



WIRES NEWS RELEASE

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(Working Group for Investment in Reliable and Economic electric Systems)

FOR IMMEDIATE RELEASE

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WIRES APPLAUDS TRANSMISSION CORRIDOR DESIGNATIONS

Washington, DC – October 4, 2007 – The U.S. Department of Energy (“DOE”) recently announced finalization of two “National Interest Electric Transmission Corridors,” carrying out an important responsibility given it by Congress in the Energy Policy Act of 2005. This action, taken in response to widespread concern about the barriers that exist to strengthening the nation’s high-voltage grid, is roundly applauded by WIRES, an industry group that promotes appropriate transmission investment. “Opponents of DOE’s action are generally reacting to the possible siting of a particular project, without recognizing either the urgent need for upgrading the grid in many regions or the preliminary nature of the Department’s designations,” noted Larry Bruneel, President of WIRES. “I hope they can now step back and try to appreciate the extent of our nation’s reliance on an adequate transmission system and the importance to citizens and electricity customers of positive participation in helping plan expansion of this vital system that serves them.”

The DOE decision (<http://nietc.anl.gov>) identifies broad corridors in the Mid-Atlantic region and the Southwest for potential important transmission expansions, based on the demonstrated presence of congestion on the grid in those regions and exhaustive comments on the designations submitted to DOE. As WIRES has pointed out in the past, these designations provide a context within which states can engage with citizens and local or regional utilities in planning to meet our infrastructure needs. It is only when an impasse is reached that the exercise of federal siting authority becomes a possibility. “Regional planning of electric transmission is key,” stated Jim Hoecker, former FERC Chairman and Counsel to WIRES. “That process can be advanced either by states acting together or at the federal level. As several states work to develop plans for clean energy, for example, they will quickly find that regional transmission will be critical to unlocking the potential of the substantial new renewable and other resources that are located far from electricity customers.”



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WIRES has urged DOE to continue at an increased pace to propose making additional designations where congestion, economic development, demographic changes, access to remote renewable resources, the aging of existing infrastructure, or projected increases in demand for power necessitate transmission upgrades or expansions. It contends that sufficient information already exists to support proposing additional designations, without waiting for an additional two-plus years for action.

WIRES notes that DOE's action is the second major transmission-related action taken in the past two weeks, the other being a White Paper on cost allocation entitled "A National Perspective On Allocating the Costs of New Transmission Investment: Practice and Principles." The White Paper, written by a panel of experts, is available at www.wiresgroup.com under Resources.

WIRES is a non-profit trade association of transmission providers, customers, and equipment and service companies formed to promote investment in electric transmission and progressive State and Federal policies that advance energy markets, economic efficiency, and consumer and environmental benefits through development of electric power infrastructure. For more information, visit www.wiresgroup.com or contact Jim Hoecker at 202.639.6500.