



**MICHEHL R. GENT**  
President and CEO

## **NORTH AMERICAN ELECTRIC RELIABILITY COUNCIL**

Princeton Forrestal Village, 116-390 Village Boulevard, Princeton, New Jersey 08540-5731

July 25, 2003

The Honorable Pete Domenici  
United States Senate  
328 Hart Senate Office Building  
Washington, D.C. 20510

Dear Senator Domenici:

### **Support for Reliability Language**

As the Senate resumes consideration of the energy legislation, we are writing to reaffirm our continuing support for the reliability language contained in section 1111 of S. 14 and in the amendment in the nature of a substitute for the electricity title of S. 14 that you released on July 24, 2003. Joining NERC in support of the reliability language are the following: American Electric Power, American Public Power Association, Canadian Electricity Association, Edison Electric Institute, Institute of Electrical and Electronics Engineers – USA, National Association of Regulatory Utility Commissioners, National Association of State Utility Consumer Advocates, National Electrical Manufacturers Association, National Rural Electric Cooperative Association, Pepco Holdings, Inc., Transmission Access Policy Study Group, TXU Corporation, Western Electricity Coordinating Council, and the Western Governors Association.

These provisions meet the fundamental need for establishment of a system of mandatory and enforceable reliability rules applicable to all users, owners, and operators of the North American bulk power grid. The provisions build on the existing voluntary reliability system by authorizing an independent, industry-led organization to set and enforce such mandatory reliability rules, subject to Federal Energy Regulatory Commission oversight in the United States.

The legislative provisions are carefully crafted to bring the expertise of industry to bear in the formulation, implementation, and ultimately enforcement of the reliability rules. The amendment in the nature of a substitute adds a savings clause to the reliability language clarifying that the Electric Reliability Organization provided for in the legislation will not be considered an agency of the United States Government. We support that addition. That clarification is fully consistent with the determinations already made regarding the functions to be exercised by the Electric Reliability Organization in the new mandatory reliability system.

We commend you for your commitment to passage of this vital legislation before the upcoming Congressional recess, and look forward to working with you to support enactment of the reliability language as soon as possible.

Sincerely,

cc: Senator Jeff Bingaman  
Members of the Senate Energy and  
Natural Resources Committee