

ELCON *PRESS RELEASE*

FOR RELEASE: June 14, 2013 CONTACT: John Hughes or Marc Yacker, 202-682-1390

Statement of John Anderson, President of the Electricity Consumers Resource Council (ELCON), in Response to NERC's Order Granting an Extension of Time on the Effective Date of NERC Implementing the Definition of the Bulk Electric System (BES), June 13, 2013

Bravo.

FERC's decision to delay for one year, from July 1, 2013 to July 1, 2014, NERC's implementation of the new definition for the Bulk Electric System is a small step, but a very important one.

The proposed re-definition of the Bulk Electric System, while well intentioned, has a potential impact that we in the manufacturing community believe is much broader than anyone anticipated. It could mean that virtually every major manufacturing facility in the US, even facilities with no on-site generation, could be considered part of the BES and therefore subject to NERC's reliability standards. Let me state unequivocally that America's manufacturers need a reliable grid and we appreciate NERC's role in achieving that objective. But there is no reason to make hundreds or even thousands of customer-owned facilities – that can have no impact on grid reliability – subject to NERC's standards.

Over the past few months ELCON members have met with senior policy makers at both NERC and FERC. I think we made the case that this issue – the new definition for the Bulk Electric System – needs to be re-examined to more accurately determine the real scope of its applicability. We are therefore pleased that FERC has seen fit to delay the implementation date for the new BES definition and we look forward to more dialog with both NERC and FERC over the next year.

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ELCON, established in 1976, is the national association of large industrial users of electricity from virtually every manufacturing sector. ELCON members seek a reliable supply of electricity at competitive prices and have long supported federal and state efforts to achieve that objective. More information about ELCON is available at ELCON's website, www.elcon.org.