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Vice President, Government Relations

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Julia Souder
U.S. Department of Energy
Office of Electricity Delivery and Energy Reliability
1000 Independence Ave, SW
Washington, DC 20585

NEMA COMMENTS ON DOE/DOI NOTICE OF INTENT TO PREPARE A PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT ENTITLED "DESIGNATION OF ENERGY CORRIDORS ON FEDERAL LAND IN THE 11 WESTERN STATES" (DOE/EIS—0386)

Dear Ms. Souder:

NEMA appreciates the opportunity to comment on the important matters addressed in the Federal Register Notice of September 28, 2005. NEMA is the trade association representing about 400 manufacturers that make, among other things, the products in the electricity value chain commonly referred to as the electricity infrastructure, including transmission and distribution system products and technologies. Because NEMA's product scope covers the entire electricity value chain, NEMA is in a unique position to champion appropriate energy solutions from generation, transmission, distribution, and efficiency of end-use products without favoring any particular product solution over others. NEMA has previously commented to DOE on such matters as the process for designation of National Interest Electric Transmission Corridors, electrical product energy efficiency, and roadmaps for electrical product technology development.

NEMA notes that the need for designation of National Interest Electric Transmission Corridors was discussed in the May 2001 report *National Energy Policy Report of the National Energy Policy Development Group* (commonly called the National Energy Policy report or Cheney report). This report established a deadline of December 31, 2001 to identify transmission bottlenecks and measures to remove these bottlenecks. The Secretary of the Interior and the former Secretary of Energy were participants in the study. Now we have the Energy Policy Act of 2005, which requires DOE to designate such corridors within one year of the August 8, 2005 enactment. NEMA is concerned that the sense of urgency expressed by the Administration and Congress is not evident in the implementation of this policy matter. Designation of these corridors is essential, among other things, because the federal backstop siting process (EPA Act 2005 Section 1221) is to be used for permit applications to build facilities in these corridors.

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The *No Action Alternative* assessment should recognize that “no action” is, in fact, an action that has consequences. For this evaluation impacts might include, for example, using less efficient power sources; using fewer renewable energy sources, which may be remote from existing transmission lines; having to continue use of older urban less clean generation technologies; and high congestion economic costs to urban areas.

Although some needed reliability improvements and/or congestion reductions would require new transmission corridors, NEMA believes that many bottlenecks can be relieved by corridor upgrades. Such upgrades would minimize impacts to the environment and to the public. NEMA has advocated this approach with Congress and FERC and we have seen this reasoning embodied in the Energy Policy Act of 2005 in Section 1223 as “advanced transmission technologies”. These technologies could also be used for new corridors to minimize impact. NEMA recommends that these technologies be included in evaluations for both the *Increased Utilization Alternative* and the *New Corridor Alternative*.

Many bottlenecks to long distance electricity transport occur at interfaces between transmission systems. In the past, these interfaces were designed for modest interchanges that benefited both systems, but today these interfaces are called upon to transfer large amounts of energy that may benefit only one or neither of the systems. A mechanism to consider these interfaces, because of their national implications needs to be included. NEMA proposes that substations be considered as “corridors” under EPAct 2005, which has a broad definition of “corridor”. Certainly, substation upgrades would have minimal public impact.

In the *Identification of Environmental Issues* section, the Notice of Intent provides a list of issues to be considered. Positive benefits from development should also be included. For example, project construction and operation could create positive socioeconomic impacts as well as job opportunities for minority and low-income populations.

NEMA recommends that a public meeting be held in Washington, DC, as well as the western locations. Numerous western entities have Washington offices to represent their policy interests and the Departments could facilitate this meeting with minimal cost to the government at a time when federal travel is to be minimized.

Planning and constructing energy facilities is a process that involves long timelines, often decades. NEMA hopes that the “designation” process could shorten project schedules. Consideration should be given to what “designation” implies. Once the investment has been made to evaluate and select favored alternatives there should be a set aside process that would apply for a long term so that the benefits can be reaped later when a permit application is tendered. If a designated corridor were used for another purpose this value of designation would be lost. At a minimum, consideration of a designated corridor for another use should evaluate the value lost as a cost to the new project.

Please contact Mr. Edward Gray, NEMA Director for Energy Infrastructure, at 703-841-3265 for additional information or follow-up to our submitted comments.

Respectfully submitted,
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