



## For Immediate Release

U.S. Senate Energy and Natural Resources Committee takes testimony regarding transmission lines to be forced on Mid-Atlantic residents.

U.S. Department of Energy did not consider alternatives.

Did the federal government create a **National Interest Electric Transmission Corridor** or a **Special Interest Electric Transmission Corridor**?

### Excerpts from Testimony Submitted July 31, 2008:

**George C. Loehr**, *an engineer with more than 45 years of experience in the electric power industry. Primary expertise in bulk power transmission system planning and analysis, and electric power system reliability. Deeply involved in post-hoc studies following the major blackouts in 1965, 1977, and 2003. Expert witness for Piedmont Environmental Council.*

- “Addition of new transmission facilities will increase transfer capability, but reliability can only be improved by making the standards themselves more stringent. *Reliability is a function of the standards used, not the amount of wire in the air.*”
- “Because the 2006 Congestion Study [commissioned by the U.S. Department of Energy] is fatally flawed, and does not draw a proper distinction between reliability and economics, it should not be used as the basis for approving new transmission lines that have been denied by the states.”
- “Neither the 2006 study, nor the corridor designations, bear any resemblance to actual reliability problems. Economic *wants* were misrepresented as reliability *needs*.”
- “If more generation is built in remote areas, and less generation and other resources are built close to load centers, then the load centers will be increasingly dependent on distant generating capacity – located perhaps hundreds of miles away. It would be like running a long extension cord to a friend’s house a block or two away to power your toaster, instead of plugging it into an electric outlet right in your own kitchen. The more major cities depend on long transmission lines, the more subject they will be to power outages and blackouts due to major contingencies on the transmission system. Indeed, this constitutes a national security problem, since these urban areas would be more at risk from terrorist attacks on transmission facilities.”

- “The passage of the Energy Policy Act of 2005 (EPAct) was heralded as a major step forward in improving the grid and reducing the likelihood of large blackouts. One drawback, however, is its *almost exclusive focus on transmission*. It does not address generating capacity sited close to the load centers, or demand side management programs. These strategies are often preferable to transmission as a means of improving overall system reliability. They have the added benefit of adding to the system’s installed reserve margin.”
- “At present, the EPAct, and policies adopted thereunder, encourages the construction of new transmission not needed for reliability. It subsidizes remote generators, discriminates against local and distributed generation and demand side resources, forces many customers to pay for someone else’s benefits, increases the likelihood of blackouts, and makes our grids more vulnerable to terrorist attack.”

### **Andy Loza, Executive Director, Pennsylvania Land Trust Association**

- “If the Department of Energy had asked how best to provide reliability, minimize costs, enhance national security, safeguard public health, and maintain quality of life, the Mid-Atlantic Corridor would have been discarded as one of the least attractive options for managing our future energy needs.”
- “There should be a high bar in considering use of condemnation. Perversely, the Department of Energy has made federal eminent domain the tool of choice for addressing energy interests in the Mid-Atlantic region.”
- “Landowners will lose the reasonable expectation that non-transmission alternatives will be considered before their land is taken.”
- “Federal condemnation supporters protest that they are simply trying to stop rolling blackouts. However, there are many approaches to meet future energy demands that don’t require new interstate transmission lines. These include energy efficiency, demand-response technologies, and local generation options.”
- “New transmission lines will skew energy markets in the Mid-Atlantic, favoring coal-fired electricity at the expense of other technologies.”
- “Ratepayers will have to pay the billions of dollars in expenses associated with condemning the land and building the lines when less expensive and every bit as reliable energy alternatives were left unconsidered by DOE.”
- “In the Mid-Atlantic region, local generation, demand-response and energy efficiency can meet our energy needs without harming communities. These alternatives were not considered in the process of designating the Mid-Atlantic NIETC.”
- “The NIETC assumes a need that has not been independently verified but rather is based on models prepared by entities that have a great deal to gain from expanded transmission. Comments submitted to the DOE by many experts indicate that there are a range of highly cost-effective and sound alternatives including energy efficiency and conservation measures, demand/response technologies, and local generation. *DOE did not consider any of these alternatives before designating the NIETC.*”

- “The words “National Interest” preface “Electric Transmission Corridor” in NIETC, but the use is specious. Rather, it is a Special Interest Electric Transmission Corridor – the result of special interests seeking to reshape the electricity regulatory structure to enrich their bottom-lines. In the words of PJM Interconnection, the regional electrical grid operator, it is a transmission “super-highway” to expand use of coal-fired resources.” [See PJM testimony to the Federal Energy Regulatory Commission, 5/13/05.]
- “Non-transmission solutions deserve equal consideration and systematic review in the energy planning process.”

### **Marsha H. Smith, President, National Association of Regulatory Utility Commissioners**

- “DOE should consider solutions other than transmission, such as initiatives to expand demand-response programs and relieve congestion problems and transmission constraints before making an NIETC designation;”
- “Just as States have a role in the siting of interstate highways, States need to continue having an active role in transmission decisions.”
- “The Western perspective is that Congress needs to clarify that if a State turns down a transmission line proposal for good reason and within a reasonable timeframe, FERC should not be able to second guess the State. In Order No. 689, FERC voted 4-1 in favor of saying that Congress did not care if a State acted timely or reasonably. FERC Commissioner Suedeen Kelly dissented by saying it was incomprehensible that Congress intended FERC to override timely State decision.”

### **U.S. Senator Robert P. Casey**

- “At the state level, the Pennsylvania State House and State Senate, along with Governor Rendell have all voiced their opposition to the transmission corridors as they are being implemented by the Energy Department and FERC. One reason is the concern of over-reaching by these federal authorities to effectively displace the states and substitute the federal government as the ultimate authority responsible for siting electric transmission lines. Another reason is the worry that, as implemented, the transmission corridors undermine state renewable electricity standards, greenhouse gas reduction programs, and energy efficiency initiatives by making it virtually impossible for new, important and rapidly expanding power sources to compete with highly-moveable established power generation.”
- “I don’t think that the Energy Department abided by the spirit of the 2005 energy act in failing to consult with the states in conducting their congestion study, failing to assess and evaluate transmission needs and non-transmission alternatives to relieve congestion, and failing to comply with existing federal laws that protect public lands and the environment.”

**Sherri L. Evans-Stanton, Director of the Environmental Management Center, Brandywine Conservancy**

- “Designation of the Mid-Atlantic Area Corridor could have major impacts on publicly and privately held conservation easements and protected lands, the state’s nationally-leading farmland preservation program, battlefields and historic places.”

**Molly K. Morrison, President, Natural Lands Trust**

- “The NIETC designations put at risk decades of important land conservation achievements across Pennsylvania, New Jersey and other Mid-Atlantic states.”

**Notes**

The 2005 Energy Policy Act authorizes the U.S. Department of Energy (DOE) to establish National Interest Electric Transmission Corridors (NIETCs) – areas in which the federal government can fast-track requests for use of eminent domain and construction of high-voltage transmission lines. In October 2007, the DOE designated the Mid-Atlantic NIETC, which covers the entire states of New Jersey, Delaware, West Virginia and Maryland; 52 of Pennsylvania’s 67 counties; as well as much of New York and Virginia.

In Pennsylvania, Governor Rendell’s administration opposes the Mid-Atlantic NIETC as does the Public Utilities Commission and the Office of the Consumer Advocate. The Pennsylvania Senate opposed the NIETC in a unanimous vote and the House in a 188-11 vote. Scores of other government entities and private organizations have joined in the opposition.

The U.S. Senate Energy and Natural Resources Committee held a hearing the morning of July 31, 2008 to take testimony regarding the Committee’s oversight on the state of the nation’s transmission grid, as well as the implementation of the 2005 Energy Policy Act transmission provisions, including reliability, siting and infrastructure investment.

For complete testimonies, go to [http://conserveland.org/pp/Transmission/73108\\_senhearing](http://conserveland.org/pp/Transmission/73108_senhearing)

For additional background, visit <http://conserveland.org/pp/Transmission>

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