THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE RESOLUTION No. 129 Session of 2007

INTRODUCED BY STOUT, MUSTO, DINNIMAN, KASUNIC AND M. WHITE, JUNE 11, 2007

REFERRED TO ENVIRONMENTAL RESOURCES AND ENERGY, JUNE 11, 2007

A RESOLUTION

1 2 3 4	Opposing the designation of national interest electric transmission corridors and memorializing the Congress of the United States to repeal or modify certain provisions of the Energy Policy Act of 2005.
5	WHEREAS, The Energy Policy Act of 2005 (EPact) was passed by
6	the Congress on July 29, 2005, and signed into law on August 8,
7	2005; and
8	WHEREAS, The EPact was promoted as a comprehensive approach
9	to growing energy needs and designed to guarantee development of
10	domestic fuel production and energy supply, thereby ending
11	United States dependence on foreign oil; and
12	WHEREAS, Provisions of the omnibus legislation touch on
13	nearly every segment of energy production and use, including
14	nuclear power, electricity, natural gas, fossil fuels, renewable
15	energy and competitive generation; and
16	WHEREAS, A provision of Title XII of the EPact, Electricity,
17	however, preempts what have long been fundamental powers of
18	state and local governments; and
19	WHEREAS, Section 1221, for example, transfers the authority

1 to approve the siting of certain transmission lines from state 2 governments and their political subdivisions to agencies of the 3 Federal Government; and

WHEREAS, Section 1221(a) of EPact directs the United States
Secretary of Energy to, in consultation with states, conduct
periodic nationwide studies of electric transmission congestion;
and

8 WHEREAS, The Secretary of Energy released its initial 9 National Electric Transmission Congestion study in August 2006; 10 and

11 WHEREAS, Based upon the findings of any congestion study, the 12 Secretary of Energy may designate "any geographical area 13 experiencing electric energy transmission capacity constraints 14 or congestion that adversely affects customers" as a "national 15 interest electric transmission corridor" or national corridor; 16 and

WHEREAS, Section 1221(b) further conveys to the Federal Energy Regulatory Commission (FERC) the authority to issue permits for construction or modification of electric transmission facilities situated or proposed to be situated in any Department of Energy designated national interest electric transmission corridor; and

23 WHEREAS, The FERC would be able to override the authority of 24 the Pennsylvania Public Utility Commission to issue a 25 certificate of public convenience to approve and locate a 26 transmission line in a Department of Energy designated national 27 interest electric transmission corridor if:

(1) the Pennsylvania Public Utility Commission had no
 authority to approve a specified transmission line proposal
 or would fail to consider interstate benefits of the proposed
 20070S0129R1161 - 2 -

1 transmission line;

2 (2) the applicant would not qualify for a certificate of
3 public convenience issued by the Pennsylvania Public Utility
4 Commission because it does not serve end-use customers in the
5 Commonwealth of Pennsylvania;

6 (3) the Pennsylvania Public Utility Commission would fail 7 to act on an application for approval to locate and construct 8 the new transmission line within one year of the filing of an 9 application or one year after designation as a national 10 interest electric transmission corridor, whichever is later; 11 or

12 (4) the Pennsylvania Public Utility Commission would 13 condition its approval in such a manner that the proposed 14 construction or modification would not significantly reduce 15 transmission congestion or would not be economically

16 feasible;

17 and

WHEREAS, The Pennsylvania Public Utility Commission and its predecessor, the Public Service Commission, have had jurisdictional and regulatory authority over public utilities and public utility service, including the review and approval of applications for the location and construction of transmission lines in the Commonwealth of Pennsylvania since 1913, or for 94 years; and

25 WHEREAS, The designation of national interest electric 26 transmission corridors in the Commonwealth of Pennsylvania, 27 coupled with FERC "backstop" authority to issue permits to site 28 a transmission line and thereby override the recommendations of 29 the Pennsylvania Public Utility Commission, would give electric 30 utilities access to Federal eminent domain authority; and 20070S0129R1161 - 3 - 1 WHEREAS, If FERC would institute its "backstop" authority, 2 the holder of a FERC-issued permit would be empowered to 3 exercise the right of eminent domain to condemn and acquire 4 private property to locate and construct the transmission line; 5 and

6 WHEREAS, On March 6, 2006, Allegheny Power and the PJM Interconnection, the Regional Transmission Organization that 7 coordinates the movement of wholesale electricity in all or 8 parts of 13 states and the District of Columbia, including the 9 10 Commonwealth of Pennsylvania, filed for early designation as a 11 national interest electric transmission corridor a 240-mile, 500 kV transmission line which would extend from southwestern 12 13 Pennsylvania, traverse West Virginia and terminate in northern 14 Virginia; and

15 WHEREAS, On October 10, 2006, the PJM Interconnection 16 submitted another request to the Department of Energy for early designation of three additional national interest electric 17 18 transmission corridors that will encompass nearly all of the 19 Mid-Atlantic region; and

20 WHEREAS, The early request filed with the United States 21 Department of Energy by Allegheny Power and the PJM 22 Interconnection, if granted, will include significant acreage of land in the Commonwealth of Pennsylvania; and 23

24 WHEREAS, On April 26, 2007, the United States Department of 25 Energy released drafts of two national interest electric 26 transmission corridor designations, including the Mid-Atlantic Area National Corridor; and 27

28 WHEREAS, The Mid-Atlantic Area National Corridor designation 29 includes counties in Ohio, West Virginia, Pennsylvania, New York, Maryland, Virginia and includes all of New Jersey, 30 20070S0129R1161 - 4 -

1 Delaware and the District of Columbia; and

2 WHEREAS, Fifty of the Commonwealth of Pennsylvania's 67 3 counties, or 75% of the land within the Commonwealth's 4 geographic borders, are included in the Mid-Atlantic Area 5 National Corridor designation; and

6 WHEREAS, In its release announcing the draft national 7 interest electric transmission corridor designations, the 8 Department of Energy revealed that it would convene three public 9 meetings during a 60-day comment period; and

10 WHEREAS, In its April 26, 2007, announcement, the Department 11 of Energy revealed that public meetings would be held in New 12 York, Virginia and California during the 60-day comment period; 13 and

WHEREAS, Some local governments, citizens and preservation 14 15 groups that would be directly impacted by the designation of 16 national interest electric transmission corridors in the Commonwealth of Pennsylvania and some other affected states 17 18 contacted the Department of Energy to express their disappointment and concern that no public meetings were planned 19 20 for Pennsylvania and other affected states during the 60-day 21 comment period; and

22 WHEREAS, On May 8, 2007, the Department of Energy announced 23 that it would hold four additional meetings during the 60-day 24 public comment period in some states, including the Commonwealth 25 of Pennsylvania, that would be impacted by the national interest 26 electric transmission corridor designations; and

27 WHEREAS, The Pennsylvania public meeting will be convened in 28 the month of June in Pittsburgh, Pennsylvania; and

29 WHEREAS, The 60-day comment period for the Mid-Atlantic Area 30 National Corridor designations is scheduled to end on July 6, 20070S0129R1161 - 5 - 1 2007; and

2 WHEREAS, It is alleged that the transmission lines proposed 3 to be located and constructed in the Mid-Atlantic Area National 4 Corridor would be used to relieve energy congestion and 5 constraints and improve electric reliability in population 6 centers of the East Coast; and

7 WHEREAS, Designation of national interest electric 8 transmission corridors in the Commonwealth of Pennsylvania could 9 diminish or eliminate the role of the Pennsylvania Public 10 Utility Commission, the administrative agency of the 11 Commonwealth that has regulatory authority over the approval of 12 applications for the location and construction of transmission 13 lines; and

14 WHEREAS, Designation of national interest electric 15 transmission corridors would also adversely limit or completely 16 eliminate the roles of the Office of Consumer Advocate and the 17 Office of Small Business Advocate; and

18 WHEREAS, The Office of Consumer Advocate and the Office of 19 Small Business Advocate are administrative agencies of the 20 Commonwealth of Pennsylvania that were expressly established by 21 Pennsylvania statute to represent the interests of consumers and 22 small businesses, respectively, in proceedings before the Pennsylvania Public Utility Commission, including certain 23 matters related to the location and construction of transmission 24 25 lines; and

26 WHEREAS, Designation of national interest electric 27 transmission corridors and FERC's accompanying "backstop" 28 authority could diminish or even eliminate the roles of other 29 administrative agencies of the Commonwealth of Pennsylvania that 30 were established for the express purpose of protecting 20070S0129R1161 - 6 -

Pennsylvania's economic, natural, historical, cultural and 1 recreational resources, including the Departments of 2 3 Environmental Protection, Conservation and Natural Resources, 4 Agriculture and Transportation as well as the Game Commission and the Historical and Museum Commission; and 5 6 WHEREAS, Designation of national interest electric 7 transmission corridors in the Commonwealth of Pennsylvania would undermine and in some cases eliminate the Commonwealth's ability 8 to determine, manage and control land use policies, including 9 10 land use policies on its agricultural lands, forest reserves, 11 recreational areas, game lands and other natural and

12 environmentally sensitive areas; therefore be it

RESOLVED, That the Senate of Pennsylvania recognize fully the energy and environmental challenges facing the Commonwealth of Pennsylvania in general and the United States in particular; and be it further

17 RESOLVED, That the Senate believe that demand for energy 18 continues to be a concern nationwide, especially in major population centers, and that an effective national energy policy 19 20 must include increased emphasis on conservation, renewable 21 energy, energy-efficient alternatives, demand-side management, 22 innovations and new technologies while simultaneously providing 23 incentives to increase domestic production and supply; and be it 24 further

25 RESOLVED, That the Senate recognize that an effective energy 26 policy must be addressed nationally but should reflect 27 traditional state and local authority over environmental and 28 energy matters; and be it further

29 RESOLVED, That the Senate oppose the provisions of EPact 30 which preempt the authority of the Commonwealth of Pennsylvania 20070S0129R1161 - 7 -

1 and its political subdivisions to determine land use policies and which usurp the traditional and fundamental authority of the 2 3 Pennsylvania Public Utility Commission to review and approve applications for the location and construction of transmission 4 5 lines in the Commonwealth of Pennsylvania; and be it further 6 RESOLVED, That the Senate urge the members of the Pennsylvania Congressional Delegation to support legislation to 7 8 repeal section 1221 of EPact and thereby preserve the 9 fundamental rights of the Commonwealth of Pennsylvania and its people to determine the future of land use policies; and be it 10 11 further 12 RESOLVED, That copies of this resolution be transmitted to

the presiding officers of each house of Congress and to each

14 member of Congress from Pennsylvania.

13