

May 26, 2011

Dr. Steven Chu, Secretary of Energy
Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

Dear Secretary Chu,

WIRES, a national non-profit organization dedicated to promoting investment in the electric transmission system, is writing today to express concern about the inadequacies of the plan to "Modernize the Electric Grid" contained in the Department's *Strategic Plan* (DOE/CF-0067), issued this month. Because the Department's "Goal 1" is to promote "transformation of the nation's energy system and secure U.S. leadership in clean energy technologies" – a goal that includes doubling the deployment of renewable electric generation by next year – the absence of any mention of upgrading and expanding the high-voltage transmission system is inexplicable.

The electric transmission industry and capital markets are prepared to marshal expertise and resources in pursuit of a stronger grid. Our most recent study confirms the tremendous potential that transmission manufacturing and construction hold for job creation and economic stimulus. WIRES/Brattle Group, *Employment and Economic Benefits of Transmission Infrastructure Investment in the U.S. and Canada*, May 2011. Moreover, we agree with you that the industry must continue to invest in technological innovation. WIRES, *Smart Transmission: Modernizing the Nation's High Voltage Electric Transmission System*, January 2011. (www.wiresgroup.com)

That said, the Department should not take these benefits, or those derived from renewable energy development, for granted. Many barriers and challenges to future transmission improvements remain, especially with respect to creating the physical and technological platform that supports vibrant regional and inter-regional markets for location-constrained clean energy resources.

The Department's leadership is critical to advancing a national policy that favors responsible expansion of the transmission grid. WIRES encourages the Department to explicitly champion policies that remove barriers to grid expansion and upgrades.

Sincerely,



J. Jolly Hayden
President, WIRES
Vice President, NextEra Energy Resources

Cc: Patricia Hoffman, Assistant Secretary, Office of Energy Delivery and Electric Reliability
Lauren Azar, Senior Advisor to the Secretary