

Office of the Governor

September 9, 2011

The Honorable Stephen Chu
Secretary
U.S. Department of Energy
1000 Independence Avenue
Washington, DC 20585

RE: Comments regarding the proposed delegation to FERC of DOE responsibilities under Section 1221 of the Energy Policy Act of 2005.

Dear Secretary Chu:

Thank you for the opportunity to provide comments on the proposed delegation of authority from the Department of Energy (DOE) to the Federal Energy Regulatory Commission (FERC) under Section 1221 of the Energy Policy Act of 2005. The proposed delegation of authority to FERC would include conducting congestion studies, designating project-specific National Interest Electric Transmission Corridors, and revising FERC's previously delegated authority to permit transmission projects within those corridors. Insufficient time has been accorded to consider the real magnitude of the effects of this proposed delegation of authority.

That said, based on the information available to me, I recommend that DOE not delegate these authorities to FERC. The aforementioned responsibilities were created in the Energy Policy Act of 2005 under the misapprehension that states were the major contributing factor in halting the permitting of interstate transmission facilities. Under the proposed delegation of responsibilities, FERC would have the ability to pre-empt state's authority – pre-emption is not something that should occur. There are few reasons why a state would withhold the approval of a permit for an interstate electric transmission facility, and when those reasons exist, they must be fully considered and appreciated at the federal level. It has been my experience that it is not the states but rather the lengthy federal permitting processes that delay timely permitting.

I am an advocate for the development and construction of new interstate electric transmission, but such does not have to come at the expense of states' rights. Wyoming currently has numerous transmission lines proposed and in different stages of development. There is growing demand in the West for the development of new interstate transmission facilities to meet the needs of the end users. Getting these projects built without delay will ultimately benefit industry and consumers with reliable, lower-cost electricity. Transmission development will also advance the construction of power generating facilities to meet the growing power needs of industry and consumers. I think the best way to get electric

transmission built, without lengthy and costly delays, is to have a more collaborative effort between state and federal government. Requiring state and federal permitting actions to be met within a specified deadline would ensure interstate transmission is permitted in a timely manner, thus addressing the growing congestion and supply constraints. Changing state and federal agency responsibilities under Section 1221 will undercut the achievement of our mutual objective of building needed transmission.

The State of Wyoming and its agencies are willing to work with federal agencies in this effort to get interstate transmission permitted in a timely manner. I look forward to working with you in this effort and request that the recommendations in this document be addressed.

Sincerely,



Matthew H. Mead
Governor

Cc: Senator Mike Enzi
Senator John Barrasso
Representative Cynthia Lummis
Alan Minier, Wyoming Public Service Commission
Loyd Drain, Wyoming Infrastructure Authority