



"Serving Western Legislatures"

The Council of State Governments-WEST

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The Honorable Joseph T. Kelliher, Chairman
The Honorable Nora Mead Brownell
The Honorable Suedeen G. Kelly
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Dear Chairman Kelliher and Commissioners Brownell and Kelly:

The Council of State Governments-*WEST* (CSG-*WEST*) appreciates this opportunity to comment and make recommendations on the Commission's proposed rules to implement the reliability provisions of the Energy Policy Act of 2005.¹ CSG-*WEST* is a public, non-profit, non-partisan organization serving legislators in the 13 western states.

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We believe that the Commission rules must reflect:

- Delegation of responsibility to develop reliability standards for the Western Interconnection to the Western Electricity Coordinating Council (WECC);
- Deference to enforcement of such standards by WECC;
- Approval of the WECC budget necessary to implement the Act, including funds to operate any interconnection-wide Regional Advisory Body established by Governors pursuant to Section 215(j) of the Federal Power Act;
- FERC deference to the advice of a Western Interconnection Regional Advisory Body, provided there are no significant electrical impacts that would affect other parts of the country.
- Immediate adoption by the Commission of the reliability standards in WECC's Reliability Management System. The Commission has previously approved these standards which should now be sanctioned under Section 215.

¹ Notice of Proposed Rulemaking, Rules Concerning Certification of the Electric Reliability Organization; and Procedures of the Establishment, Approval, and Enforcement of Electric Reliability Standards, Docket No. RM05-30-000, 112 FERC 61,239, Issued September 1, 2005.

These recommendations are based on the sound governmental principle that decisions are best made by those closest to the issues and who bear the consequences of the decisions. In the case of electric system reliability, the dispersed geographic structure of the Western Interconnection and the laws of physics create technical reliability issues that are fundamentally different from the Eastern Interconnection. Those in the Western Interconnection should decide the proper balance between system reliability and the cost of achieving that reliability – a cost that will be borne by western consumers.

We vigorously oppose having parties in Princeton, New Jersey, and Washington, D.C. determine the type of reliability standards for the West, the appropriate level of electric system reliability in the West, and how much Westerners should pay for such reliability. *To that end, we urge the Commission to implement the intent of Congress by providing deference and delegation to the Western Interconnection in the setting and enforcement of reliability standards.*

Sincerely,



Senator Kate Brown, Oregon
Senate Majority Leader
Chair, CSG-WEST



Senator Mike Dmitrich, Utah
Senate Minority Leader
Chair, CSG-WEST Energy &
Public Lands Committee