

July 24, 2008

The Honorable Arlen Specter
Hart Senate Office Building
Suite 711
Washington, DC 20510

Dear Senator Specter:

Thank you for all your efforts to “shine a light”, on the National Interest Electric Transmission Corridor (NIETC) designated by the Department of Energy (DOE) on October 5, 2007. As you may know the NIETC, Section 1221 of the Energy Policy Act of 2005, was added in “conference” and therefore did not receive full scrutiny by Congress. As a result of the letter you and 12 other Senators sent to Senators Bingaman and Domenici on February 12, 2008 the Energy and Natural Resources Committee has agreed to hold a hearing on “Transmission Initiatives” including the NIETC on July 31st. On behalf of the undersigned organizations, we thank you for your crucial support on this issue and urge you to voice your concerns on the NIETC to the Energy and Natural Resources Committee. The NIETC designation has significant impacts not only to Pennsylvania but far beyond our region.

The Mid-Atlantic NIETC designation covers all or portions of eight states, including 52 of Pennsylvania’s 67 counties. NIETC designation allows private corporations the right to appeal an adverse state decision on a proposed transmission line to the Federal Energy Regulatory Commission (FERC). Using this new federal eminent domain authority, FERC may reject any decision made by the Pennsylvania Public Utility Commission (PUC) and the proposed transmission line may be sited against the Commonwealth of Pennsylvania’s considered judgment.

On November 5, 2007 the Pennsylvania PUC filed for a rehearing with the DOE over the NIETC and also filed suit against the NIETC designation in U.S. District Court. In both filings the PUC alleges that the DOE’s “expansive interpretation of its own powers is neither reasonable, nor reasonably required to effectuate Congress’ purpose,” nor is it supported by the Act (the *Energy Policy Act of 2005*). The PUC further asserts in the filing that as “DOE ignored the comments by the states in the previous proceeding, we wanted to ensure that we explore every opportunity for making certain that vital decisions about Pennsylvania continue to be made in Pennsylvania.”

Over the past 50 years, our organizations have worked to protect the natural, scenic and agricultural resources of Pennsylvania. NIETC designation puts hundreds of thousands of acres of protected open space and farmland at risk of federal condemnation. Federal and state taxes were used to protect many of these lands, including portions of the lands held by nonprofit land trusts which receive grants from Pennsylvania’s Keystone, Growing Greener and Farmland Preservation programs. County and municipal taxes also contributed to local land acquisitions. Over the years, voters have passed – usually by overwhelming margins – two statewide, almost 100 municipal and eight county open-space conservation funding initiatives totaling \$1.3 billion dollars. These funds have gone towards the protection and stewardship of open space, farmland, recreation and historic preservation in Pennsylvania. Federal eminent domain for transmission projects undermines these public investments.

Federal condemnation powers should be used to build new power lines ONLY if all other cost effective alternatives for providing reliable power have been exhausted. Consideration of reasonable and available alternatives such as energy efficiency, local generation, technological upgrades to existing transmission, and demand response programs could greatly reduce congestion in the electricity grid, obviating the need for new transmission, while providing lower impact solutions to meet our energy needs. We are very

concerned that the DOE did not comply with the statutory requirements of Section 1221 of the Energy Policy Act of 2005 to consider alternatives prior to designating the Mid-Atlantic corridor. The PUC has repeatedly requested that the DOE include energy conservation and efficiency goals into its modeling of congestion

The Mid-Atlantic NIETC designation does more than jeopardize Pennsylvania's scenic landscapes and the open space and natural resources protected by state, federal and local tax dollars within them. Expansion of coal fired generation to supply the power needs of the region has the potential to undermine Pennsylvania's own clean energy initiatives, which include energy efficiency, local generation, and demand response programs. Just this month, the General Assembly and Governor Rendell committed to investing \$650 million in new energy technologies with the passage of Special Session House Bill 1. In the last year demand-side resources and new generation have been meeting PJM's projected capacity needs. It is imperative that the NIETC designation be re-examined in light of this market evidence that non-transmission resources are adequate for meeting projected future system demand.

Please ensure that the NIETC program receives a balanced hearing in the Energy and Natural Resources Committee and voice any concerns you have on the designation to the committee. We believe that Congress needs adequate time to address the many concerns about this sweeping authority before allowing private corporations the right to exercise federal condemnation for transmission lines that may be unnecessary. Although our organizations support reliable and affordable power, we would like reassurance that other cost effective solutions have been exhausted prior to taking public and private lands.

Thank you for your support on this issue. If you have any questions, please call Andy Loza, Executive Director, Pennsylvania Land Trust Association at (717) 230-8560 or Kristen Sykes, Mid-Atlantic Project Manager, Appalachian Mountain Club at (610) 868-6903.

Sincerely yours,

Appalachian Mountain Club

Audubon Pennsylvania

Berks County Conservancy

Carantouan Greenway

Centre County Farmland Trust

ClearWater Conservancy

Cooks Creek Watershed Association

Delaware Riverkeeper Network

Evergreen Conservancy

Kennett Township Land Trust

Lancaster Farmland Trust

Appalachian Trail Conservancy

Bedminster Land Conservancy

Brandywine Conservancy

Central Pennsylvania Conservancy

Clean Air Council

Conservancy of Montgomery County

Delaware Highlands Conservancy

East Nantmeal Land Trust

Highlands Coalition

Lancaster County Conservancy

Lake Erie Region Conservancy

Lebanon Valley Conservancy, Inc.

Merrill W. Linn Land and Waterways
Conservancy

Montgomery County Lands Trust

Natural Lands Trust

North Branch Land Trust

PA Land Trust Association

Pennsbury Land Trust

National Parks Conservation Association

Sierra Club, PA Chapter

Susquehanna Greenway Partnership

The Nature Conservancy, PA Chapter

Western Pennsylvania Conservancy

Wildlands Conservancy

Willistown Conservation Trust

Cc: Pennsylvania Congressional Delegation
Governor Edward Rendell
Pennsylvania PUC