

**Congress of the United States**  
Washington, DC 20515

August 12, 2004

The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

A year ago, the nation suffered one of the worst blackouts in its history. Fifty million people in eight states and the Canadian province of Ontario were adversely affected by this massive power outage. In our state of Michigan alone, more than six million people are estimated to have lost power. Factories and small businesses were closed, drinking water was lost, and public safety was impaired. The State of Michigan's initial estimate placed economic loss at \$20 million – not including the costs to our utilities which were believed to be at least \$35 million. Clearly, this was a disaster that cannot afford to ever be repeated.

In response to the blackout, you called for a joint United States-Canada Power System Outage Task Force (the "Task Force") to examine the causes. The Task Force had a simple recommendation for Congress – pass legislation establishing mandatory enforceable reliability standards, terming it "the single most important step" toward preventing another blackout.

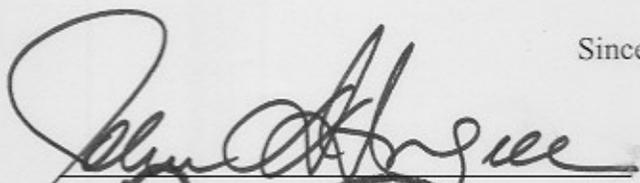
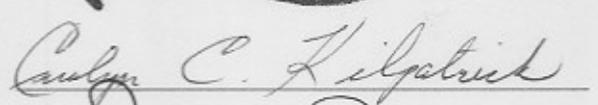
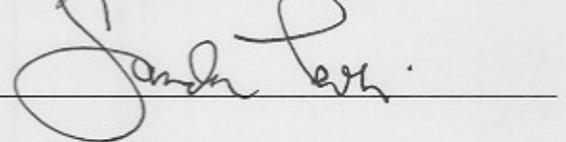
Representatives and Senators on both sides of the aisle support this important legislation. It has been included in the more comprehensive energy bills of the past two Congress. That legislation, however, is highly controversial, including large tax benefits to energy producers, provisions relaxing environmental standards, and liability waivers for fuel additives. With Senators on both sides of the aisle in opposition to the bill, its passage is doubtful.

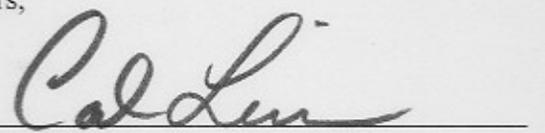
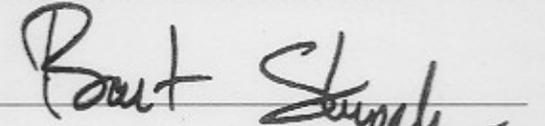
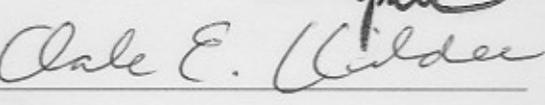
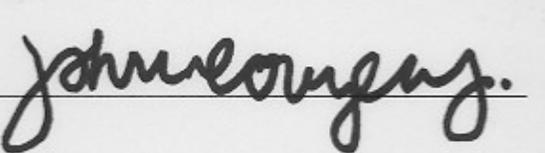
The simple solution would be to pass this consensus reliability legislation separately. Chairman Pat Wood of the Federal Energy Regulatory Commission told the House Committee on Energy and Commerce on May 5, 2003, that if the comprehensive energy bill were not likely to pass, he would support stand-alone reliability legislation. Selecting these important provisions for separate passage is certainly not unprecedented. In the last Congress, with the energy bill conference deadlocked, and with your approval, Congress passed pipeline safety legislation, as well as thorium reimbursement legislation, after separating it from the bill.

Separate reliability legislation based upon the recommendations of the Task Force and the provisions in the energy bill have been introduced in both houses, but the Republican Leadership controlling Congress has refused to consider these bills, in effect holding this important legislation hostage to the fate of the broader energy bill. This is unwise and unfair to the millions who have waited patiently for their government to take action on their behalf to ensure that the threat of another severe power outage is mitigated.

Mr. President, you can break this gridlock by calling upon Congress to pass separate reliability legislation immediately. We cannot afford to risk the well being of millions of Americans by taking an all-or-nothing approach. A strong bipartisan majority of both the House and Senate support the provisions of these bills, but they need you to lead the way to enactment. We urge you to join us in commemorating the one year anniversary of the blackout by working for enactment of stand-alone reliability legislation as soon as Congress reconvenes in September.

Sincerely yours,

cc: The Honorable Jennifer M. Granholm  
Governor of Michigan

The Honorable Kwame M. Kilpatrick, Mayor  
City of Detroit, Michigan