The Honorable Fred Upton
Chairman
House Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Henry Waxman
Ranking Member
House Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Upton and Ranking Member Waxman:

I am writing to express ITC Holding's support for H.R. 3301, *the North American Energy Infrastructure Act*, legislation to establish a more uniform, transparent and modern process for approving transmission facilities that cross international boundaries. Transmission facilities should not be subject to delay as a result of a federal permitting process that is ambiguous and indefinite. ITC Holdings (ITC) believes the reforms offered under this legislation will afford applicants more certainty and clarity in obtaining necessary approvals from the federal government that will result in a more reliable and effective transmission grid.

The 2003 Blackout demonstrated the sensitive, interconnected nature of the North American power grid. Started by a single incident in Ohio, that outage cascaded from Michigan all the way through New England and into Canada, leaving an estimated 50 million people without power. A report by the U.S. Department of Energy (DOE) estimated the economic harm caused by the 2003 blackout to be between $4 billion and $10 billion -- $2.3 billion alone in the Canadian Providence of Ontario.

ITC has experience with the DOE's existing Presidential Permit, which can be confusing and at times frustrating. For example, during preliminary discussions, DOE changed the requirements for amending the permit ITC sought and there was no predetermined, transparent process for ITC to follow. This lack of clarity forced ITC to delay filing its application for several months, despite the fact that ITC already possessed a permit and all that was needed was an amendment. In addition, DOE allowed late interventions in its proceedings, after close of the comment period, seemingly to be responsive to concerns associated with a separate process underway at the Federal Energy Regulatory Commission involving tariff issues for the same facility. Allowing these two distinct proceedings to inappropriately merge caused additional delay. Ultimately, it took nearly a year for ITC to receive its amended permit to begin operation of the modified facility.

In closing, ITC believes H.R. 3301 is an important step in streamlining the process for facilitating the necessary review for cross border transmission facilities. Having a clear, predictable process and definitive timeline will help ensure utilities like ITC can place necessary facilities into service in a timely fashion. ITC looks forward to working with you to help advance this common sense approach.

Sincerely,

Jon Jipping
Executive Vice President and Chief Operating Office
ITC Holdings, Inc.

ITC HOLDINGS CORP. 27175 Energy Way • Novi, MI 48377
phone: 248.946.3000 • www.itctransco.com