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October 24, 2001

The Honorable W.J. "Billy" Tauzin
Chairman
Committee on Energy & Commerce
U.S. House of Representatives
Washington, DC 20515-6115

The Honorable Joe Barton
Chairman
Subcommittee on Energy
& Air Quality
Committee on Energy & Commerce
U.S. House of Representatives
Washington, DC 20515-6115

The Honorable John D. Dingell
Ranking Minority Member
Committee on Energy & Commerce
U.S. House of Representatives
Washington, DC 20515-6115

The Honorable Rick Boucher
Ranking Minority Member
Subcommittee on Energy
& Air Quality
Committee on Energy & Commerce
U.S. House of Representatives
Washington, DC 20515-6115

Dear Chairmen and Ranking Members:

We provide these comments on the October 9th draft proposal, "Electricity Supply and Transmission Act" for the purpose of helping to focus on several key issues essential to accomplishing the goals of the legislation: assuring a reliable, robust, efficient and secure electricity system for our region and the nation.

Building upon and strengthening state capabilities in this effort is the critical pathway in meeting the essential electrical energy security objectives identified in last May's National Energy Policy Report. Substituting new centralized federal authorities to replace effective and existing state and regional activities will invariably lead to an unnecessary attenuation of resources and increased and needless delays in timely and efficient decision-making capabilities that have been developed over the years and are capable of undertaking obligations being identified.

Towards this end, we would like to reaffirm key positions of the Western Governors pertinent to the current debate:

We oppose proposals to give FERC authority to set and enforce reliability standards. The agency does not have the expertise, resources or local knowledge to successfully execute such responsibilities.

Congress should require FERC to defer to reliability standards adopted in the West and to advice received from states that represent an entire electrical interconnection.

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We oppose mandating both the number of RTOs within any interconnection region or achieving the same result through specifying use of "scope and configuration" criteria.

We oppose granting FERC the authority to preempt state authority to site transmission lines. FERC does not have the expertise, resources or local knowledge to successfully undertake these tasks. Western states have an excellent record in balancing the competing land use demands while enabling the siting and permitting of interstate transmission. In lieu of giving FERC the power of eminent domain in the West, we recommend that Congress direct federal agencies to join the states in a cooperative process to coordinate reviews of transmission line applications and resolve siting issues.


Our views are guided by the successes we have had in resolving issues on an interconnection-wide basis in the West. For example, the recently approved Western Electricity Coordinating Council, which is the product of a joint effort of Western states and industry, will streamline grid decision making in the Western Interconnection. Similarly, the Western states, through our long-standing Committee on Regional Electric Power Cooperation, are developing an interstate transmission siting protocol designed to facilitate the siting process on a regional basis. This protocol, which is anticipated to be in effect by mid-2002, would build on the sterling record of western states in the permitting of interstate transmission facilities. We have conveyed our views on how to build on the successes in the West in the attached letter to Vice President Richard Cheney.

Please know that we are more than willing to work with you to fashion legislation which captures and strengthens state and regional capabilities while focusing federal efforts on those oversight and essential activities that have not been traditionally under the jurisdiction of the states or successfully performed by the states on a regional basis.


Sincerely,


Jane Dee Hull
Governor of Arizona

Chairman, WGA


Jim Geringer
Governor of Wyoming

Co-Lead Governor


John A. Kitzhaber, M.D.
Governor of Oregon

Co-Lead Governor

cc: Members, Energy & Commerce Committee

Enclosure