



Midwestern Governors Association

News Release:

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Midwestern Governors Cooperate To Promote Electric Transmission Investment

Governors of 15 states, mostly in the Midwest, have agreed they will work together to support additional investment in a reliable electric transmission grid. Further, they have committed to regional cooperation in permitting and locating interstate and international electric transmission lines. Standing before a banner reading "Building the Energy Highway," the participating state governors announced the regional electric transmission protocol during the Midwestern Governors Association meeting in Des Moines on July 16. The premier of the Canadian province of Manitoba was also on hand pledging support.

"Each signatory to this protocol recognizes the value for a robust, reliable electric transmission system," Iowa Governor Thomas Vilsack told the gathering. "We support additional investment such as research, development, and implementation in the electric transmission grid when it is needed and in the public's interest. Respective of state laws and rights, we agree to support efforts to improve coordination and cooperation when evaluating and processing applications for future projects that cross state and national boundaries."

Vilsack and Ohio Governor Bob Taft pushed for the regional electric transmission agreement. They approached the other governors and Manitoba's premier about the reliability and economic development benefits of additional investment in electric transmission. Construction of new electric transmission facilities has not kept pace with increases in electric generating capacity.

"This is clearly a watershed development to have 15 governors and Manitoba's premier agree to collectively plan for transmission grid expansion and improvement," said Federal Energy Regulatory Commissioner Nora Mead Brownell. "I commend them for exercising far-sighted leadership that will support and enhance economic development in North America's heartland. I'm very excited and FERC will do everything it can to support this effort."

Nationwide, annual transmission investment fell from more than \$5 billion during the mid 1970s to less than \$1 billion in 2002. Generation capacity has grown significantly both nationally and in the Midwest, particularly since 2000, but transmission investment has failed to keep pace. The result has been a more congested Midwest transmission grid as curtailment of scheduled transmission transactions more than tripled from 2000 to 2004.

The Midwestern United States and Manitoba, Canada, currently generate more than 200,000 megawatts of low-cost electricity and the potential for environmentally friendly wind power

generation in the Upper Midwest is enormous. A robust electric transmission grid is essential to deliver low-cost and renewable power to customers.

Publicly supporting the Midwest electric transmission protocol are the Governors of Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin, Montana, and Pennsylvania, and the Premier of Manitoba, Canada. Those supporting the protocol recognized the need for a reliable and efficient electric transmission system, additional investment in the transmission grid when it is warranted, and improved coordination and cooperation in the planning and processing of applications for electric transmission projects that cross state and national boundaries. Those not present have pledged their support.

To read the Midwestern Governors Protocol visit:

www.midwesterngovernors.org/protocol.pdf
