## U.S. HOUSE OF REPRESENTATIVES NATURAL RESOURCES COMMITTEE CHAIRMAN DOC HASTINGS

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## Documents Sought from Obama Admin. Regarding Chu Memo that Could Raise Energy Prices on 40 Million Americans

**WASHINGTON, D.C.** – As part of the House Natural Resources Committee's <u>ongoing</u> <u>oversight</u> of Department of Energy (DOE) Secretary Steven Chu's March 16, 2012 Memorandum (Memo) to the Power Marketing Administrations (PMAs), Committee Chairman Doc Hastings (WA-04) today sent a letter to Secretary Chu requesting specific documents and communications related to his Memo. <u>Click here</u> to read the full letter.

The directives in the Chu Memo could considerably alter the PMAs primary missions of providing clean, affordable electricity to ratepayers and raise electricity costs on 40 million Americans. In June, over 160 House members and Senators sent a bipartisan letter to Secretary Chu expressing concerns with the missions outlined in his Memo. The House also passed bipartisan appropriations language prohibiting funding for any new activities in the document.

"After two full Committee hearings and a number of congressional letters of concern, it is abundantly clear that there are many unanswered questions on the reasoning and implementation of this Memorandum. This letter seeks to determine some answers," wrote Chairman Hastings.

Today's letter specifically asks for certain categories of documents and communications:

- 1. Please provide the Committee with a specified accounting of all PMA and DOE expenses (direct and indirect) incurred or committed-to-date related to the March 16, 2012 Memorandum. Please provide projected future costs.
- 2. Please provide the Committee with all communications between the White House, CEQ, DOE, WAPA, and the other PMAs related to the March 16, 2012 Memorandum.
- 3. Please provide the Committee with all communications (related and not related to the March 16, 2012 Memorandum) between Ms. Lauren Azar, the PMAs, and the Joint Outreach Team ("JOT"). Please provide a list of all members of the JOT.
- 4. Ms. Azar has been involved with drafting the March 16, 2012 memorandum, played a primary role at the JOT workshop sessions, and has been the main point of contact at the DOE for questions related to this Memorandum. Please provide the Committee with a list of all of the employees at DOE and WAPA, and any of the other

PMAs, as well as, any outside consultants who have been involved with the planning, drafting and implementation of the March 16 Memorandum – before and since March 16, 2012. Additionally, please provide the Committee with a list of all of the employees at DOE, WAPA, and any of the other PMAs, as well as any outside consultants who were involved in the planning, organization, and execution of the JOT workshops and subsequent recommendations drafting processes. Please provide a list of all internal and external meetings relating to the March 16 Memorandum, including IOT meetings.

- 5. All drafts, documents, and communications related to Federal Register Notices released by DOE or WAPA related to the March 16, 2012 Memorandum.
- 6. Ms. Azar's testimony to the Committee noted that Congress has established statutory obligations for the PMAs with respect to grid operations and reliability. Please provide any correspondence from NERC or any regional reliability organization citing the PMAs for failure to properly ensure system reliability.
- 7. Please provide all comments from interested parties related to the March 16, 2012 Memorandum, including those submitted at JOT Workshops. Please provide all communications and documents that have been provided to the Department related to the March 16 Memorandum that have not been posted on WAPA's web page.
- 8. Please provide the Committee with all jobs impact analyses and cost/benefit analyses, including analyses of an Energy Imbalance Market ("EIM"), that the DOE used to understand the effects of Secretary Chu's March 16 Memorandum. Please provide a list of all internal and external meetings relating to development of an EIM in the Western Interconnection including those with FERC, NERC, WECC, investor-owned utilities, PMA Customers, and environmental organizations.
- 9. Please provide the Committee with all analyses including drafts -- of a Western EIM used by DOE, WAPA, the JOT, and/or any associated consultants during this process.
- 10. Please provide all documents and communications provided by DOE and WAPA to Miracorp that were used to form the assertion in the Miracorps WAPA Operations Report that "WAPA has elected to participate [in an Energy Imbalance Market]."
- 11. Please provide all correspondence and documents specifically referencing the Memorandum, between DOE and the Office of Management and Budget ("OMB") regarding budget authority, caps on budget authority, and proposals for a revolving fund for WAPA and SWPA. Responses to this question should also include all correspondence and documents between OMB and the DOE prior to March 16, 2012 on the role of the PMAs in modernizing the transmission grid, revising rate structures to incentivize new programs, and discussions of budget authority under Section 1222 and the Transmission Investment Program ("TIP").
- 12. Please provide the Department's specific legal analysis of the statutes governing the PMAs to determine what each can legally do, in terms of implementing any elements

of the Chu Memorandum and any recommendations developed following the summer workshops.

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