Energy Regulatory Commission (FERC or Commission) emphasized the agency's resource-neutral role and reiterated the importance of adding generation and transmission to meet growing electricity demand, alongside permitting efficiencies and coordination across federal, state, and regional entities.

Member Toplines:

[Chair Bob Latta \(R-OH-05\)](#): Latta emphasized that FERC should remain focused on its core mission of maintaining bulk power system reliability, warning that the grid is under increasing stress and citing NERC's LTRA findings of serious reliability risks. He noted that average utility bills have risen substantially and said Americans are concerned that growing electricity demand from data centers will further increase costs. Latta argued that transmission development driven by intermittent resources such as wind and solar, along with what he characterized as restrictive "blue state policies," has contributed to permitting delays and excessive litigation. He highlighted what he described as a return by FERC in 2025 to a more methodical approach to permitting interstate natural gas pipelines and Liquefied Natural Gas (LNG) facilities, progress on streamlining hydropower licensing, and improved coordination on federal-state jurisdictional issues related to co-located load and generation.

[Ranking Member Kathy Castor \(D-FL-14\)](#)¹: Castor argued that Americans face both an affordability crisis and a growing grid reliability challenge, citing NERC's recent LTRA warning of reliability risks. She pointed to Winter Storm Fern as evidence, noting that transmission and substation damages left many without power, while wind and solar helped support the grid as fossil resources faced constraints. Castor criticized Trump Administration actions that have hindered wind and solar development for increasing costs and undermining reliability. She expressed support for FERC's recent PJM co-location order, and called for transmission

¹ Opening statements were not available online at the time of memo composition.

reform, permitting certainty across energy sources, and greater deployment of grid-enhancing technologies.

Full Committee Chair Brett Guthrie (R-KY-02): Guthrie pointed to Winter Storm Fern as highlighting ongoing grid reliability challenges and cited growing electricity demand from artificial intelligence (AI) and data centers as a driver of affordability concerns, which he attributed to climate-focused policies. He praised the Trump Administration for using its authority to prioritize dispatchable baseload generation to support reliability. Guthrie argued that data centers, if required to take on responsibility for providing generation, can help lower costs for consumers rather than increase them.

[Full Committee Ranking Member Frank Pallone \(D-NJ-06\):](#) Pallone stated that the electric grid is facing simultaneous affordability and reliability crises, underscoring FERC's duty to maintain just and reasonable rates. He noted that electricity prices are up 13 percent nationwide and blamed Trump Administration actions targeting renewable energy for worsening costs and undermining reliability. He warned that AI and data centers could drastically increase consumer bills, urged FERC to push back against the White House to protect affordability, and remain neutral regarding different generation resources.

Witness Toplines:

[Laura V. Swett, FERC Chairman:](#) Swett emphasized that FERC's bipartisan mission is to ensure reliable and affordable energy while positioning the United States to lead amid rapid load growth driven by technology and the reshoring of manufacturing. She pointed to the Commission's bipartisan nature and highlighted agency actions to streamline interconnection and establish transparent rules for large loads co-located with generation, particularly in PJM, to protect reliability and prevent cost shifting. She also noted that FERC is exploring expansion of its natural gas blanket authorization program to hydroelectric and LNG facilities as a way to simplify permitting and speed infrastructure development while maintaining affordability.

[David Rosner, Commissioner:](#) Rosner emphasized that rapidly growing energy demand and high consumer prices are placing unprecedented strain on the U.S. energy system, while also creating an opportunity to modernize infrastructure to support economic competitiveness and national security. He highlighted FERC actions to accelerate new resource-neutral generation and transmission, including implementation of generator interconnection reforms, faster and more predictable permitting, and long-term transmission planning designed to improve reliability and affordability.

[Lindsay S. See, Commissioner:](#) See emphasized that recent extreme weather events and rapid load growth from AI and manufacturing are placing unprecedented stress on an aging power system, stating that she herself experienced a blackout during winter storm Fern. She argued that meeting these challenges requires faster deployment of generation, transmission, and gas infrastructure, including streamlined permitting, expanded gas capacity, and openness to approaches such as co-located resources, bring your own generation, and new large load study frameworks. See stressed that affordability must remain central, calling for fair cost

allocation as new loads come online and careful oversight of electricity markets that were not designed for current growth rates.

[Judy W. Chang, Commissioner](#): Chang argued that rapid load growth, driven largely by data centers, is accelerating the need for new generation and transmission investment while increasing costs for consumers. She emphasized consumer protection as a priority, stating that new large loads should pay their fair share of the incremental infrastructure costs they trigger and highlighting tools such as greater cost transparency and advanced transmission technologies to mitigate rate impacts. Chang also stressed the need to address interconnection and transmission bottlenecks that delay new generation and keep prices high. She cautioned against reliance on short-term fixes and called for durable, long-term reforms.

[David A. LaCerte, Commissioner](#): LaCerte emphasized that surging electricity demand from data centers requires FERC to prioritize affordability and reliability while accelerating infrastructure development. He emphasized that approving new natural gas, generation, and storage projects is essential to lowering costs and supporting grid reliability, citing recent Commission approvals expanding more than 3.3 million dekatherms per day of natural gas transportation capacity.

Major Takeaways:

- Latta and Guthrie pressed FERC on how it can provide regulatory certainty as electricity demand accelerates.
 - Commissioners emphasized that bipartisan permitting decisions and clearer market rules help signal stability to industry.
 - Swett warned against over-assertion of FERC authority, stressing that durable, predictable frameworks are essential. Swett and Rosner highlighted LNG blanket authorizations as one tool to improve industry certainty.
- Castor asked about interconnection queue delays and the Commissioners noted that while expedited processing initiatives have shortened timelines, inadequate transmission capacity remains a significant bottleneck to bringing new generation online.
 - Members from both parties emphasized that accelerating transmission buildout is critical to affordability and reliability.
- Rep. **Randy Weber** (R-TX-14), raised concerns about LNG and natural gas infrastructure permitting delays, increasing costs, and lack of access
 - See stressed that the U.S. does not face a natural gas supply problem but rather an infrastructure problem, with the lack of pipelines in the Northeast posing risks to reliability, affordability, and energy security.
- *Clean Water Act* Section 401 emerged as a central point of contention, with Reps. **August Pfluger** (R-TX-11) and **Nick Langworthy** (R-NY- 23) arguing that state use of the provision can block pipeline infrastructure.
 - Swett stated that if Congress revises Section 401 to reduce uncertainty, FERC would implement those changes.
- Rep. **Alexandria Ocasio-Cortez** (D-NY-14) questioned whether the current utility return-on-equity model is economically viable for consumers, arguing that

investor-owned utilities remain highly profitable even as electricity bills rise for consumers.

- The recent PJM co-location order emerged as a point of discussion with Reps. **Rob Menendez** (D-NJ-08, Latta, and Guthrie questioned how co-location could accelerate the connection of large loads while preserving regulatory certainty and protecting ratepayers.
 - Commissioners responded that co-location and “bring-your-own-generation” approaches can help bring new load and generation online more quickly, provided there are clear market rules and coordination with states.
- Rep. **Cliff Bentz** (R-OR-02) highlighted the 23-year relicensing of the Snake River Complex as evidence that the hydropower permitting process is fundamentally broken.
 - LaCerte emphasized that while FERC faces jurisdictional constraints with states, Congress could clarify authorities and advance permitting reform to alleviate barriers to hydropower development.
- Weber also raised concerns about duplicative LNG safety oversight between FERC and the Pipeline and Hazardous Materials Safety Administration (PHMSA), noting his view that PHMSA is the appropriate lead regulator.
 - Rosner agreed that PHMSA should take the lead on safety standards and indicated support for reducing duplicative reviews while ensuring facilities remain safe.
- Rep. **Russell Fry** (R-SC-07) asked how FERC has adjusted its *National Environmental Policy Act* (NEPA) review process following the *Seven County* Supreme Court decision and what steps remain to fully align with the ruling.
 - Swett explained that FERC has re-aligned its emissions analysis with its statutory authority by no longer evaluating upstream production and downstream combustion emissions, discontinuing the use of greenhouse gas emissions as a trigger for more expansive environmental impact statements, and moving away from reliance on the social cost of carbon.
- Rep. **Jake Auchincloss** (D-MA-04) argued that wind generation remained online and performed well during the recent storm, while criticizing efforts by the Trump administration to halt wind development.
 - Rosner responded that what Winter Storm Fern reinforced was the reliability benefits of a diverse resource mix.
- Rep. **Craig Goldman** (R-TX-12) asked whether FERC can meet the April 30 deadline to advance fast-track interconnection and co-location for data centers, as requested by the Department of Energy in its Advance Notice of Proposed Rulemaking.
 - Swett noted that the Commission must first review and respond to the large volume of comments received, signaling that timing will depend on balancing speed with statutory requirements.